



**Ministikwan Lake Cree Nation
Consolidated Financial Statements**

March 31, 2019



Ministikwan Lake Cree Nation Contents

For the year ended March 31, 2019

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Schedule of Tangible Capital Assets.....	14
Schedule 2 - Consolidated Schedule of Expenses by Object.....	16
Schedule 3 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Administration.....	17
Schedule 4 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Capital.....	18
Schedule 5 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Community Infrastructure.....	19
Schedule 6 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Economic Development.....	20
Schedule 7 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Education.....	21
Schedule 8 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Health.....	22
Schedule 9 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Other Programs.....	23
Schedule 10 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Reserves and Trusts.....	24
Schedule 11 - Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Social Assistance.....	25

Management's Responsibility



To the Members of Ministikwan Lake Cree 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 is responsible for the design and maintenance of 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 Ministikwan Lake Cree Nation Council is composed entirely of individuals who are neither management nor employees of the Cree Nation. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for appointing the Cree Nation's 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 of Ministikwan Lake Cree Nation; 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 28, 2019

Signed By: Strider Lacrosse

Management

Independent Auditor's Report

To the Members of Ministikwan Lake Cree Nation:

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Ministikwan Lake Cree Nation (the "Cree Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows and the related schedules for the year then ended, including a summary of significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying consolidated financial statements of the Cree Nation. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

Our audit indicated serious deficiencies in the accounting records and in the system of internal controls of Ministikwan Lake Cree Nation. As a consequence, we were unable to satisfy ourselves that all expenditures of Ministikwan Lake Cree Nation were proper and authorized and all revenues have been recorded and classified properly. Additionally, we were unable to determine the accuracy of the opening balances and satisfy ourselves that the accounts payable are complete. As a result, we were unable to determine whether adjustments were required in respect of recorded or unrecorded assets and liabilities and the components making up the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows. The Cree Nation's statement of operations and accumulated surplus and changes in net debt do not present a comparison of the results of the accounting period with those originally planned (a budget) constitutes a departure from Canadian public sector accounting standards.

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 Cree 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 Cree Nation or to cease operations, or has no realistic alternative but to do so.

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

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

Our responsibility is to conduct an audit of the Cree Nation's consolidated financial statements in accordance with Canadian generally accepted auditing standards and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Cree 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.

Saskatoon, Saskatchewan

November 28, 2019

MNP LLP

Chartered Professional Accountants

MNP



Ministikwan Lake Cree Nation
Consolidated Statement of Financial Position

As at March 31, 2019

	2019	2018
Financial assets		
Current		
Cash	144,085	255,631
Restricted cash (Note 4)	5,661,270	4,063,882
Accounts receivable (Note 5)	1,005,484	1,145,200
	6,810,839	5,464,713
Restricted deposit (Note 6)	25,072	22,378
Portfolio Investments (Note 7)	942	942
Funds held in trust (Note 8)	110,750	94,180
	6,947,603	5,582,213
Liabilities		
Current		
Bank indebtedness (Note 9)	270,113	658,826
Accounts payable and accruals (Note 10)	1,624,061	1,658,072
Deferred revenue (Note 11)	6,340,827	4,566,268
Current portion of long-term debt (Note 12)	380,856	460,303
	8,615,857	7,343,469
Long-term debt (Note 12)	3,636,956	4,023,599
	12,252,813	11,367,068
Net debt	(5,305,210)	(5,784,855)
Commitment (Note 13)		
Non-financial assets		
Tangible capital assets (Schedule 1)	30,112,159	29,967,101
Accumulated surplus (Note 14)	24,806,949	24,182,246

Approved on behalf of the Council

Signed By: Rose Ahenakew	Councillor	Signed By: Brian Crookedneck	Councillor
Signed By: Leon Crookedneck	Councillor	Signed By: Garth Crookedneck	Councillor
Signed By: Gabe Alexan	Councillor		



Ministikwan Lake Cree Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	<i>Schedules</i>	<i>2019 Actual</i>	<i>2018 Actual</i>
Revenues			
Indigenous Services Canada (Note 16)		7,060,896	6,354,767
MLTC Program Services Inc.		3,800,133	3,142,053
Meadow Lake Health and Social Development Authority Inc.		1,768,882	1,109,702
Health Canada (Note 17)		196,240	256,702
Canada Mortgage and Housing Corporation		339,217	339,478
Meadow Lake Child and Family Services Inc.		542,034	268,555
First Nations Trust		413,919	436,565
Insurance income		-	89,510
MLTC Resource Development Inc.		366,000	-
Northern Lights Community Development Corporation		105,215	26,500
Other		115,359	493,629
Rental income		162,382	124,225
Revenue Trust Funds		16,570	24,053
		14,886,847	12,665,739
Program expenses			
Administration	3	1,053,640	1,066,409
Capital	4	790,060	1,034,278
Community Infrastructure	5	2,002,579	2,343,954
Economic Development	6	157,304	86,641
Education	7	4,153,254	3,373,201
Health	8	2,368,957	1,673,197
Other Programs	9	407,881	210,808
Reserves and Trusts	10	9,287	9,759
Social Assistance	11	3,319,182	3,038,924
		14,262,144	12,837,171
Annual surplus (deficit)		624,703	(171,432)
Accumulated surplus, beginning of year		24,182,246	24,353,678
Accumulated surplus, end of year (Note 14)		24,806,949	24,182,246

The accompanying notes are an integral part of these financial statements



Ministikwan Lake Cree Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2019

	2019 Actual	2018 Actual
Annual surplus (deficit)	624,703	(171,432)
Purchases of tangible capital assets	(1,611,109)	(1,362,236)
Amortization of tangible capital assets	1,466,051	1,429,601
Use of prepaid expenses	-	71,060
Decrease (increase) in net debt	479,645	(33,007)
Net debt, beginning of year	(5,784,855)	(5,751,848)
Net debt, end of year	(5,305,210)	(5,784,855)

The accompanying notes are an integral part of these financial statements



Ministikwan Lake Cree Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus (deficit)	624,703	(171,432)
Non-cash items		
Amortization	1,466,051	1,429,601
	2,090,754	1,258,169
Changes in working capital accounts		
Accounts receivable	139,716	(628,240)
Prepaid expenses	-	71,060
Accounts payable and accruals	(34,011)	(222,231)
Deferred revenue	1,774,559	3,535,981
	3,971,018	4,014,739
Financing activities		
Repayment of long-term debt	(466,090)	(420,532)
Capital activities		
Purchases of tangible capital assets	(1,611,109)	(1,362,236)
Investing activities		
Increase in restricted cash	(1,597,388)	(3,341,152)
Decrease (increase) in restricted deposits	(2,694)	144,939
Change in funds held in trust	(16,570)	165,846
	(1,616,652)	(3,030,367)
Decrease (increase) in cash deficiency	277,167	(798,396)
Cash resources (deficiency), beginning of year	(403,195)	395,201
Cash deficiency, end of year	(126,028)	(403,195)
Cash deficiency are composed of:		
Cash	144,085	255,631
Bank indebtedness	(270,113)	(658,826)
	(126,028)	(403,195)



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. Operations

The Ministikwan Lake Cree Nation (the "Cree Nation") is located in the Province of Saskatchewan, and provides various services to its members. The Ministikwan Lake Cree Nation financial reporting entity includes the Cree Nation's operations and all related entities that are accountable to the Nation and are either owned or controlled by the Cree Nation.

2. Change in accounting policies

Effective April 1, 2018, the Cree Nation adopted the recommendations relating to the following Section, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 3420 Restructuring Transactions

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements adopting the new Section.

3. Significant accounting policies

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

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Cree Nation reporting entity except for Cree Nation business entities.

The Cree Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and department:

- Ministikwan Lake Cree Nation
- Ministikwan Lake Cree Nation CMHC Housing Authority

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.

Other economic interests

The Cree Nation is a member of Meadow Lake Tribal Council (MLTC). The Tribal Council is an organization of nine Nations. The Cree Nation does not either share in the control or the profit or loss of MLTC. As a result, the financial statements of MLTC have not been included in the financial statements of Ministikwan Lake Cree Nation.

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.

Cash resources

Cash include balances with banks less outstanding cheques. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Portfolio investments

Long-term investments in entities that are not controlled or influenced by the Cree Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

Funds held in Trust

Funds held in trust on behalf of Cree Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position. Trust moneys consist of:

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

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

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
Buildings	straight-line	40 years
Houses	straight-line	40 years
Equipment	straight-line	10 years
Computers	straight-line	10 years
Vehicles and machinery	straight-line	4 years
Infrastructure	straight-line	50 years
Roads	straight-line	25 years
Trailers	straight-line	10 years

Construction in progress is not amortized until put into use. Land is not amortized.

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.

Net debt

The Cree Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the Cree 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

Funding

Revenue 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 Cree 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 Cree Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

Rental income

Income associated with the rental of homes to members is recorded monthly when rental amounts are measurable and collection is reasonably assured.

Revenue Trust Funds

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when received. These moneys are reported on by the Government of Canada.

Investment income

Investment income is recognized when earned and collection is reasonably assured.

Segments

The Cree Nation conducts its business through 9 reportable segments:

- Administration - includes administration and governance activities.
- Capital - includes capital projects and the operations and maintenance of all on-reserve housing.
- Community Infrastructure - includes the operations and maintenance of the Cree Nation's buildings and infrastructure.
- Economic Development - includes the activities of the Cree Nation's economic development initiatives and its business entities.
- Education - includes the operations of education programs.
- Health - includes the operations of health and community wellness programming.
- Other Programs - includes all other band activities of the Cree Nation.
- Reserves and Trusts - includes the activities for the Cree Nation's membership and land development.
- Social Assistance - includes all activities relating to income assistance for membership.

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 as disclosed in the significant accounting policies.

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. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

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

Legal provisions are recorded when the likelihood of loss and amount of settlement can be determined.

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



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

4. Restricted cash

Restricted cash represents cash held by project managers for the purpose of paying costs associated with the various capital projects of the Cree Nation.

5. Accounts receivable

	2019	2018
Members	439,533	339,334
First Nations Trust	315,485	-
Meadow Lake Tribal Council - Prevention	258,750	-
Canada Mortgage and Housing Corporation	197,877	284,260
Indigenous Services Canada	154,669	692,883
Meadow Lake Tribal Council	38,463	17,000
Health Canada	35,000	-
Miscellaneous	5,240	-
AFN Insurance Brokers Inc.	-	89,510
	1,445,017	1,422,987
Provision for uncollectible amounts	(439,533)	(277,787)
	1,005,484	1,145,200

6. Restricted deposit

The restricted deposit consist of a guaranteed investment certificate held for the purpose of funding the CMHC replacement and operating reserves; interest at 1.25% (2018 - 1.0%)

7. Portfolio investments

	2019	2018
First Nations Bank	940	940
MLTC Resource Development Inc.	1	1
MLTC Resource Development LP	1	1
	942	942



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

8. Funds held in trust

Capital and revenue trust monies are transferred to the Cree Nation on the authorization of the Minister of Indigenous Services Canada, upon request of the Cree Nation's Council.

	2019	2018
Capital Trust		
Balance, beginning of year	60,653	195,552
Less: Transfers to the Cree Nation	-	(134,899)
Balance, end of year	60,653	60,653
Revenue Trust		
Balance, beginning of year	33,527	64,474
Interest and lease income	16,570	24,053
Less: Transfers to Cree Nation	-	(55,000)
Balance, end of year	50,097	33,527
	110,750	94,180

The following table represents changes in the previous years unexpended Trust Funds:

	BCR Number	Purpose	Unexpended - beginning of year	Amount expended in current year	Unexpended - end of year
Capital	2017-2018 #18	Gravel	125,665	(82,433)	43,232
Capital	2016-2017 #10	Trailer	130,000	-	130,000
			255,665	(82,433)	173,232

9. Bank indebtedness

Bank indebtedness is represented by bank balance less outstanding cheques. At March 31, 2019 the Nation was overdrawn \$nil (2018 - \$367,000) in its operating account. The Cree Nation does not have an operating line of credit agreement.

10. Accounts payable and accruals

	2019	2018
Trade payables	1,115,064	1,231,286
Government remittances	489,699	419,928
Employee benefits	19,298	6,858
	1,624,061	1,658,072



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

11. Deferred revenue

Deferred revenues represent the amount of funds received by the Cree Nation that relate to future fiscal periods or that must be spent on certain projects that are incomplete at year-end.

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Amount received</i>	<i>Amount expended in current year</i>	<i>Balance, end of year</i>
ISC (NTF5 & NTF9) - Water Treatment Plant Upgrade	3,164,619	3,154,900	658,504	5,661,015
ISC (NTHC) - School Renovations	1,043,486	-	676,438	367,048
ISC (NTFW) - New Lagoon	130,406	-	130,406	-
ISC (NTVE) - Landfill	90,000	-	14,000	76,000
Health Canada - Headstart	-	47,000	-	47,000
MLTC - FN Student Support Program	137,757	450,556	546,979	41,334
MLTC - CRIF	-	190,996	104,161	86,835
MLHSDA Inc. - Electronic Medical Records	-	36,050	3,605	32,445
MLHSDA Inc. - Daycare	-	119,181	98,880	20,301
MLHSDA Inc. - Youth Suicide Prevention	-	9,832	983	8,849
	4,566,268	4,008,515	2,233,956	6,340,827

Project	Amount expended to date	Budget for the project
Water Treatment Plant Upgrade	\$2,449,235	\$8,464,000
New Lagoon	\$331,883	\$6,286,243
School Renovations	\$1,013,371	\$1,590,700
Landfill	\$24,000	\$1,020,000
Emergency Road Repairs	\$65,500	\$500,000



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Long-term debt

	2019	2018
CMHC phase 1 mortgage bearing interest at 1.82%, matures August 2024, and repayable in blended monthly principal and interest payments of \$1,182. Secured by a ministerial guarantee.	73,133	85,874
CMHC phase 2 mortgage bearing interest at 1.31%, matures January 2027, and repayable in blended monthly principal and interest payments of \$1,598. Secured by a ministerial guarantee.	142,712	159,913
CMHC phase 3 mortgage bearing interest at 1.31%, matures July 2030, and repayable in blended monthly principal and interest payments of \$4,433. Secured by a ministerial guarantee.	568,955	614,542
CMHC phase 4 mortgage bearing interest at 1.31%, matures September 2030, and repayable in blended monthly principal and interest payments of \$4,382. Secured by a ministerial guarantee.	565,589	614,942
CMHC phase 5 mortgage bearing interest at 1.31%, matures July 2030, and repayable in blended monthly principal and interest payments of \$3,544. Secured by a ministerial guarantee.	451,293	484,189
CMHC phase 6 mortgage bearing interest at 1.31%, matures December 2036, and repayable in blended monthly principal and interest payments of \$1,967. Secured by a ministerial guarantee.	373,705	396,235
CMHC phase 7 mortgage bearing interest at 1.44%, matures January 2037, and repayable in blended monthly principal and interest payments of \$991. Secured by a ministerial guarantee.	187,028	196,173
CMHC phase 8 mortgage bearing interest at 1.35%, matures May 2037, and repayable in blended monthly principal and interest payments of \$2,973. Secured by a ministerial guarantee.	574,742	602,504
CMHC phase 9 mortgage bearing interest at 2.11%, matures December 2028, and repayable in blended monthly principal and interest payments of \$7,292. Secured by a ministerial guarantee.	785,376	855,960
First Nations Bank loan to fund the construction of a community fire hall; bearing interest at 6.30%, matures April 2022, and repayable in quarterly principal payments of \$22,714, plus monthly interest payments. Secured by Northern Lights Community Development Corporation funding and First Nations Trust funding.	295,279	386,135
First Nations Bank loan repaid during the year	-	87,435
	4,017,812	4,483,902
Less: current portion	380,856	460,303
	3,636,956	4,023,599



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. 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:

2020	380,856
2021	385,856
2022	390,856
2023	327,711
2024	310,000

13. Commitment

In 2017, the Cree Nation received funding from Indigenous Services Canada for the construction of certain capital projects in the community. The Cree Nation is responsible to advance money received on account of capital to the capital project bank account; to be administered by an independent project manager. At March 31, 2019 the Cree Nation operating account owes \$466,852 (2018 - \$466,852) to the capital construction account.

14. Accumulated surplus

Accumulated surplus consists of the following:

	2019	2018
Equity in Ottawa Trust Funds	110,750	94,180
Equity in investments	942	942
Equity in CMHC reserves	1,193,457	1,078,763
Equity in tangible capital assets	26,094,347	25,482,199
Unexpended Ottawa Trust Funds	173,232	255,665
Operating deficit	(2,765,779)	(2,730,503)
	<hr/> 24,806,949	<hr/> 24,181,246

15. Budget information

No budget information was approved by the Chief and Council of Ministikwan Lake Cree Nation for the 2019 fiscal year.



Ministikwan Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

16. Reconciliation of funding from Indigenous Services Canada (ISC)

Per funding confirmation	\$ 8,810,465
Add:	
Deferred revenue - beginning of year - WTP	3,164,619
Deferred revenue - beginning of year - school renovations	1,043,486
Deferred revenue - beginning of year - new lagoon	130,405
Deferred revenue - beginning of year - landfill	90,000
Less:	
Deferred revenue - end of year - WTP	(5,661,015)
Deferred revenue - end of year - school renovations	(367,048)
Deferred revenue - end of year - landfill	(76,000)
Forfeited funding - Financial Management Cap. Dev.	(40,000)
Forfeited funding - NCB Re-investment	(14,294)
Forfeited funding - Leadership Governance Cap. Dev.	(10,500)
Forfeited funding - CPP & Pension	<u>(9,222)</u>
	<u><u>\$ 7,060,896</u></u>

17. Reconciliation of funding from Health Canada

Per funding confirmation	\$ 196,240
Add:	
Headstart funding - MLHSDAI flow through	47,000
Less:	
Deferred revenue - end of year - Headstart	<u>(47,000)</u>
	<u><u>\$ 196,240</u></u>

18. Economic dependence

Ministikwan Lake 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 ability of the Cree Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

Due to certain deficiencies in its cumulative deficit position, the Cree Nation is also party to a Management Action Plan with ISC. Under the terms of the agreement, funding from the Management Action Plan can be suspended if the Cree Nation does not comply with the terms of the agreement.

19. Compliance with authorities

The First Nations Financial Transparency Act requires First Nations to make their financial statements publicly available and submit their consolidated statements to Indigenous Services Canada by July 29, 2019. As the audit is dated after July 29, 2019, the Cree Nation is in breach of this requirement.



Ministikwan Lake Cree Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Buildings</i>	<i>Houses</i>	<i>Equipment</i>	<i>Vehicles and machinery</i>	<i>Trailers</i>	<i>Computers</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	22,500,365	17,064,019	413,684	2,053,813	203,500	6,657	42,242,038
Acquisition of tangible capital assets	-	-	-	59,551	-	-	59,551
Balance, end of year	22,500,365	17,064,019	413,684	2,113,364	203,500	6,657	42,301,589
Accumulated amortization							
Balance, beginning of year	8,785,203	9,957,955	413,684	1,851,407	91,575	6,657	21,106,481
Annual amortization	450,007	426,600	-	139,484	20,350	-	1,036,441
Balance, end of year	9,235,210	10,384,555	413,684	1,990,891	111,925	6,657	22,142,922
Net book value of tangible capital assets	13,265,155	6,679,464	-	122,473	91,575	-	20,158,667
2018 Net book value of tangible capital assets	13,715,162	7,106,064	-	202,406	111,925	-	21,135,557



Ministikwan Lake Cree Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Roads</i>	<i>Infrastructure</i>	<i>Land</i>	<i>Construction in progress</i>	<i>2019</i>	<i>2018</i>
Cost							
Balance, beginning of year	42,242,038	7,831,514	5,817,442	220,000	2,332,431	58,443,425	57,081,189
Acquisition of tangible capital assets	59,551	-	-	-	1,551,558	1,611,109	1,362,236
Balance, end of year	42,301,589	7,831,514	5,817,442	220,000	3,883,989	60,054,534	58,443,425
Accumulated amortization							
Balance, beginning of year	21,106,481	4,792,921	2,576,922	-	-	28,476,324	27,046,723
Annual amortization	1,036,441	313,261	116,349	-	-	1,466,051	1,429,601
Balance, end of year	22,142,922	5,106,182	2,693,271	-	-	29,942,375	28,476,324
Net book value of tangible capital assets	20,158,667	2,725,332	3,124,171	220,000	3,883,989	30,112,159	29,967,101
2018 Net book value of tangible capital assets	21,135,557	3,038,593	3,240,520	220,000	2,332,431	29,967,101	



Ministikwan Lake Cree Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2019

	2019 Actual	2018 Actual
Amortization	1,466,051	1,429,601
Bad debts	47,746	-
Band member assistance	412,856	190,277
Bank charges, interest and penalties	16,104	91,063
Community events	749,200	217,057
Contracted services	702,763	1,177,445
Equipment rental	37,851	65,466
Fuel	44,357	12,403
Honouraria	437,318	496,916
Insurance	153,220	141,957
Interest on long-term debt	90,356	110,271
Meetings	14,048	30,458
Office supplies	143,018	10,491
Professional development	7,629	1,353
Professional fees	197,513	215,126
Rent	1,450	18,841
Repairs and maintenance	203,319	279,336
Salaries and benefits	4,444,770	4,240,780
Social assistance	2,521,011	2,377,700
Student expenses	496,976	333,200
Supplies	740,747	387,916
Telephone	62,946	35,209
Training	390,353	341,688
Travel	718,269	446,145
Utilities	162,273	186,472
	14,262,144	12,837,171



Ministikwan Lake Cree Nation
Administration

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

For the year ended March 31, 2019

	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenues		
Indigenous Services Canada	763,900	625,225
MLTC Resource Development Inc.	366,000	-
Other	65,763	451,553
	1,195,663	1,076,778
Expenses		
Administration	(519,619)	(408,235)
Bad debts	47,746	-
Band member assistance	5,944	41,330
Bank charges, interest and penalties	15,445	91,063
Contracted services	145,692	105,750
Equipment rental	9,452	44,253
Honouraria	434,468	496,916
Insurance	10,899	-
Interest on long-term debt	9,000	5,276
Meetings	7,337	24,538
Office supplies	79,096	2,770
Professional fees	186,875	197,602
Salaries and benefits	129,006	166,467
Student expenses	-	500
Supplies	-	650
Telephone	49,876	11,119
Training	24,247	25,827
Travel	418,176	260,583
	1,053,640	1,066,409
Surplus	142,023	10,369



Ministikwan Lake Cree Nation
Capital

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

For the year ended March 31, 2019

	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenues		
Indigenous Services Canada	1,749,069	1,283,736
Canada Mortgage and Housing Corporation	339,217	339,478
Health Canada	-	102,462
Other	28,864	-
Rental income	133,720	115,294
	2,250,870	1,840,970
Expenses		
Amortization	455,160	424,675
Bank charges, interest and penalties	659	-
Contracted services	17,922	139,293
Fuel	3,644	839
Insurance	55,149	66,490
Interest on long-term debt	59,373	80,567
Meetings	-	322
Professional fees	8,820	8,720
Repairs and maintenance	53,383	156,019
Salaries and benefits	110,797	132,786
Supplies	5,102	16,525
Training	-	1,974
Travel	6,665	2,373
Utilities	13,386	3,695
	790,060	1,034,278
Surplus	1,460,810	806,692



Ministikwan Lake Cree Nation
Community Infrastructure

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

For the year ended March 31, 2019

	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenues		
Indigenous Services Canada	732,306	690,007
Insurance income	-	89,510
Other	5,160	-
Rental income	28,662	8,930
	766,128	788,447
Expenses		
Administration	41,027	-
Amortization	957,260	966,182
Contracted services	91,207	508,997
Equipment rental	28,000	18,568
Fuel	19,496	3,672
Insurance	72,442	66,790
Interest on long-term debt	21,983	24,428
Repairs and maintenance	112,333	67,927
Salaries and benefits	406,939	393,374
Supplies	108,457	92,893
Telephone	5,419	14,169
Training	1,854	300
Travel	8,048	13,031
Utilities	128,114	173,623
	2,002,579	2,343,954
Deficit	(1,236,451)	(1,555,507)



Ministikwan Lake Cree Nation
Economic Development

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

For the year ended March 31, 2019

	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenues		
Indigenous Services Canada (NT54 & NT5G)	69,598	-
MLTC Program Services Inc.	63,183	57,054
Other	1,043	-
	133,824	57,054
Expenses		
Contracted services	45,698	2,500
Insurance	4,484	-
Meetings	350	200
Office supplies	100	-
Professional fees	1,818	8,803
Salaries and benefits	71,527	68,854
Supplies	750	-
Travel	19,362	6,284
Training	13,215	-
	157,304	86,641
Deficit	(23,480)	(29,587)



Ministikwan Lake Cree Nation

Education

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

For the year ended March 31, 2019

	2019 Actual	2018 Actual
Revenues		
Indigenous Services Canada	3,428,635	3,403,559
MLTC Program Services Inc.	546,980	287,944
Other	5,885	63
	3,981,500	3,691,566
Expenses		
Administration	197,775	189,105
Community events	62,520	50,069
Equipment rental	-	2,645
Fuel	16,524	7,792
Honouraria	2,850	-
Insurance	1,337	7,799
Meetings	6,361	5,397
Office supplies	32,249	7,626
Professional development	7,629	-
Rent	1,450	14,505
Repairs and maintenance	12,794	4,797
Salaries and benefits	2,645,199	2,432,161
Student expenses	496,976	332,700
Supplies	543,585	230,546
Telephone	3,740	3,979
Training	20,165	17,303
Travel	102,100	66,777
	4,153,254	3,373,201
Surplus (deficit)	(171,754)	318,365



Ministikwan Lake Cree Nation

Health

Schedule 8 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Actual	2018 Actual
Revenues		
Health Canada	196,240	154,240
MLTC Program Services Inc.	14,104	12,000
Meadow Lake Child and Family Services Inc.	542,034	268,555
Meadow Lake Health and Social Development Authority Inc.	1,768,882	1,109,702
Other	8,644	42,014
	2,529,904	1,586,511
Expenses		
Administration	222,064	138,507
Amortization	53,631	38,744
Band member assistance	160,027	40,483
Community events	676,175	138,705
Contracted services	156,139	283,569
Equipment rental	399	-
Fuel	-	100
Insurance	8,909	878
Office supplies	20,351	96
Professional development	-	1,353
Rent	-	4,337
Repairs and maintenance	8,561	50,593
Salaries and benefits	773,883	774,998
Supplies	69,076	31,750
Telephone	980	4,142
Training	69,311	85,743
Travel	129,394	70,045
Utilities	20,057	9,154
	2,368,957	1,673,197
Surplus (deficit) before transfers	160,947	(86,686)
Transfers between programs	(184,987)	-
Deficit	(24,040)	(86,686)



Ministikwan Lake Cree Nation
Other Programs

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

For the year ended March 31, 2019

	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenues		
MLTC Program Services Inc.	115,812	98,595
First Nations Trust	413,919	436,565
Northern Lights Community Development Corporation	105,215	26,500
	634,946	561,660
Expenses		
Administration	3,602	1,000
Band member assistance	246,885	108,465
Community events	10,505	-
Fuel	4,693	-
Repairs and maintenance	14,748	-
Salaries and benefits	114,660	95,560
Supplies	6,743	1,525
Telephone	2,931	-
Training	-	222
Travel	2,398	4,036
Utilities	716	-
	407,881	210,808
Surplus before transfers	227,065	350,852
Transfers between programs	184,987	-
Surplus	412,052	350,852



Ministikwan Lake Cree Nation
Reserves and Trusts

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

For the year ended March 31, 2019

	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenues		
Indigenous Services Canada	10,008	9,759
Revenue Trust Funds	16,570	24,053
	26,578	33,812
Expenses		
Contracted services	2,502	8,974
Office supplies	636	-
Salaries and benefits	3,600	-
Supplies	300	-
Travel	2,249	785
	9,287	9,759
Surplus	17,291	24,053



Ministikwan Lake Cree Nation

Social Assistance

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

For the year ended March 31, 2019

	2019 Actual	2018 Actual
Revenues		
Indigenous Services Canada	307,380	342,480
MLTC Program Services Inc.	3,060,054	2,686,460
	3,367,434	3,028,940
Expenses		
Administration	55,151	79,622
Community events	-	28,282
Contracted services	243,603	128,361
Office supplies	10,586	-
Repairs and maintenance	1,500	-
Salaries and benefits	189,159	176,584
Social assistance	2,521,011	2,377,700
Supplies	6,734	14,027
Telephone	-	1,800
Training	261,561	210,318
Travel	29,877	22,230
	3,319,182	3,038,924
Surplus (deficit)	48,252	(9,984)