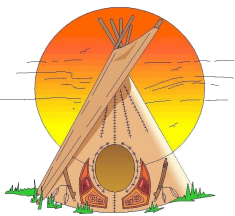


Flying Dust First Nation
Consolidated Financial Statements
March 31, 2020



Flying Dust First Nation Contents

For the year ended March 31, 2020

Page

Management's Responsibility

Independent Auditor's Report

Consolidated Financial Statements

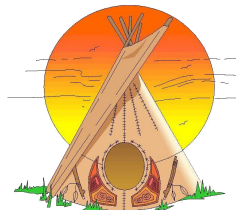
| | |
|---|---|
| Consolidated Statement of Financial Position..... | 1 |
| Consolidated Statement of Operations..... | 3 |
| Consolidated Statement of Accumulated Surplus..... | 4 |
| Consolidated Statement of Remeasurement Gains and Losses..... | 5 |
| Consolidated Statement of Change in Net Debt..... | 7 |
| Consolidated Statement of Cash Flows | 8 |

| | |
|---|---|
| Notes to the Consolidated Financial Statements..... | 9 |
|---|---|

Schedules

| | |
|--|----|
| Schedule 1 - Consolidated Schedule of Tangible Capital Assets..... | 24 |
| Schedule 2 - Schedule of Consolidated Expenses by Object..... | 26 |
| Schedule 3 - Segment Revenues and Expenses and Surplus (Deficit) - Administration..... | 27 |
| Schedule 4 - Segment Revenues and Expenses and Surplus (Deficit) - Band Programs..... | 28 |
| Schedule 5 - Segment Revenues and Expenses and Surplus (Deficit) - Capital..... | 30 |
| Schedule 6 - Segment Revenues and Expenses and Surplus (Deficit) - Economic Development..... | 31 |
| Schedule 7 - Segment Revenues and Expenses and Surplus (Deficit) - Education..... | 32 |
| Schedule 8 - Segment Revenues and Expenses and Surplus (Deficit) - Flying Dust Property Tax Program..... | 33 |
| Schedule 9 - Segment Revenues and Expenses and Surplus (Deficit) - Health..... | 34 |
| Schedule 10 - Segment Revenues and Expenses and Surplus (Deficit) - Infrastructure..... | 35 |
| Schedule 11 - Segment Revenues and Expenses and Surplus (Deficit) - Reserves & Trusts..... | 36 |
| Schedule 12 - Segment Revenues and Expenses and Surplus (Deficit) - Social Services..... | 37 |

Management's Responsibility



To the Members of Flying Dust First Nation:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Flying Dust First Nation Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Council to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

November 6, 2020

Signed by: Sheldon Gervais

Finance Director

Independent Auditor's Report

To the Members of Flying Dust First Nation:

Opinion

We have audited the consolidated financial statements of Flying Dust First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, accumulated surplus, remeasurement gains and losses, change in net debt, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, its consolidated change in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report *(continued from previous page)*

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

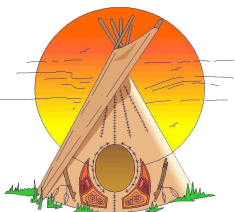
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan

November 6, 2020

MNP LLP

Chartered Professional Accountants

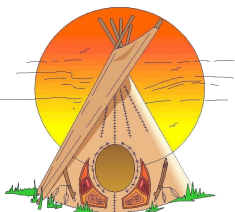


Flying Dust First Nation

Consolidated Statement of Financial Position

As at March 31, 2020

| | 2020 | 2019 |
|--|------------------|------------------|
| Financial assets | | |
| Current | | |
| Accounts receivable (Note 3) | 1,299,343 | 2,092,035 |
| Investment in Gensource Potash Corporation (Note 4) | 239,356 | 305,277 |
| Inventory | - | 19,625 |
| Restricted cash (Note 5) | 2,428,570 | 2,556,018 |
| | 3,967,269 | 4,972,955 |
| Portfolio investments (Note 6) | 53 | 53 |
| Advances to related Nation entities (Note 7) | 324,295 | 221,724 |
| Investment in Nation business entities (Note 8) | 1,229,724 | 2,525,023 |
| Funds held in trust (Note 9) | 855,936 | 820,002 |
| Market based member loan program (Note 10) | 489,881 | 271,808 |
| Total financial assets | 6,867,158 | 8,811,565 |



Flying Dust First Nation

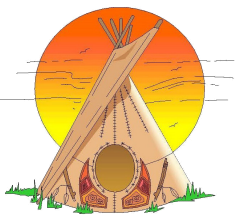
Consolidated Statement of Financial Position

As at March 31, 2020

| | 2020 | 2019 |
|--|--------------------|--------------------|
| Liabilities | | |
| Current | | |
| Bank indebtedness (Note 11) | 431,921 | 481,915 |
| Accounts payable and accruals | 2,071,164 | 1,093,330 |
| Deferred revenue (Note 12) | 3,863,162 | 3,879,425 |
| Current portion of long-term debt (Note 15) | 825,000 | 1,345,743 |
| | 7,191,247 | 6,800,413 |
| Term loan due on demand (Note 14) | 730,142 | 404,084 |
| | 7,921,389 | 7,204,497 |
| Long-term debt (Note 15) | 8,768,824 | 8,186,728 |
| Advances from related Nation entities (Note 13) | 88,873 | 178,421 |
| Total financial liabilities | 16,779,086 | 15,569,646 |
| Net debt | (9,911,928) | (6,758,081) |
| Non-financial assets | | |
| Tangible capital assets (Note 16) | 44,712,879 | 37,525,111 |
| Prepaid expenses | 262,194 | 10,431 |
| Total non-financial assets | 44,975,073 | 37,535,542 |
| Accumulated surplus (Note 18) | 35,063,145 | 30,777,461 |
| Accumulated surplus is comprised of: | | |
| Accumulated surplus (Note 18) | 35,073,790 | 30,722,185 |
| Accumulated remeasurement gains (losses) | (10,645) | 55,276 |
| | 35,063,145 | 30,777,461 |

Approved on behalf of Chief and Council

| | | | |
|--------------------------|-------------------|----------------------------|-------------------|
| Signed by: Jeremy Norman | Chief | Signed by: Marie Gladue | Councillor |
| Signed by: Tyson Bear | Councillor | Signed by: Connie Derocher | Councilor |



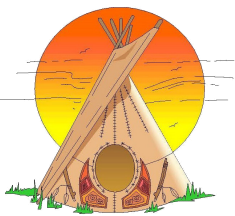
Flying Dust First Nation

Consolidated Statement of Operations

For the year ended March 31, 2020

| Schedules | 2020 Budget (Note 23) | 2020 | 2019 |
|--|-----------------------------|-------------------|-------------------|
| Revenue | | | |
| Indigenous Services Canada (Note 20) | 11,113,431 | 17,598,948 | 17,571,257 |
| Meadow Lake Health & Social Development Authority | 2,586,430 | 2,069,000 | 1,552,892 |
| MLTC Child & Family Services Inc. | 431,890 | 1,219,074 | 252,853 |
| MLTC Program Services Inc. | 574,464 | 663,924 | 576,249 |
| Canada Mortgage and Housing Corporation | - | 435,222 | 486,978 |
| Health Canada | 176,600 | 143,750 | 140,378 |
| Sales Tax revenues | - | 1,815,054 | 2,048,211 |
| Contracting income | - | 791,329 | 1,613,231 |
| Other revenue | 287,987 | 711,146 | 310,300 |
| Ottawa Trust Fund revenue | - | 680,200 | 499,307 |
| Rental income | 198,600 | 575,301 | 368,619 |
| Settlement monies | 24,105 | 698,094 | - |
| First Nations Trust funds | 250,000 | 437,630 | 437,749 |
| Northwest School Division | 330,000 | 386,088 | 304,633 |
| Sponsorship | - | 294,310 | 123,311 |
| Expense recoveries | 201,884 | 297,006 | 175,620 |
| MLTC RDI | 75,000 | 185,000 | 366,000 |
| Property tax revenue | - | 132,851 | 123,410 |
| Government of Canada | 74,420 | 122,100 | - |
| Dunmac security contracts | - | 108,237 | 142,013 |
| Northern Lights Community Development Corp. | 78,000 | 100,304 | 165,406 |
| Bingo revenues | 96,500 | 85,459 | 157,243 |
| Grant funding | 4,845 | 90,919 | 59,385 |
| Interest income | 4,586 | 41,692 | 63,839 |
| Government of Saskatchewan | 16,239 | 28,381 | 29,003 |
| Insurance proceeds | - | 55,906 | 65,000 |
| Management fees | 60,000 | 25,000 | 60,000 |
| Western Economic Diversification grant revenue | - | - | 396,854 |
| Contributions | - | - | 42,362 |
| Grant revenue from Nation business entities (Note 8) | - | 665,000 | 460,000 |
| Earnings (loss) from investment in Nation business entities (Note 8) | - | (1,295,299) | 1,929,481 |
| | 16,584,981 | 29,161,626 | 30,521,584 |

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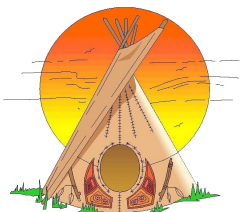


Flying Dust First Nation

Consolidated Statement of Operations

For the year ended March 31, 2020

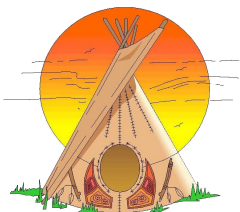
| | <i>Schedules</i> | <i>2020</i> | <i>2020</i> | <i>2019</i> |
|--|------------------|-------------------|-------------------|-------------|
| Total revenue <i>(Continued from previous page)</i> | | 16,584,981 | 29,161,626 | 30,521,584 |
| Program expenses | | | | |
| Administration | 3 | 812,959 | 1,192,236 | 1,197,448 |
| Band Programs | 4 | 758,919 | 2,872,652 | 2,110,704 |
| Capital | 5 | 887,989 | 3,156,164 | 2,665,352 |
| Economic Development | 6 | 735,578 | 2,650,136 | 2,626,026 |
| Education | 7 | 4,191,248 | 4,322,174 | 3,557,554 |
| Health | 9 | 2,600,922 | 2,737,713 | 1,812,355 |
| Infrastructure | 10 | 1,694,285 | 2,069,268 | 1,983,142 |
| Reserves and Trusts | 11 | 3,049,658 | 3,737,869 | 5,720,996 |
| Social Services | 12 | 1,546,443 | 1,649,229 | 1,548,253 |
| Total expenses | | 16,278,001 | 24,387,441 | 23,221,830 |
| Surplus before other income (expense) | | 306,980 | 4,774,185 | 7,299,754 |
| Other income (expense) | | | | |
| Contribution of land <i>(Note 16)</i> | | - | 55,000 | 896,412 |
| Loss on partnership obligation <i>(Note 17)</i> | | - | (477,580) | - |
| Surplus | | 306,980 | 4,351,605 | 8,196,166 |



Flying Dust First Nation Consolidated Statement of Accumulated Surplus

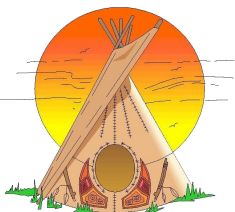
For the year ended March 31, 2020

| | 2020 | 2019 |
|---|-------------------|-------------|
| Accumulated surplus, beginning of year | 30,722,185 | 22,526,019 |
| Surplus | 4,351,605 | 8,196,166 |
| Accumulated surplus, end of year | 35,073,790 | 30,722,185 |



Flying Dust First Nation
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|-----------------|-------------|
| Accumulated remeasurement gains, beginning of year | 55,276 | 177,272 |
| Remeasurement losses on investments | (65,921) | (121,996) |
| Accumulated remeasurement gains (losses), end of year | (10,645) | 55,276 |

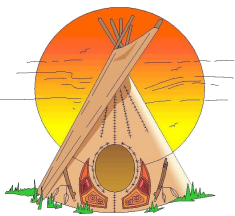


Flying Dust First Nation

Consolidated Statement of Change in Net Debt

For the year ended March 31, 2020

| | <i>2020 Budget (Note 23)</i> | <i>2020</i> | <i>2019</i> |
|---|--------------------------------------|--------------------|-------------|
| Annual surplus | 306,980 | 4,351,605 | 8,196,166 |
| Purchases of tangible capital assets | - | (8,670,173) | (9,192,717) |
| Contribution of tangible capital assets | - | (55,000) | (896,412) |
| Amortization of tangible capital assets | 135,000 | 1,537,405 | 1,101,886 |
| Acquisition of prepaid expenses | - | (262,194) | - |
| Use of prepaid expenses | - | 10,431 | 6,500 |
| Change in remeasurement gains (losses) for the year | - | (65,921) | (121,996) |
| Increase in net debt | 441,980 | (3,153,847) | (906,573) |
| Net debt, beginning of year | (6,758,081) | (6,758,081) | (5,851,508) |
| Net debt, end of year | (6,316,101) | (9,911,928) | (6,758,081) |

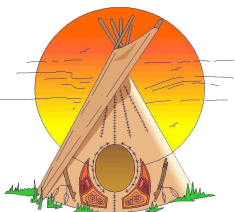


Flying Dust First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2020

| | 2020 | 2019 |
|--|-------------|-------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Surplus | 4,351,605 | 8,196,166 |
| Non-cash items | | |
| Amortization | 1,537,405 | 1,101,886 |
| Loss (earnings) from Flying Dust business entities | 1,295,299 | (1,929,481) |
| Contribution of land | (55,000) | (896,412) |
| | 7,129,309 | 6,472,159 |
| Changes in working capital accounts | | |
| Accounts receivable | 792,692 | (1,014,184) |
| Inventory | 19,625 | - |
| Prepaid expenses | (251,763) | 6,500 |
| Restricted cash | 127,448 | 7,766,658 |
| Accounts payable and accruals | 977,834 | 54,058 |
| Deferred revenue | (16,263) | (6,501,093) |
| | 8,778,882 | 6,784,098 |
| Financing activities | | |
| Net advances of current portion of long-term debt | 1,678,851 | 3,853,285 |
| Repayment of current portion of long-term debt | (1,617,498) | (608,416) |
| Advances of term loans due on demand | 326,058 | 139,558 |
| | 387,411 | 3,384,427 |
| Capital activities | | |
| Purchases of tangible capital assets | (8,670,173) | (9,192,717) |
| Investing activities | | |
| Repayment of bank indebtedness | (49,994) | (677,746) |
| Increase in funds held in trust | (35,934) | (447,553) |
| Net advances to (from) related Nation entities and departments | (192,119) | 421,350 |
| Investment in Plains North Contracting Limited Partnership | - | (51) |
| Long term loans to membership | (218,073) | (271,808) |
| | (496,120) | (975,808) |
| Decrease in cash resources | - | - |
| Cash resources, beginning of year | - | - |
| Cash resources, end of year | - | - |



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

1. Operations

The Flying Dust First Nation (the "First Nation") is located in Treaty Six Territory in the province of Saskatchewan, and provides various services to its members. Flying Dust First Nation financial reporting entity includes the First Nation's government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

2. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities, which are recorded using the modified equity method.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Flying Dust First Nation
- Flying Dust CMHC Housing Program
- Flying Dust Market Garden Ltd.
- Flying Dust Housing Corporation
- Flying Dust Community Development Fund

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Flying Dust First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- FDB Fuels Inc.
- FDB Holding Corporation
- FDB Gravel Inc.
- Flying Dust Power Corporation Ltd.
- Flying Energy Oil & Gas Limited Partnership
- Flying Energy Inc.
- Snipe & Celly Pro Shop Inc.
- 625706 Saskatchewan Ltd. (Flying Dust Properties)

Other economic interests

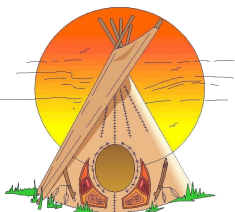
The First Nation does not share in either the control or the profit or loss of the following entities. As a result, the financial statements of the following entities have not been consolidated or proportionately consolidated with the financial statements of Flying Dust First Nation.

The First Nation is a member of Meadow Lake Tribal Council. The Tribal Council is an organization of nine Nations.

The Flying Dust Treaty Land Entitlement Trust is not included in the consolidated financial statements as it is administered and controlled by independent Trustees.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

2. Significant accounting policies (Continued from previous page)

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use is included in restricted cash.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution where fair value can be reasonably determined.

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

| | Method | Rate |
|---------------------------|-------------------|-------------|
| Houses | declining balance | 5 % |
| Buildings | declining balance | 5 % |
| Infrastructure | declining balance | 2 % |
| Equipment | declining balance | 20 % |
| Vehicles | declining balance | 25 % |
| Houses - CMHC | declining balance | 5 % |
| Equipment - Housing Corp. | straight-line | 20 % |
| Vehicles - Housing Corp. | straight-line | 10 % |
| Building - Market Garden | straight-line | 2.5 % |
| Equipment - Market Garden | straight-line | 20 % |
| Vehicles - Market Garden | straight-line | 25 % |

Assets under construction are not amortized until they are put into use. Land is not amortized.

Portfolio investments

Portfolio investments which are owned by Flying Dust First Nation but not controlled by the First Nation are accounted for using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported at.

Funds held in Ottawa Trust Fund

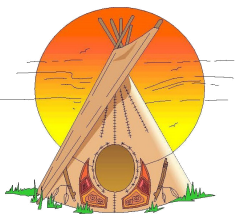
Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets;
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust; and,

Revenues from trust moneys are recognized when measurable, earned, and collection is reasonably assured. These moneys are reported on by the Government of Canada.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

2. Significant accounting policies (Continued from previous page)

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2020.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Management believes no liability exists and none has been recorded at March 31, 2020.

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Revenue recognition

Non-government funding

Funding is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Government transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Tax revenue

The First Nation recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred.

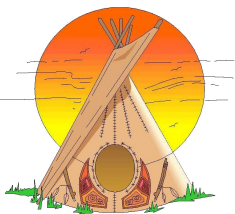
Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the First Nation evaluates the tax receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

Other revenue

Rental revenues are recognized over the rental term. Other revenue is earned from services provided by the First Nation and is recognized when the service has been performed.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

Segments

The First Nation conducts its business through 10 of reportable segments:

- Administration
- Band Support
- Capital
- Economic Development
- Education
- Health
- Infrastructure
- Property Tax Program
- Reserves and Trusts
- Social Services

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Inter program administration fees have been recorded based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

Employee future benefits

The First Nation's employee future benefit programs consist of a defined contribution pension plan.

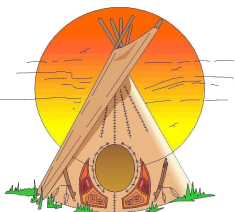
The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee.

Fair value measurements

The First Nation classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Quoted prices (unadjusted) are available in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the First Nation to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

2. Significant accounting policies (Continued from previous page)

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election in the current year.

The First Nation subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published market prices. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The First Nation has measured its investment in Gensource Potash Corporation at fair value. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurement's of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

3. Accounts receivable

| | 2020 | 2019 |
|---|------------------|------------------|
| Trade receivables | 1,020,148 | 1,235,997 |
| MLTC Program Services Inc. | 93,149 | - |
| GST receivables | 76,532 | 48,901 |
| Indigenous Services Canada | 48,416 | 781,037 |
| Rent receivable | 26,873 | - |
| Canada Mortgage and Housing Corporation | 23,795 | 21,000 |
| Receivable from members | 10,430 | 5,100 |
| | 1,299,343 | 2,092,035 |

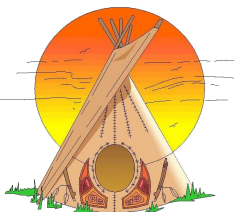
4. Investment in Gensource Potash Corporation

The First Nation owns shares and warrants in Gensource Potash Corporation. The holdings are as follows:

| | 2020 | 2019 |
|--|---------|---------|
| Measured at fair value: | | |
| 2,815,947 common shares (2019 - 3,052,766 common shares) | 239,356 | 305,277 |

5. Restricted cash

| | 2020 | 2019 |
|---|------------------|------------------|
| Current | | |
| Bank - Railway Remediation Project | 1,629,052 | 17,217 |
| Bank - Drainage Project | 539,990 | - |
| Bank - School Project | - | 99,585 |
| Restricted Term deposit - School Project | - | 1,559,216 |
| Restricted Term deposit - Railway Remediation Project | 259,528 | 880,000 |
| | 2,428,570 | 2,556,018 |



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

6. Portfolio investments

| | 2020 | 2019 |
|---|-----------|-----------|
| Measured at cost: | | |
| Plains North Contracting Limited Partnership | 51 | 51 |
| MLTC Resource Development Limited Partnership | 1 | 1 |
| MLTC Resource Development Inc. | 1 | 1 |
| | 53 | 53 |

7. Advances to related Nation entities

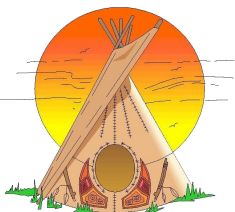
Flying Dust First Nation is related to the following entities by virtue of their ownership interest in them. The advances are unsecured, bear no interest and have no fixed terms of repayment.

| | 2020 | 2019 |
|--|----------------|----------------|
| Advances to FDB Holding Corporation | - | 122,026 |
| Advances to Snipe and Celly Pro Shop Inc. | 258,434 | - |
| Advances to Plains North Contracting Limited Partnership | 2,300 | 98,298 |
| Advances to FDB Gravel Inc. | 63,561 | 1,400 |
| | 324,295 | 221,724 |

8. Investment in Nation business entities

The First Nation has investments in the following entities:

| | | | | 2020 |
|------------------------|------------------|--|---|---------------------|
| | Opening | Earnings (loss) before contributions to Flying Dust First Nation | Contributions to Flying Dust First Nation | Total investment |
| Constructions Services | 1,737,089 | (421,517) | (200,000) | 1,115,572 |
| Real Estate Services | (446,321) | 341,278 | - | (105,043) |
| Energy Services | 563,659 | (41,960) | (465,000) | 56,699 |
| Retail Services | 670,596 | (508,100) | - | 162,496 |
| | 2,525,023 | (630,299) | (665,000) | 1,229,724 |



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

8. Investment in Nation business enterprises *(Continued from previous page)*

Summary financial information for each First Nation business enterprise, by industry, for their year ended March 31, 2020 accounted for using the modified equity method, is as follows:

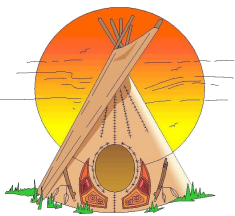
| | Construction Services | Real Estate Services | Energy Services | Retail Services |
|-------------|----------------------------------|---------------------------------|----------------------------|----------------------------|
| Assets | 4,790,489 | 6,665,379 | 125,728 | 5,791,673 |
| Liabilities | 3,674,917 | 6,770,422 | 69,029 | 5,629,177 |
| Net Assets | 1,115,572 | (105,043) | 56,699 | 162,496 |

| | Construction Services | Real Estate Services | Energy Services | Retail Services |
|---|----------------------------------|---------------------------------|----------------------------|----------------------------|
| Revenues | 3,481,156 | 1,298,774 | 153,950 | 5,712,004 |
| Expenses | (3,902,673) | (957,496) | (195,910) | (6,220,104) |
| Contributions to Flying Dust First Nation | (200,000) | - | (465,000) | - |
| Net change for the year | (621,517) | 341,278 | (506,960) | (508,100) |

Principal repayments on long-term debt of the First Nation's business enterprises, by industry, in each of the next five years assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

| | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | Total |
|--|-------------|-------------|-------------|-------------|-------------|-------------------|--------------|
| Long-term debt owed to parties external to the First Nation | | | | | | | |
| Construction Services | 659,523 | 671,574 | 684,015 | 335,094 | 124,149 | - | 2,474,355 |
| Real Estate Services | 938,036 | 967,036 | 828,036 | 459,036 | 459,036 | 2,847,918 | 6,499,098 |
| Retail Services | 103,900 | 97,721 | 101,844 | 106,142 | 110,620 | 3,479,773 | 4,000,000 |

During the year, the First Nation purchased supplies from business enterprises at their exchange amounts, which is the amount of consideration established between the parties.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

9. Funds held in trust

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

| | 2020 | 2019 |
|---|------------------|---------|
| Capital Trust | | |
| Balance, beginning of year | 786,050 | 346,697 |
| Lease revenue | 594,936 | 439,353 |
| | 1,380,986 | 786,050 |
| Less: Transfers to Flying Dust First Nation | 602,140 | - |
| Balance, end of year | 778,846 | 786,050 |
| Revenue Trust | | |
| Balance, beginning of year | 33,952 | 25,752 |
| Interest | 33,223 | 8,913 |
| Lease revenue | 52,041 | 51,041 |
| | 119,216 | 85,706 |
| Less: Transfers to Flying Dust First Nation | 42,126 | 51,754 |
| Balance, end of year | 77,090 | 33,952 |
| | 855,936 | 820,002 |

Disbursements from the trust have been utilized as follows:

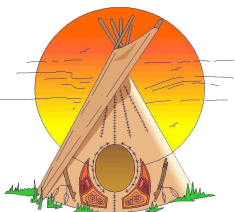
| BCR Number | Date | Ottawa Trust Fund | Amount | Purpose of disbursement |
|---------------|------------------|-------------------|---------|-----------------------------------|
| 19-02801-0001 | January 14, 2020 | Capital Trust | 352,140 | Renovations to Housing units |
| 19-02801-0002 | January 14, 2020 | Capital Trust | 250,000 | Road upgrades - paving |
| 19-41801-0001 | May 2, 2019 | Revenue Trust | 42,126 | Elder's utilities and programming |

10. Market based member loan program

Flying Dust First Nation Housing Program provides market based loans to qualifying members. These loans are up to \$30,000, with interest at 4.99% and are payable up to 10 years.

11. Bank indebtedness

Bank indebtedness is represented by cash balances less outstanding cheques plus deposits. At March 31, 2020 the First Nation has three separate lines of credit available totaling \$920,000 (2019 - two lines of credit available totaling \$420,000). At March 31, 2020, \$756,054 (2019 - \$154,853) had been drawn against these lines of credit. The line of credits all charge interest at bank prime plus 1.00% (2019 - both charge interest at bank prime plus 1.00%) and are secured by redirection of ISC and MLTC funding.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

12. Deferred revenue

| | <i>Balance, beginning of the year</i> | <i>Amount received</i> | <i>Amount expended</i> | <i>Transfer</i> | <i>Balance, end of year</i> |
|--|---|----------------------------|----------------------------|-----------------|---------------------------------|
| MLTC - Jordan's Principle | 145,471 | 774,711 | 818,355 | - | 101,827 |
| MLTC - Brighter Futures (Diabetes) | - | 5,000 | 1,574 | - | 3,426 |
| MLTC - Brighter Futures (Prenatal) | - | 11,013 | 5,726 | - | 5,287 |
| MLTC - Brighter Futures (Pandemic) | - | 100,000 | 17,987 | - | 82,013 |
| MLTC - Brighter Futures (Emergency) | - | 15,000 | 3,593 | - | 11,407 |
| MLTC - Brighter Futures (Palative Care) | - | 12,246 | - | - | 12,246 |
| MLTC - Daycare | - | 240,110 | 148,878 | - | 91,232 |
| MLTC - Headstart | - | 242,146 | 130,122 | - | 112,024 |
| ISC - Capital School | 1,639,668 | 5,024,215 | 6,652,236 | (11,647) | - |
| ISC - Contaminated Sites (Railbed Remediation) | 1,570,493 | 4,239,633 | 3,307,617 | - | 2,502,509 |
| ISC - Phase I & II Environmental Site Assessment | 199,390 | - | 5,667 | - | 193,723 |
| ISC - Drainage | - | 540,000 | 177 | - | 539,823 |
| ISC - Water Treatment Plant | - | 50,000 | - | - | 50,000 |
| ISC - Community Development | 39,000 | - | 39,000 | - | - |
| ISC - COVID-19 | - | 55,420 | - | - | 55,420 |
| ISC - First Nations Lands | 49,803 | - | 49,803 | - | - |
| FDFN - Summer Games Fundraising | 235,600 | 522,194 | 941,866 | 184,072 | - |
| Flying Dust Housing Corporation | - | 102,225 | - | - | 102,225 |
| | 3,879,425 | 11,933,913 | 12,122,601 | 172,425 | 3,863,162 |

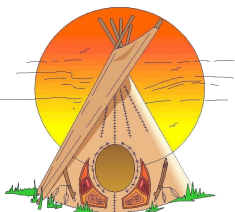
13. Advances from related Nation entities

Flying Dust First Nation is related to the following entities by virtue of their ownership interest in them. The advances are unsecured, bear no interest, and have no fixed terms of repayment.

| | 2020 | 2019 |
|---|---------------|----------------|
| Advances from FDB Holding Corporation | 88,873 | - |
| Advances from FDB Gravel Inc. | - | 100,000 |
| Advances from Flying Energy Oil & Gas Limited Partnership | - | 78,421 |
| | 88,873 | 178,421 |

14. Term loan due on demand

| | 2020 | 2019 |
|---|----------------|----------------|
| Indigenous Services Canada term loan for expenditures relating to the 1932 Specific Claim filed with Canada. Loan is interest free and repayable on the earlier of March 31, 2021 or the date on which the specific claim is settled. | 730,142 | 404,084 |



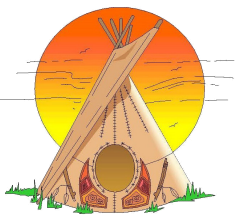
Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

15. Long-term debt

| | 2020 | 2019 |
|--|------------------|-----------|
| TD bank loan for the construction of the arena, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of April 2032, repayable in quarterly instalments of \$33,699 plus interest. Secured by general security agreement. | 1,516,449 | 1,651,244 |
| FNBC bank loan for paving, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of September 2033, repayable in quarterly instalments of \$29,855 plus interest, secured by general security agreement and second charge on all assets. | 1,462,933 | 1,582,356 |
| BMO housing construction loan bearing interest at 4.59% (2019 - 4.59%), matures June 2043, repayable in fixed monthly instalments of \$7,169 including interest, secured by general security agreement and second charge on all assets. | 1,227,970 | 1,165,109 |
| FNBC loan, interest at 4.14% (2019 - 4.14%), maturity date of February 2025, repayable in fixed monthly instalments of \$9,239 including interest, secured by a general security agreement and second charge on all assets. | 492,065 | - |
| BMO Market Garden demand loan repayable in monthly instalments of \$2,463 plus interest at the lenders' rate prime plus 1.50% (2020 - 3.95%, 2019 - interest only at prime rate plus 1.5%; 5.45%), due December 2029, secured by general security agreement and second charge on all assets. | 288,213 | 656,926 |
| BMO consolidation loan bearing interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of December 2042, repayable in monthly instalments of \$1,027, plus interest, secured by general security agreement and second charge on all assets. | 268,105 | - |
| BMO Phase XI CMHC housing loan, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of December 2023, repayable in monthly instalments of \$5,917 plus interest, secured by general security agreement and second charge on all assets. | 266,250 | 337,250 |
| BMO operating loan, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of May 2028, repayable in monthly instalments of \$2,500 plus interest, secured by general security agreement and second charge on all assets. | 245,000 | 275,000 |
| BMO renovation re-advanceable line bearing interest at 4.59% (2019 - 4.59%), payable in fixed monthly instalments of \$2,720 including interest, secured by general security agreement and second charge on all assets. | 223,258 | - |
| BMO housing loan bearing interest at 4.60% (2019 - 4.60%), matures June 2024, repayable in fixed monthly instalments of \$1,309 including interest, secured by general security agreement and second charge on all assets. | 164,011 | - |
| FNBC school bus loan, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of February 2023, repayable in monthly instalments of \$1,679 plus interest, secured by a general security agreement and second charge on all assets. | 57,035 | 77,951 |
| FNBC bus loan, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of May 2022, repayable in monthly instalments of \$1,833 plus interest, secured by general security agreement and second charge on all assets. | 45,833 | 67,833 |
| BMO equipment re-advanceable line bearing interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), payable in monthly instalments of \$500 plus interest, secured by general security agreement and second charge on all assets. | 28,500 | - |
| CMHC housing mortgage - Phase VI interest at 1.97% (2019 - 1.97%), maturity date of December 2027, repayable in monthly principal and interest payments of \$4,884. Secured by a ministerial guarantee. | 421,075 | 470,874 |



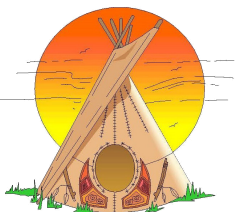
Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

15. Long-term debt *(Continued from previous page)*

| | | |
|---|------------------|-----------|
| CMHC housing mortgage - Phase VII interest at 1.12% (2019 - 1.12%), maturity date of February 2030, repayable in monthly principal and interest payments of \$800. Secured by a ministerial guarantee. | 90,053 | 98,591 |
| CMHC housing mortgage - Phase VIII interest at 1.35% (2019 - 1.35%), maturity date of May 2032, repayable in monthly principal and interest payments of \$3,429. Secured by a ministerial guarantee. | 461,498 | 496,158 |
| CMHC housing mortgage - Phase IX interest at 1.84% (2019 - 1.84%), maturity date of September 2037, repayable in monthly principal and interest payments of \$971. Secured by a ministerial guarantee. | 174,342 | 182,709 |
| CMHC housing mortgage - Phase X interest at 2.50% (2019 - 2.50%), maturity date of June 2033, repayable in monthly principal and interest payments of \$6,155. Secured by a ministerial guarantee. | 833,077 | 885,462 |
| CMHC housing mortgage - Phase XI interest at 2.70% (2019 - 2.70%), maturity date of November 2033, repayable in monthly principal and interest payments of \$3,338. Secured by a ministerial guarantee. | 457,765 | 485,099 |
| CMHC housing mortgage - Phase XII interest at 1.67%, maturity date of July 2034, repayable in monthly principal and interest payments of \$3,161. Secured by a ministerial guarantee. | 483,379 | 388,025 |
| CMHC housing mortgage advances towards completion of the CMHC Phase XIII housing units. Terms to be established upon completion of construction. Secured by a ministerial guarantee. | 250,292 | - |
| BMO Phase XIII housing loan, interest at prime plus 1.00% (2020 - 3.45%; 2019 - 4.95%), maturity date of February 2030, repayable in monthly instalments of \$1,149 plus interest, secured by general security agreement and second charge on all assets. | 136,721 | - |
| Loan repaid in full during the year. | - | 297,910 |
| Loan repaid in full during the year. | - | 251,956 |
| Loan repaid in full during the year. | - | 133,935 |
| Loan repaid in full during the year. | - | 27,676 |
| Loan repaid in full during the year. | - | 407 |
| | 9,593,824 | 9,532,471 |
| Less: current portion | 825,000 | 1,345,743 |
| | 8,768,824 | 8,186,728 |



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

15. Long-term debt (Continued from previous page)

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

| | |
|------------|-----------|
| 2021 | 825,000 |
| 2022 | 837,000 |
| 2023 | 818,000 |
| 2024 | 799,000 |
| 2025 | 746,000 |
| Thereafter | 4,019,000 |

Long-term debt is subject to certain financial covenants with respect to timely submission of the annual audited consolidated financial statements to their lender as well as other restrictions that may be in place. It is management's opinion that the First Nation is likely to remain in compliance with all long-term debt covenants throughout the next twelve months subsequent to March 31, 2020.

16. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1. Details of amounts included in assets under construction are as follows:

| Project | Budget | Cumulative costs to March 31, 2020 |
|-------------------------------|-----------|------------------------------------|
| Capital Water Treatment Plant | 50,000 | 32,634 |
| Housing | 2,010,000 | 875,414 |

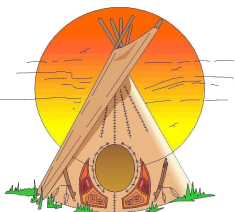
Tangible capital assets includes land with a carrying value of \$9,160,793 (2019 - \$9,105,793) for which no amortization has been recorded.

The First Nation's tangible capital assets include land contributed through the Flying Dust Treaty Land Entitlement Trust (TLE Trust). Land is recorded at cost paid by the TLE Trust. During the year, Flying Dust TLE Trust acquired land for the beneficial use of the members of Flying Dust First Nation for \$55,000 (2019 - \$896,412). This amount has been reflected as a contribution of land in the consolidated financial statements.

The First Nation holds works of art and historical treasures, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

17. Loss on partnership obligation

Due to a guarantee extended to a related party, the First Nation became responsible for the line of credit of the related party. This has been recorded as an increase in bank indebtedness and a loss on partnership obligation in the amount of the line of credit.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

18. Accumulated surplus

Accumulated surplus consists of the following:

| | 2020 | 2019 |
|-----------------------------------|-------------------|-------------------|
| Equity in funds held in trust | 855,936 | 820,002 |
| Equity in investments | 1,229,777 | 2,525,076 |
| Equity in CMHC reserves | 450,961 | 509,771 |
| Equity in tangible capital assets | 36,347,483 | 28,401,577 |
| Operating deficit | (3,821,012) | (1,478,965) |
| | 35,063,145 | 30,777,461 |

The equity in tangible capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating tangible capital assets that will be used to provide future services.

The CMHC reserves are replacement and operating reserve and are required to be funded to provide for future upgrades to existing CMHC housing units and finance any future operating deficits of the program as required by agreements with CMHC.

Equity in Ottawa Trust Funds report on trust moneys owned by the First Nation and held by the Government of Canada.

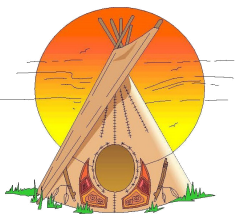
Equity in investments relates to earnings in commercial business operations owned by the First Nation.

19. Defined contribution pension

The First Nation provides a defined contribution pension plan for eligible members of its staff. The First Nation matches employees' contributions between 4-9%. The amount to be received by employees will be the amount of retirement annuity that could be purchased based on the employee's share of the pension plan at the time of the employee's withdrawal from the plan.

20. Reconciliation of funding from Indigenous Services Canada

| | 2020 | 2019 |
|---|-------------------|-------------------|
| Funding per ISC confirmation | 16,214,669 | 12,766,494 |
| Add: | | |
| Prior year unearned funding | 3,587,158 | 10,380,518 |
| Amounts received relating to capital projects from prior year | 1,227,400 | 1,227,400 |
| Less: | | |
| Current year unearned funding | (3,430,279) | (2,077,400) |
| Amounts not received relating to capital projects | - | (3,498,355) |
| | 17,598,948 | 17,571,257 |



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

21. Canada Mortgage and Housing Corporation reserves

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation established the following:

- The replacement reserve to ensure replacement of capital equipment and for major repairs to housing units, which requires an annual cash allocation of \$34,438 to the reserve. At March 31, 2020, the reserve is required to be funded to a level of \$201,386 (2019 - \$239,725). At March 31, 2020 the cash balance in the reserve is \$241,743 (2019 - \$nil).
- An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program which requires surpluses to be funded with cash. Future operating losses are able to draw on the reserve funds to sustain operations. At March 31, 2020 the operating reserve is required to be funded to a level of \$249,575 (2019 - \$270,046). At March 31, 2020 the cash balance in the reserve is \$44,831 (2019 - \$nil).

In accordance with the terms of the agreement, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

22. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair Value of Financial Instruments

The First Nation has measured its investment in Gensource Potash Corporation as a Level 1 financial asset. All other financial assets and financial liabilities have been assessed at Level 2.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The First Nation manages its credit risk by actively limiting the amount of non-funding accounts receivable outstanding.

Liquidity Risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to borrow funds from financial institutions, for which repayment is required at various maturity dates.

The First Nation manages the liquidity risk resulting from term loans due on demand and long-term debt by actively managing its cashflows to insure it will have sufficient cash flows to fund its operations and to meet its obligations when due, under both normal and stressed conditions.

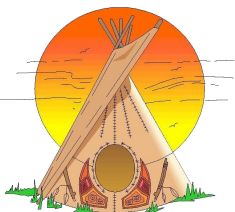
Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The First Nation is exposed to interest rate risk with respect to its term loans due on demand and long-term debt.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The First Nation is exposed to other price risk through its investment in Gensource Potash Corporation, for which the market price fluctuates.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

23. Budget information

The disclosed budget information has been approved by the Chief and Council of Flying Dust First Nation at a meeting held on DATE, 2019.

In preparation of the annual budget of the First Nation, management does not budget for purchases of capital assets, amortization, principal payments on debt, or earnings and distributions from investments in Nation business entities.

The budget process followed by management only includes activities directed by the First Nation. Management does not prepare a budget for capital projects administered through third party managers.

24. Economic dependence

Flying Dust First Nation receives substantially all of its revenue from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The Treaty provisions provided under Treaty 6 include Education, Health, Hunting, Fishing and Gathering. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

25. Significant event

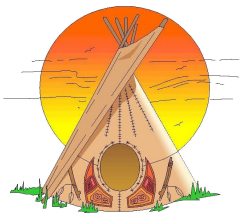
During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on the First Nation due to restrictions put in place by the Canadian, provincial, and municipal governments regarding travel, business operations, and isolation/quarantine orders. The First Nation has been impacted by office closures, travel restrictions, cancellation of events and increased costs of compliance with other guidelines and regulation. It is expected that future funding from First Nations Trust and Northern Light Community Development Corporation will be negatively impacted by the pandemic due to the temporary closure of SIGA casinos. Funding has been received to cover some of the additional costs associated with the pandemic through government transfers.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

26. Comparative figures

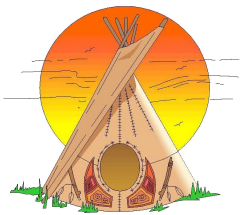
Certain comparative figures have been reclassified to conform with current year's presentation.

On the Consolidated Statement of Financial Position, \$271,808 was reclassified from accounts receivable to market based member loan program for 2019.



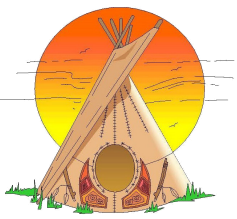
Flying Dust First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

| | <i>Land</i> | <i>Houses</i> | <i>Building</i> | <i>Infrastructure</i> | <i>Equipment</i> | <i>Vehicles</i> | <i>Subtotal</i> |
|--|------------------|------------------|-------------------|-----------------------|------------------|-----------------|-------------------|
| Cost | | | | | | | |
| Balance, beginning of year | 9,105,793 | 15,287,645 | 15,853,438 | 5,919,174 | 1,697,801 | 1,438,906 | 49,302,757 |
| Acquisition of tangible capital assets | 55,000 | - | - | - | 42,507 | 229,197 | 326,704 |
| Construction-in-progress | - | 2,465,722 | 14,456,734 | - | - | - | 16,922,456 |
| Disposal of tangible capital assets | - | - | - | - | (178,392) | - | (178,392) |
| Balance, end of year | 9,160,793 | 17,753,367 | 30,310,172 | 5,919,174 | 1,561,916 | 1,668,103 | 66,373,525 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | - | 11,950,614 | 4,103,038 | 3,181,711 | 1,343,026 | 631,292 | 21,209,681 |
| Annual amortization | - | 292,444 | 891,640 | 50,781 | 129,366 | 173,174 | 1,537,405 |
| Accumulated amortization on disposals | - | - | - | - | (178,392) | - | (178,392) |
| Balance, end of year | - | 12,243,058 | 4,994,678 | 3,232,492 | 1,294,000 | 804,466 | 22,568,694 |
| Net book value of tangible capital assets | 9,160,793 | 5,510,309 | 25,315,494 | 2,686,682 | 267,916 | 863,637 | 43,804,831 |
| 2019 Net book value of tangible capital assets | 9,105,793 | 2,954,938 | 11,750,400 | 2,737,463 | 426,953 | 1,117,529 | 28,093,076 |



Flying Dust First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

| | <i>Subtotal</i> | <i>Assets under construction</i> | <i>2020</i> | <i>2019</i> |
|--|-------------------|--------------------------------------|-------------------|-------------------|
| Cost | | | | |
| Balance, beginning of year | 49,302,757 | 9,432,035 | 58,734,792 | 48,645,663 |
| Acquisition of tangible capital assets | 326,704 | 8,398,469 | 8,725,173 | 10,089,129 |
| Construction-in-progress | 16,922,456 | (16,922,456) | - | - |
| Disposal of tangible capital assets | (178,392) | - | (178,392) | - |
| Balance, end of year | 66,373,525 | 908,048 | 67,281,573 | 58,734,792 |
| Accumulated amortization | | | | |
| Balance, beginning of year | 21,209,681 | - | 21,209,681 | 20,107,795 |
| Annual amortization | 1,537,405 | - | 1,537,405 | 1,101,886 |
| Accumulated amortization on disposals | (178,392) | - | (178,392) | - |
| Balance, end of year | 22,568,694 | - | 22,568,694 | 21,209,681 |
| Net book value of tangible capital assets | 43,804,831 | 908,048 | 44,712,879 | 37,525,111 |
| 2019 Net book value of tangible capital assets | 28,093,076 | 9,432,035 | 37,525,111 | |

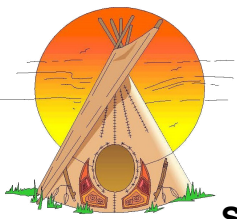


Flying Dust First Nation

Schedule 2 - Schedule of Consolidated Expenses by Object

For the year ended March 31, 2020

| | 2020 Budget (Note 23) | 2020 | 2019 |
|--|-----------------------------|-------------------|-------------------|
| Consolidated expenses by object | | | |
| Salaries and benefits | 5,681,624 | 7,292,974 | 5,655,206 |
| Railway remediation | 2,268,004 | 3,307,617 | 5,241,898 |
| Contracted services | 65,400 | 255,055 | 86,550 |
| Program expense | 819,608 | 1,705,267 | 902,009 |
| Amortization | 135,000 | 1,537,405 | 1,101,886 |
| Tuition | 1,507,604 | 1,349,276 | 1,404,566 |
| Assistance | 1,044,071 | 1,276,705 | 1,109,271 |
| Rebate payments | - | 1,165,289 | 1,339,659 |
| Professional fees | 677,384 | 663,141 | 922,096 |
| Repairs and maintenance | 578,396 | 569,294 | 755,334 |
| Renovation materials | - | 597,492 | 634,194 |
| Supplies | 283,990 | 453,054 | 364,189 |
| Community events | 50,200 | 201,040 | 145,480 |
| Travel | 312,233 | 439,872 | 422,942 |
| Interest on long-term debt | 217,351 | 401,654 | 306,462 |
| Utilities | 332,892 | 395,996 | 359,359 |
| Transportation | 154,932 | 326,871 | 270,412 |
| Community donations | 38,500 | 175,171 | 99,203 |
| Student expenses | 256,204 | 268,725 | 282,967 |
| Rent | 165,558 | 243,865 | 190,065 |
| Aggregate expansion grant | - | 250,000 | - |
| Fuel station expansion Grant | 240,000 | 240,000 | 250,000 |
| Insurance | 167,778 | 190,687 | 172,661 |
| Municipal agreements | 156,480 | 127,572 | 147,058 |
| Furniture and equipment | 283,500 | 127,235 | 16,524 |
| Bank charges and interest | 14,000 | 120,841 | 56,195 |
| Telephone | 86,755 | 118,681 | 90,782 |
| Office supplies | 75,119 | 94,077 | 101,477 |
| IT support | 58,604 | 88,103 | 81,515 |
| Honouraria | 97,600 | 86,650 | 97,155 |
| Training | 50,157 | 57,920 | 162,209 |
| Meeting | 101,106 | 32,958 | 107,177 |
| Funeral | 30,000 | 31,691 | 54,809 |
| Bingo prize payouts | 52,000 | 30,055 | 80,683 |
| Institutional adult care fees | 27,300 | 24,563 | 53,622 |
| Specific claims expenses | - | 24,000 | 24,000 |
| Bingo expenses | 44,500 | 23,719 | 40,640 |
| Bad debts | - | 21,537 | - |
| Freight | 10,538 | 16,505 | 14,534 |
| Pandemic | - | 15,473 | - |
| Septic waste hauling | 18,990 | 14,005 | 21,370 |
| Consulting | 11,480 | 12,778 | 11,760 |
| Graduation assistance | 6,500 | 7,100 | 7,531 |
| Miscellaneous | - | 5,528 | - |
| Retail costs | 25,000 | - | 36,380 |
| Administration | 131,643 | - | - |
| | 16,278,001 | 24,387,441 | 23,221,830 |

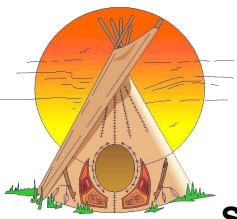


Flying Dust First Nation Administration

Schedule 3 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 633,292 | 765,591 |
| MLTC Program Services Inc. | 6,725 | 1,000 |
| Capital trust fund | 242,795 | 439,353 |
| Grant revenue from business enterprises | 235,000 | - |
| Other revenue | 179,380 | 51,880 |
| Interest income | 40,228 | 63,821 |
| Northern Lights CDC | 30,304 | 5,000 |
| Management fees | 25,000 | 60,000 |
| Expense recoveries | 14,328 | 18,077 |
| Revenue trust fund | 11,448 | 59,954 |
| Government of Canada | 5,855 | - |
| | 1,424,355 | 1,464,676 |
| Expenses | | |
| Administration | (321,467) | (267,871) |
| Advertising | 1,343 | 303 |
| Amortization | 29,595 | 16,911 |
| Bank charges and interest | 69,319 | 23,752 |
| Freight | 1,447 | 1,102 |
| Honouraria | 61,250 | 66,700 |
| IT support | 16,274 | 31,238 |
| Insurance | 6,014 | 6,015 |
| Meeting | 8,023 | 7,416 |
| Miscellaneous | 5,528 | - |
| Office supplies | 33,698 | 64,697 |
| Professional fees | 140,381 | 142,122 |
| Rent | 45,859 | 34,652 |
| Salaries and benefits | 936,037 | 948,680 |
| Supplies | 4,569 | 4,770 |
| Telephone | 17,300 | 17,038 |
| Training | 2,061 | 4,212 |
| Travel | 104,666 | 95,711 |
| Youth program expenses | 30,339 | - |
| | 1,192,236 | 1,197,448 |
| Surplus before transfers | 232,119 | 267,228 |
| Transfers between programs | (78,567) | 20,000 |
| Surplus | 153,552 | 287,228 |



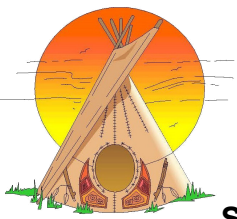
Flying Dust First Nation Band Programs

Schedule 4 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| MLTC Child & Family Services Inc. | 787,182 | - |
| MLTC Program Services Inc. | 293,224 | 217,234 |
| Indigenous Services Canada | 26,000 | 250,000 |
| Settlement monies | 698,094 | - |
| Sponsorship | 294,310 | 123,311 |
| Contracting income | 282,424 | - |
| Deferred fundraising revenue | 235,600 | - |
| First Nations Trust funds | 219,630 | 54,809 |
| Grant revenue from business enterprises | 210,000 | 460,000 |
| MLTC RDI | 185,000 | 366,000 |
| Rental income | 174,182 | 100,334 |
| Dunmac security contracts | 108,237 | 142,013 |
| Bingo revenues | 85,459 | 157,243 |
| Revenue trust fund | 73,817 | - |
| Other revenue | 47,822 | 66,807 |
| Fundraising revenue | 39,667 | 262,781 |
| Expense recoveries | 28,217 | 54,222 |
| Grant funding | 23,084 | 5,052 |
| Government of Canada | 4,420 | - |
| Northern Lights CDC | - | 91,250 |
| Deferred fundraising revenue | - | (235,601) |
| Western Economic Diversification grant revenue | - | 396,854 |
| Earnings (loss) from investment in Nation business entities | (1,295,299) | 1,929,481 |
| | 2,521,070 | 4,441,790 |

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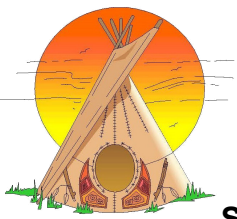


Flying Dust First Nation Band Programs

Schedule 4 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue (Continued from previous page) | 2,521,070 | 4,441,790 |
| Expenses | | |
| Administration | 6,000 | 7,000 |
| Advertising | 5,641 | 2,555 |
| Amortization | 123,537 | 114,714 |
| Bad debts | 21,537 | - |
| Bank charges and interest | 1,276 | 2,108 |
| Bingo prize payouts | 30,055 | 80,683 |
| Charity payouts | 22,739 | 18,929 |
| Community donations | 59,680 | 60,664 |
| Community events | 369 | 5,742 |
| Contracted services | 7,666 | - |
| Elders programming expense | 8,111 | 13,887 |
| Freight | 1,917 | 2,500 |
| Funeral | 31,691 | 54,809 |
| Furniture and equipment | 10,600 | 14,550 |
| Honouraria | 3,300 | 4,900 |
| IT support | 2,853 | 6,000 |
| Insurance | 17,300 | 18,732 |
| Interest on long-term debt | 104,701 | 22,916 |
| Meeting | 5,453 | 6,181 |
| Office supplies | 1,823 | 2,905 |
| Operating costs | 980 | 21,711 |
| Professional fees | 319,582 | 237,027 |
| Program expenses | 2,471 | - |
| Renovation materials | 33,071 | - |
| Rent | 12,999 | 3,600 |
| Repairs and maintenance | 15,521 | 9,589 |
| Salaries and benefits | 973,127 | 683,599 |
| Septic waste hauling | 73 | 155 |
| Specific claims expenses | 24,000 | 24,000 |
| Summer games event expenses | 715,990 | 420,716 |
| Supplies | 76,669 | 81,592 |
| Telephone | 11,903 | 10,390 |
| Training | 2,051 | 2,625 |
| Transportation | 32,411 | 34,437 |
| Travel | 63,263 | 17,906 |
| Utilities | 117,418 | 119,064 |
| Youth program expenses | 4,874 | 4,518 |
| | 2,872,652 | 2,110,704 |
| Surplus (deficit) before transfers | (351,582) | 2,331,086 |
| Transfers between programs | 385,881 | (165,889) |
| Surplus | 34,299 | 2,165,197 |

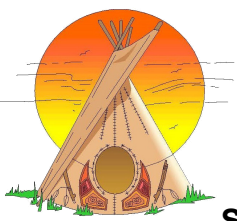


Flying Dust First Nation Capital

Schedule 5 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 7,194,240 | 6,632,491 |
| Canada Mortgage and Housing Corporation | 435,222 | 486,978 |
| Contracting income | 508,905 | 381,963 |
| Capital trust fund | 352,140 | - |
| Rental income | 331,744 | 147,670 |
| Sales Tax Revenues | 150,000 | 50,000 |
| Grant revenue from business enterprises | 120,000 | - |
| Grant funding | 67,835 | 54,333 |
| Expense recoveries | 10,421 | 2,555 |
| Insurance proceeds | 9,606 | 65,000 |
| Other revenue | 5,000 | - |
| Interest income | 1,464 | - |
| Northern Lights CDC | - | 25,000 |
| | 9,186,577 | 7,845,990 |
| Expenses | | |
| Administration | - | 11,479 |
| Advertising | - | 17 |
| Amortization | 324,619 | 235,729 |
| Bank charges and interest | 44,629 | 26,198 |
| Community donations | 500 | - |
| Contracted services | 43,976 | 72,858 |
| Freight | 5,096 | 5,517 |
| Honouraria | 6,000 | 4,900 |
| IT support | 7,903 | 6,626 |
| Insurance | 115,200 | 91,722 |
| Interest on long-term debt | 201,119 | 124,292 |
| Meeting | 922 | 1,855 |
| Professional fees | 25,824 | 28,235 |
| Program expenses | 5,670 | 1,797 |
| Renovation materials | 545,283 | 634,194 |
| Rent | 32,287 | 56,101 |
| Repairs and maintenance | 257,235 | 413,073 |
| Salaries and benefits | 1,295,605 | 622,005 |
| Septic waste hauling | 10,212 | 16,945 |
| Supplies | 64,358 | 74,632 |
| Telephone | 8,145 | 6,497 |
| Training | 3,824 | 98,721 |
| Transportation | 117,751 | 84,966 |
| Travel | 30,630 | 38,729 |
| Utilities | 9,376 | 8,264 |
| | 3,156,164 | 2,665,352 |
| Surplus before transfers | 6,030,413 | 5,180,638 |
| Transfers between programs | - | 190,000 |
| Surplus | 6,030,413 | 5,370,638 |

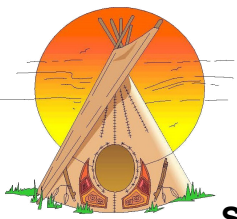


Flying Dust First Nation Economic Development

Schedule 6 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 450,000 | 420,000 |
| MLTC Program Services Inc. | 59,275 | 59,315 |
| Sales Tax Revenues | 1,665,054 | 1,998,211 |
| Expense recoveries | 124,225 | 88,263 |
| Other revenue | 73,061 | 26,073 |
| Interest income | - | 18 |
| Contributions | - | 42,362 |
| | 2,371,615 | 2,634,242 |
| Expenses | | |
| Administration | - | 7,000 |
| Advertising | 4,726 | 8,098 |
| Aggregate Expansion grant | 250,000 | - |
| Assistance | 101,468 | 75,514 |
| Bank charges and interest | 1,882 | 1,214 |
| Community donations | 114,991 | 38,539 |
| Community events | 189,926 | 125,575 |
| Consulting | 6,000 | - |
| Contracted services | 99,038 | - |
| Freight | 219 | 322 |
| Fuel station Expansion Grant | 240,000 | 250,000 |
| Home ownership grants | 65,000 | 27,000 |
| IT support | 3,723 | 3,000 |
| Insurance | 3,007 | 3,007 |
| Interest on long-term debt | 1,305 | - |
| Meeting | 2,224 | 68,224 |
| Office supplies | 2,127 | 5,715 |
| Pandemic | 15,473 | - |
| Professional fees | 70,502 | 362,273 |
| Program expenses | 36,064 | 2,000 |
| Rebate payments | 1,165,289 | 1,339,659 |
| Rent | 12,000 | 7,200 |
| Repairs and maintenance | 57,185 | 121,183 |
| Salaries and benefits | 138,339 | 90,949 |
| Supplies | 1,406 | 892 |
| Telephone | 3,125 | 3,528 |
| Training | 10,065 | 27,378 |
| Travel | 55,052 | 54,756 |
| Utilities | - | 3,000 |
| | 2,650,136 | 2,626,026 |
| Other income (expense) | | |
| Contribution of land | 55,000 | 896,412 |
| Loss on partnership | (477,580) | - |
| | (701,101) | 904,628 |
| Surplus (deficit) before transfers | (701,101) | 904,628 |
| Transfers between programs | (295,881) | 15,889 |
| | (996,982) | 920,517 |
| Surplus (deficit) | (996,982) | 920,517 |

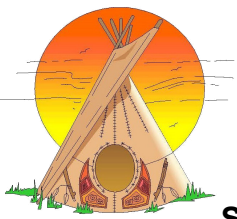


Flying Dust First Nation Education

Schedule 7 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

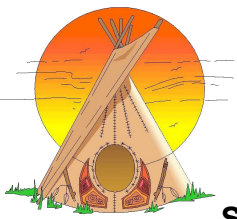
| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 3,623,362 | 3,219,221 |
| MLTC Program Services Inc. | 292,700 | 286,700 |
| Northwest School Division | 386,088 | 304,633 |
| Grant revenue from business enterprises | 100,000 | - |
| Expense recoveries | 7,875 | 5,976 |
| Other revenue | - | 1,567 |
| | 4,410,025 | 3,818,097 |
| Expenses | | |
| Administration | 86,756 | 67,403 |
| Advertising | 758 | 1,751 |
| Amortization | 417,733 | 74,621 |
| Bank charges and interest | 701 | 1,288 |
| Bussing costs | 3,932 | 5,810 |
| Community events | 6,062 | 11,852 |
| Contracted services | 13,317 | 202 |
| Early Reading & Literacy Wages | 88,246 | 107,601 |
| Freight | 3,141 | 846 |
| Furniture and equipment | 97,332 | 1,974 |
| Graduation assistance | 7,100 | 7,531 |
| Honouraria | 2,400 | 3,825 |
| IT support | 24,916 | 13,650 |
| Insurance | 9,270 | 14,281 |
| Interest on long-term debt | 2,351 | 2,351 |
| LLRC curriculum development | 3,388 | 8,110 |
| LLRC land-based activities | 11,245 | 17,692 |
| Language & Culture Wages | 79,246 | 76,764 |
| Meeting | 1,602 | 1,874 |
| Numeracy Wages | 35,020 | 73,753 |
| Numeracy materials | 36,823 | 59 |
| Office supplies | 22,318 | 9,660 |
| PAA program expenses | 2,308 | 1,000 |
| Rent | 28,401 | 11,416 |
| Repairs and maintenance | 33,015 | 58,682 |
| Salaries and benefits | 1,368,943 | 1,081,649 |
| Student expenses | 268,725 | 282,967 |
| Supplies | 159,396 | 73,601 |
| Telephone | 32,682 | 11,227 |
| Training | 7,101 | 11,632 |
| Transportation | 30,418 | 37,043 |
| Travel | 13,482 | 25,788 |
| Tuition | 1,349,276 | 1,404,566 |
| Utilities | 44,708 | 38,285 |
| Youth program expenses | 30,062 | 16,800 |
| | 4,322,174 | 3,557,554 |
| Surplus before transfers | 87,851 | 260,543 |
| Transfers between programs | 119,854 | 60,000 |
| Surplus | 207,705 | 320,543 |



Flying Dust First Nation
Flying Dust Property Tax Program

Schedule 8 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2020

| | 2020 | 2019 |
|--------------------------------------|-----------|-----------|
| Revenue | | |
| Property tax revenue | 132,851 | 123,410 |
| Transfers between programs | | |
| Transfer to Community Safety Officer | (25,000) | - |
| Transfer to Recreation | (25,000) | (40,000) |
| Transfer to Instruction | (59,854) | (60,000) |
| Transfer to Band Support Funding | (21,433) | (20,000) |
| | (131,287) | (120,000) |
| Surplus | 1,564 | 3,410 |

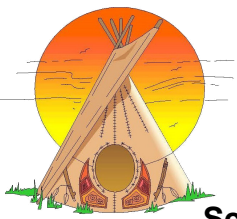


Flying Dust First Nation Health

Schedule 9 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Meadow Lake Health & Social Development Authority | 1,947,754 | 1,449,192 |
| MLTC Child & Family Services Inc. | 431,892 | 252,853 |
| Health Canada | 143,750 | 140,378 |
| MLTC Program Services Inc. | 12,000 | 12,000 |
| Indigenous Services Canada | 1,412 | - |
| Expense recoveries | 20,963 | - |
| Other revenue | 47,825 | 46,874 |
| | 2,605,596 | 1,901,297 |
| Expenses | | |
| ADI garden & food skills grant expense | 4,360 | - |
| Administration | 217,366 | 163,644 |
| Advertising | 918 | - |
| Block A Emergency response expense | 3,593 | - |
| Community based program fund expense | 24,714 | 22,774 |
| Community events | 1,683 | 2,311 |
| Contracted services | 33,032 | 2,485 |
| Diabetes program fund expense | 1,574 | 6,518 |
| Domestic violence program fund expense | 12,817 | 12,534 |
| FAS program fund expense | 3,000 | 840 |
| FNARF program fund expense | 11,961 | 11,132 |
| Freight | 3,082 | 1,426 |
| Furniture and equipment | 1,394 | - |
| IT support | 17,118 | 15,000 |
| Insurance | 10,115 | 12,522 |
| MMIWG program expense | 6,507 | - |
| Meeting | 599 | 227 |
| NAYSPS program fund expense | 10,218 | 9,911 |
| Office supplies | 24,938 | 9,313 |
| Pandemic planning expenses | 17,987 | - |
| Prenatal program fund expense | 5,726 | 7,170 |
| Professional fees | 3,663 | 5,579 |
| Program expenses | 290,534 | 189,511 |
| Recreation wellness program fund expense | 17,788 | 12,613 |
| Renovation materials | 19,138 | - |
| Rent | 66,385 | 34,785 |
| Repairs and maintenance | 13,783 | 10,082 |
| Salaries and benefits | 1,310,828 | 958,750 |
| Supplies | 69,488 | 27,676 |
| Telephone | 24,857 | 21,468 |
| Training | 7,402 | 4,007 |
| Transportation | 23,693 | 11,078 |
| Travel | 92,531 | 113,758 |
| Utilities | 91,553 | 50,399 |
| Youth program expenses | 293,368 | 94,842 |
| | 2,737,713 | 1,812,355 |
| Surplus (deficit) | (132,117) | 88,942 |

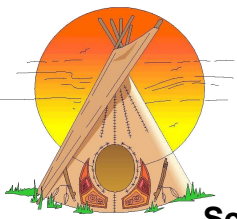


Flying Dust First Nation Infrastructure

Schedule 10 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|----------------------------|--------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 462,739 | 437,739 |
| First Nations Trust | 218,000 | 382,940 |
| Northern Lights CDC | 70,000 | 44,156 |
| Rental income | 69,375 | 120,615 |
| Expense recoveries | 56,227 | (138) |
| Other revenue | 51,441 | 50,849 |
| Insurance proceeds | 46,300 | - |
| Fundraising revenue | 6,000 | 14,069 |
| | 980,082 | 1,050,230 |
| Expenses | | |
| Advertising | 450 | 250 |
| Amortization | 641,921 | 659,911 |
| Bank charges and interest | 1,025 | - |
| Contracted services | 51,056 | 3,875 |
| Fire protection agreement | 19,380 | 27,795 |
| Freight | 222 | 871 |
| Furniture and equipment | 17,909 | - |
| Insurance | 23,767 | 20,366 |
| Interest on long-term debt | 92,178 | 156,903 |
| Municipal water agreement | 70,409 | 93,083 |
| Program expenses | 28,350 | - |
| Rent | 23,549 | 21,229 |
| Repairs and maintenance | 192,555 | 142,726 |
| Retail costs | - | 36,382 |
| Salaries and benefits | 516,479 | 433,015 |
| Septic waste hauling | 3,720 | 4,270 |
| Supplies | 73,906 | 89,875 |
| Telephone | 9,085 | 9,102 |
| Training | 1,120 | 6,322 |
| Transportation | 121,626 | 100,753 |
| Travel | 8,507 | 9,652 |
| Utilities | 131,614 | 138,781 |
| Waste disposal agreement | 37,783 | 26,181 |
| Youth program expenses | 2,657 | 1,800 |
| | 2,069,268 | 1,983,142 |
| Deficit | (1,089,186) | (932,912) |

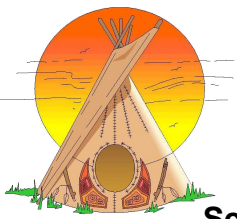


Flying Dust First Nation Reserves and Trusts

Schedule 11 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|----------------------------|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 3,740,358 | 4,430,405 |
| Government of Canada | 111,825 | - |
| Government of Saskatchewan | 28,381 | 29,003 |
| Other revenue | 19,060 | 25,000 |
| CN Rail contracting | - | 1,231,268 |
| Expense recoveries | - | 6,505 |
| | 3,899,624 | 5,722,181 |
| Expenses | | |
| Administration | 975 | 975 |
| Community events | 3,000 | - |
| Consulting | 6,778 | 11,760 |
| Contracted services | 6,970 | 7,130 |
| Freight | 538 | 755 |
| Honouraria | 13,700 | 16,830 |
| IT support | 6,263 | 3,000 |
| Insurance | 3,007 | 3,007 |
| Meeting | 14,135 | 21,400 |
| Office supplies | 8,155 | 5,126 |
| Professional fees | 103,189 | 146,860 |
| Railway remediation | 3,307,617 | 5,241,898 |
| Rent | 18,385 | 17,483 |
| Salaries and benefits | 197,695 | 174,765 |
| Supplies | 2,821 | 11,012 |
| Telephone | 6,974 | 5,162 |
| Training | 7,623 | 1,613 |
| Transportation | 932 | 2,135 |
| Travel | 27,785 | 48,519 |
| Utilities | 1,327 | 1,566 |
| | 3,737,869 | 5,720,996 |
| Surplus | 161,755 | 1,185 |



**Flying Dust First Nation
Social Services**

Schedule 12 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 1,467,545 | 1,415,810 |
| Meadow Lake Health & Social Development Authority | 121,246 | 103,700 |
| Expense recoveries | 34,750 | 160 |
| Other revenue | 6,290 | - |
| | 1,629,831 | 1,519,670 |
| Expenses | | |
| Administration | 10,370 | 10,370 |
| Assistance | 1,175,237 | 1,033,757 |
| Bank charges and interest | 2,009 | 1,634 |
| Freight | 843 | 1,194 |
| IT support | 9,053 | 3,000 |
| Institutional adult care fees | 24,563 | 53,622 |
| Insurance | 3,007 | 3,007 |
| Office supplies | 1,018 | 4,061 |
| Rent | 4,000 | 3,600 |
| Salaries and benefits | 353,409 | 403,675 |
| Supplies | 441 | 139 |
| Telephone | 4,610 | 6,370 |
| Training | 16,673 | 5,700 |
| Transportation | 40 | - |
| Travel | 43,956 | 18,124 |
| | 1,649,229 | 1,548,253 |
| Deficit | (19,398) | (28,583) |