



**Waterhen Lake First Nation
Consolidated Financial Statements**

March 31, 2020



Waterhen Lake First Nation Contents

For the year ended March 31, 2020

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Management's Responsibility



To the Members of Waterhen Lake First Nation:

Management is responsible for the preparation and presentation of the accompanying consolidated 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.

Management is responsible for the integrity and fairness of the consolidated financial statements, management is responsible to design and maintain 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 consolidated financial statements.

The Waterhen Lake First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated 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 consolidated financial statements and report directly to the Members of Waterhen Lake First 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 10, 2020

Signed by: Calvin Opikokew

Management

To the Members of Waterhen Lake First Nation:

Opinion

We have audited the consolidated financial statements of Waterhen Lake First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, change in net debt and 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 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.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 10 and 11 to the consolidated financial statements, which describe that Waterhen Lake First Nation has outstanding claims against the Government of Canada for damages sustained by the First Nation. The First Nation is financing the costs of these negotiations through bank loans and has taken insurance to repay the loans should the settlement proceeds not be sufficient to repay the loans. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Chief and Council 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.

Chief and Council 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 10, 2020

MNP LLP

Chartered Professional Accountants

MNP



Waterhen Lake First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

| | 2020 | 2019 |
|--|--------------------|-------------|
| Financial assets | | |
| Current | | |
| Cash | 375,574 | - |
| Accounts receivable (Note 3) | 416,951 | 521,514 |
| Inventory for resale | 46,306 | 54,192 |
| Restricted cash (Note 4) | 1,801,097 | 280,546 |
| Funds held in lawyer's trust | 170,512 | - |
| | 2,810,440 | 856,252 |
| Restricted cash (Note 4) | 303,695 | 304,822 |
| Portfolio investments (Note 5) | 9,802 | 9,802 |
| Investment in Nation business entity (Note 6) | 2,311,396 | 2,110,357 |
| Funds held in trust (Note 7) | 276,518 | 221,145 |
| Total financial assets | 5,711,851 | 3,502,378 |
| Liabilities | | |
| Current | | |
| Bank indebtedness (Note 8) | - | 226,514 |
| Accounts payable and accruals (Note 11) | 2,123,442 | 817,988 |
| Deferred revenue (Note 9) | 3,164,547 | 926,882 |
| Current portion of long-term debt (Note 10) | 563,000 | 552,358 |
| | 5,850,989 | 2,523,742 |
| Long-term debt (Note 10) | 4,671,002 | 3,294,804 |
| Total financial liabilities | 10,521,991 | 5,818,546 |
| Net debt | (4,810,140) | (2,316,168) |
| Contingent assets (Note 11) | | |
| Non-financial assets | | |
| Tangible capital assets (Note 12) | 21,876,652 | 17,280,354 |
| Accumulated surplus (Note 13) | 17,066,512 | 14,964,186 |

Approved by:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Signed by: Carolyn Bernard | Chief | Signed by: Blaine Fiddler | Councillor |
| Signed by: Dustin Fiddler | Councillor | Signed by: David Fleury | Councillor |
| Signed by: Dean Martell | Councillor | | |



Waterhen Lake First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2020

| | <i>Schedules</i> | <i>2020 Budget (Note 17)</i> | <i>2020 Actual</i> | <i>2019 Actual</i> |
|--|------------------|--------------------------------------|------------------------|------------------------|
| Revenues | | | | |
| Indigenous Services Canada (Note 14) | | 4,976,948 | 9,006,533 | 7,691,380 |
| Meadow Lake Health & Social Development Authority Inc. | | 3,581,867 | 3,364,028 | 2,476,390 |
| MLTC Program Services Inc. | | 891,825 | 2,435,296 | 2,502,526 |
| Canada Mortgage and Housing Corporation | | 104,220 | 285,815 | 287,214 |
| Other revenue | | 473,777 | 220,678 | 188,138 |
| Mistik Management Ltd. | | - | 209,397 | 184,485 |
| Health Canada | | 35,000 | 35,000 | 35,000 |
| Retail sales | | - | 1,609,387 | 1,823,715 |
| MLTC Child & Family Services Inc. | | 993,604 | 1,073,669 | 445,594 |
| First Nations Trust | | 813,783 | 622,527 | 631,116 |
| Earnings from investment in Nation business entity | | - | 451,039 | 747,704 |
| Northern Lights CDC | | 130,990 | 235,331 | 42,500 |
| Rental income | | 54,948 | 202,528 | 224,330 |
| Investment income - MLTC Resource Development LP | | 185,000 | 185,000 | 366,000 |
| Department of Highways | | 200,000 | 162,232 | 67,731 |
| GST and Sales Tax rebates | | 65,000 | 57,052 | 43,132 |
| Prince Albert Development Corporation | | 20,050 | 40,122 | - |
| Interest income | | - | 30,946 | 11,725 |
| Province of Saskatchewan | | 4,500 | 4,500 | 1,000 |
| User fees | | - | - | 10,000 |
| Recovery of prior year ISC funding | | - | - | (3,817) |
| | | 12,531,512 | 20,231,080 | 17,775,863 |
| Program expenses | | | | |
| Administration | 2 | 1,028,337 | 881,665 | 747,927 |
| Band Programs | 3 | 785,414 | 2,518,477 | 845,691 |
| Capital | 4 | 291,575 | 2,049,369 | 2,306,079 |
| Economic Development | 5 | 139,677 | 152,309 | 209,010 |
| Education | 6 | 4,221,125 | 4,310,234 | 3,971,827 |
| Health | 7 | 2,944,569 | 3,512,728 | 2,630,295 |
| Infrastructure | 8 | 1,000,716 | 1,182,167 | 1,179,883 |
| Reserves and Trusts | 9 | 14,875 | 81,745 | 54,844 |
| Social Services | 10 | 488,278 | 1,847,427 | 1,797,919 |
| Resorts and Retail | 11 | - | 1,608,633 | 1,764,585 |
| | | 10,914,566 | 18,144,754 | 15,508,060 |
| Annual surplus before other items | | 1,616,946 | 2,086,326 | 2,267,803 |
| Other items | | | | |
| Gain on disposal of tangible capital assets | | - | 16,000 | 16,996 |
| Annual surplus | | 1,616,946 | 2,102,326 | 2,284,799 |
| Accumulated surplus, beginning of year | | 14,964,186 | 14,964,186 | 12,679,387 |
| Accumulated surplus, end of year | | 16,581,132 | 17,066,512 | 14,964,186 |



Waterhen Lake First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2020

| | 2020 Budget (Note 17) | 2020 Actual | 2019 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Annual surplus | | | |
| Purchases of tangible capital assets | 1,616,946 | 2,102,326 | 2,284,799 |
| Amortization of tangible capital assets | (780,000) | (5,730,893) | (4,230,591) |
| Gain on disposal of tangible capital assets | - | 1,134,595 | 1,095,098 |
| Proceeds on disposal of tangible capital assets | - | (16,000) | (16,996) |
| Use of prepaid expenses | - | 16,000 | 60,424 |
| | | | 60,447 |
| Decrease (increase) in net debt | 836,946 | (2,493,972) | (746,819) |
| Net debt, beginning of year | (2,316,168) | (2,316,168) | (1,569,349) |
| Net debt, end of year | (1,479,222) | (4,810,140) | (2,316,168) |



Waterhen Lake 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

| | | |
|--|-----------|-----------|
| Annual surplus | 2,102,326 | 2,284,799 |
| Non-cash items | | |
| Amortization | 1,134,595 | 1,095,098 |
| Gain on disposal of tangible capital assets | (16,000) | (16,996) |
| Earnings from investment in Nation business entities | (451,039) | (747,704) |
| | 2,769,882 | 2,615,197 |
| Changes in working capital accounts | | |
| Accounts payable and accruals | 1,305,454 | 218,325 |
| Deferred revenue | 2,237,665 | 503,711 |
| Funds held in lawyer's trust | (170,512) | - |
| Accounts receivable | 104,563 | (30,928) |
| Prepaid expenses | - | 60,447 |
| Inventory for resale | 7,886 | - |
| | 6,254,938 | 3,366,752 |

Financing activities

| | | |
|-------------------------------|-----------|-----------|
| Advances of long-term debt | 1,968,486 | 1,985,545 |
| Decrease in bank indebtedness | (226,514) | (106,549) |
| Repayment of long-term debt | (581,646) | (663,454) |
| | 1,160,326 | 1,215,542 |

Capital activities

| | | |
|---|-------------|-------------|
| Purchases of tangible capital assets | (5,730,893) | (4,230,591) |
| Proceeds on disposal of tangible capital assets | 16,000 | 60,424 |
| | (5,714,893) | (4,170,167) |

Investing activities

| | | |
|---|-------------|-----------|
| Increase of funds held in trust | (55,373) | (83,772) |
| Increase in restricted cash | (1,519,424) | (338,355) |
| Distributions received from investments | 250,000 | 10,000 |
| | (1,324,797) | (412,127) |

Increase in cash resources

| | | |
|--|---------|---|
| Cash resources, beginning of year | - | - |
| Cash resources, end of year | 375,574 | - |



Waterhen Lake First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

1. Operations

The Waterhen Lake First Nation (the "First Nation") is located in the province of Saskatchewan, and provides various services to its members. Waterhen Lake First Nation includes the Nation's government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. Significant accounting policies

These consolidated financial statements have been 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 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.

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

- Waterhen First Nation CMHC Housing Program 100% interest
- Waterhen Lake Resort (North) Ltd. 100% interest
- Waterhen Lake Resort (South) Ltd. 100% interest

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.

Waterhen Lake 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. The following entity is accounted for by the modified equity basis:

- Waterhen Forestry Products LP 99.99% interest

Other economic interests

The First Nation does not either share in 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 Waterhen Lake First Nation.

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

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

Inventory for resale

Inventory is computed using the retail method.



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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

Portfolio investments

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

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; 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 based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

The First Nation's original reserve land is recognized in the consolidated financial statements.

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 | 30 years |
| Housing | straight-line | 30 years |
| Equipment | straight-line | 10 years |
| Infrastructure | straight-line | 50 years |
| CMHC Housing | straight-line | 30 years |
| Automotive | straight-line | 10 years |

Assets under construction are not amortized until put into service.

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 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 comprises a second indicator of financial position, accumulated surplus.



Waterhen Lake First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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

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.

Rental income

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

Retail sales

Income from retail sales is recognized when the sale is made and the customer takes possession of the merchandise.

Investment income

Investment income is recognized when earned.

Segments

The First Nation conducts its business through 10 reportable segments:

- Administration - includes the administration and governance activities.
- Band programs - includes all other band activities of the First Nation.
- Capital - includes the operations and maintenance of all on reserve housing.
- Economic development - includes the activities of the First 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.
- Infrastructure - includes the operations and maintenance of the First Nation's buildings and infrastructure.
- Reserves and trusts - includes activities for the development of the First Nation's land.
- Social services - includes all activities relating to income assistance for membership.
- Resorts and Retail - includes all activities relating to the operations of Resort (North) store and Resort (South) cabins and campground.

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 consolidated financial statements.



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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

Use of estimates

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after an assessment as to their collectability has been made.

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

Liability for contaminated sites

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 will not recognize any liability as it is not expected that economic benefits will be given up.

3. Accounts receivable

| | 2020 | 2019 |
|---|-------------|-------------|
| Canada Mortgage and Housing Corporation | 14,285 | 14,549 |
| Indigenous Services Canada | 44,776 | 91,924 |
| Goods and services tax recoverable | 3,593 | - |
| Member and employee advances | 93,310 | 88,329 |
| MLTC Program Services Inc. | 36,900 | 228,811 |
| Northern Lights Community Development Corporation | 94,341 | - |
| Trade receivables - Waterhen Lake Resort (North) Ltd. | 187,410 | 222,905 |
| Other | 16,269 | 3,029 |
| | <hr/> | <hr/> |
| Less: Allowance for doubtful accounts | 490,884 | 649,547 |
| | <hr/> | <hr/> |
| | 73,933 | 128,033 |
| | <hr/> | <hr/> |
| | 416,951 | 521,514 |
| | <hr/> | <hr/> |

4. Restricted cash

| | 2020 | 2019 |
|--------------------------|-------------|-------------|
| Current: | | |
| ISC capital projects | 1,801,097 | 280,546 |
| Long-term: | | |
| CMHC replacement reserve | 239,821 | 192,011 |
| CMHC operating reserve | 63,874 | 112,811 |
| | <hr/> | <hr/> |
| | 303,695 | 304,822 |
| | <hr/> | <hr/> |
| | 2,104,792 | 585,368 |
| | <hr/> | <hr/> |



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

5. Portfolio investments

| | 2020 | 2019 |
|--------------------------------|--------------|--------------|
| Measured at cost: | | |
| IMI Brokerage LP | 9,800 | 9,800 |
| MLTC Resource Development Inc. | 1 | 1 |
| MLTC Resource Development LP | 1 | 1 |
| | 9,802 | 9,802 |

6. Investment in Nation business entity

The First Nation has an investment in the following entity:

| | 2019 | Current income | Distributions | 2020 |
|--|-------------|-----------------------|----------------------|-------------|
| Government business enterprises | | | | |
| Forestry Company | 2,110,357 | 451,039 | (250,000) | 2,311,396 |

Effective April 1, 2019 the entity was restructured to a limited partnership.

Summary financial information of the First Nation business enterprise, accounted for using the modified equity method, for its respective year-end is as follows:

| | <i>Forestry Company As at March 31, 2020</i> |
|-----------------------------|--|
| Assets | |
| Current assets | 1,079,409 |
| Equipment | 4,848,952 |
| Total assets | 5,928,361 |
| Liabilities | |
| Current liabilities | 1,467,342 |
| Long-term liabilities | 2,149,623 |
| Total liabilities | 3,616,965 |
| Retained earnings | 2,311,396 |
| Total revenue | 5,852,722 |
| Total expenses | 5,401,683 |
| Comprehensive income | 451,039 |

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

| | 2021 | 2022 | 2023 | 2024 | 2025 | Total |
|------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Forestry Company | 1,030,794 | 768,670 | 682,872 | 581,039 | 117,042 | - |

The Nation's business entity has long-term debt which the First Nation has issued guarantees for repayment. The guarantees relate to loans outstanding of \$821,372 (2019 - \$291,085) used to acquire machinery. Interest rates range from prime +1.75% to prime + 2.00%. The current portion of these loans is \$217,037 (2019 - \$128,210).



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

7. 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 |
|--|----------------|-------------|
| Ottawa Trust Fund - Capital Trust | | |
| Balance, beginning and end of year | 179,960 | 106,539 |
| Timber | 24,427 | 73,421 |
| <hr/> | | |
| Balance, end of year | 204,387 | 179,960 |
| Ottawa Trust Fund - Revenue Trust | | |
| Balance, beginning of year | 41,185 | 30,834 |
| Interest | 30,946 | 10,351 |
| <hr/> | | |
| Balance, end of year | 72,131 | 41,185 |
| <hr/> | | |
| | 276,518 | 221,145 |

8. Bank indebtedness

Bank indebtedness includes draws against lines of credit and bank balance less outstanding cheques. At March 31, 2020, the First Nation had a line of credit available with an approved limit of \$250,000; of which nil (2019 - \$34,666) has been drawn.

The line of credit charges interest at bank prime plus 1.25% and is secured by a General Security Agreement allowing for a first charge on all assets and direction of ISC funding to First Nations Bank.

9. Deferred revenue

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>Contributions received</i> | <i>Amount recognized as revenue</i> | <i>Balance, end of year</i> |
|--|---|-----------------------------------|---|---------------------------------|
| Meadow Lake Health & Social Development Authority Inc. | 201,710 | 477,998 | 327,745 | 351,963 |
| MLTC Program Services Inc. | 40,000 | 88,463 | 67,748 | 60,715 |
| Indigenous Services Canada - Employment and Training | - | 164,670 | - | 164,670 |
| Indigenous Services Canada - capital projects | 685,172 | 5,882,600 | 3,980,573 | 2,587,199 |
| <hr/> | 926,882 | 6,613,731 | 4,376,066 | 3,164,547 |



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

10. Long-term debt

2020

2019

Royal Bank of Canada demand loan, proceeds of which are used to pursue a claim against the Government of Canada. The loan may be drawn to a maximum of \$2,988,160. The loan requires quarterly payments of interest only and is repayable the earlier of the date of a settlement payment from Canada or November 2024. Interest is calculated at bank prime plus 0.75%. Secured by an assignment of \$2,988,160 claim settlement proceeds and assignment of loan insurance policy and surety bond with AM Trust International (Note 11).

917,865

-

First Nations Bank loan in regard to the construction of 10 band homes, repayable in quarterly principal instalments of \$44,079 and monthly interest at prime plus 1.85%, \$35,000 due April 2020 and \$44,079 quarterly payments thereafter. Secured by First Nations Trust distributions and fire insurance. In June 2020 this loan was part of a debt consolidation with quarterly principal payments of \$34,113 and monthly fixed interest payments of 4.30%.

731,659

871,659

-

First Nations Bank demand loan in regard to the construction of two band homes, interest payable monthly at prime plus 1.85%. Secured by ISC funding Builder's All Risk Insurance, and Fire Insurance. In June 2020 this loan was part of a debt consolidation with quarterly principal payments of \$34,113 and monthly fixed interest payments of 4.30%.

371,200

-

First Nations Bank loan in regard to construction of 5 housing units, monthly interest payable at prime plus 1.85%. Repayable in annual instalments of \$74,960. Secured by ISC funding Builder's All Risk Insurance, and Fire Insurance.

299,840

374,800

-

First Nations Bank loan in regard to the renovations and upgrades of M&N Resort, repayable in quarterly principal instalments of \$22,500 and monthly interest at prime plus 1.85%, due May 2023. Secured by First Nations Trust distributions.

292,500

382,500

-

First Nations Bank loan in regard to the RCMP building project, repayable in monthly instalments of \$1,612 blended principal and interest at 5.30%, due September 2023. Secured by a general security agreement of the First Nation and GSA.

231,953

238,992

-

First Nations Bank operating debt repayable in monthly instalments of \$2,417 plus interest at prime plus 2.50%, due November 2022. Secured by a general security agreement from the First Nation.

77,324

106,328

-

Brandt Finance loan for purchase of John Deere tractor, repayable in monthly installments of \$2,289 with 0.00% interest, due October 21, 2022. Secured by equipment having a net book value of \$86,500.

68,669

-

Brandt Finance loan for purchase of an equipment trailer, repayable in monthly installments of \$431 with 0.00% interest, due September 23, 2022. Secured by equipment having a net book value of \$13,900.

13,296

-

Ford Credit Canada finance loan for purchase of CFS Van, repayable in monthly installments of \$1,363 blended principal and interest at 6.29%, due November 2022.

38,903

52,351

-

First Nations Bank loan, repaid during the year.

-

43,181

-

First Nations Bank loan, repaid during the year.

-

10,935

-

First Nations Bank loan, repaid during the year.

-

3,784

-

CMHC Mortgage, phase 1, repayable in monthly instalments of \$746 blended principal and interest at 1.05%. Secured by a Ministerial Guarantee and matures January 2025.

42,199

50,664

-



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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

| | 2020 | 2019 |
|--|------------------|-----------|
| CMHC Mortgage, phase 2, repayable in monthly instalments of \$1,866 blended principal and interest at 1.05%. Secured by a Ministerial Guarantee and matures June 2026. | 135,447 | 156,304 |
| CMHC Mortgage, phase 3, repayable in monthly instalments of \$1,376 blended principal and interest at 2.52%. Secured by a Ministerial Guarantee and matures July 2028. | 124,055 | 137,269 |
| CMHC Mortgage, phase 4, repayable in monthly instalments of \$2,112 blended principal and interest at 0.94%. Secured by a Ministerial Guarantee and matures July 2025. | 131,803 | 155,787 |
| CMHC Mortgage, phase 5, repayable in monthly instalments of \$3,354 blended principal and interest at 2.50%. Secured by a Ministerial Guarantee and matures June 2033. | 453,889 | 482,430 |
| CMHC Mortgage, phase 6, repayable in monthly instalments of \$5,066 blended principal and interest at 2.14%. Secured by a Ministerial Guarantee and matures March 2034. | 735,609 | 780,178 |
| CMHC Mortgage, phase 7, repayable in monthly instalments of \$4,909 blended principal and interest at 0.80%. Secured by a Ministerial Guarantee and matures May 1, 2034. | 567,791 | - |
| | 5,234,002 | 3,847,162 |
| Less: current portion | 563,000 | 552,358 |
| | 4,671,002 | 3,294,804 |

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 | 563,000 |
| 2022 | 571,000 |
| 2023 | 550,000 |
| 2024 | 1,350,000 |
| 2025 | 196,000 |

Long-term debt is subject to certain financial covenants with respect to timely submission of the annual audited financial statements to their lender as well as restrictions that may be in place. As at March 31, 2020, the First Nation is not in compliance with respect to the timely submission of the annual financial statements to First Nations Bank. First Nations Bank indicated that they will not demand full repayment as a result of this breach therefore the full balances of the related amounts have not been classified as current liabilities. It is management's opinion that the First Nation is likely to be in compliance with all long-term debt covenants throughout the next twelve months subsequent to March 31, 2020.

11. Contingent assets

In 2019, the First Nation initiated a treaty benefits claim against the Government of Canada. The First Nation has obtained a loan to finance the costs of negotiating settlement on the claim. Insurance has been obtained to mitigate the risk that the settlement proceeds may be less than the total loan outstanding at such time a claim is resolved.

As of March 31, 2020, expenses totaling \$1,643,042 for the treaty benefits claim have been incurred and available financing drawn (Note 10) of \$917,865 and accounts payable outstanding of \$898,941 which will be paid for through financing by RBC (Note 10). The First Nation anticipates these costs will be paid from settlement proceeds. When a claim is finalized or the insurance proceeds are paid, the amounts will be recognized in revenue.



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

12. Tangible capital assets

| | Cost | Additions | Disposals | Accumulated amortization | 2020 Net book value |
|---------------------------|-------------------|------------------|------------------|---------------------------------|----------------------------|
| Buildings | 9,258,835 | 20,803 | - | 7,199,556 | 2,080,082 |
| Housing | 12,714,586 | 414,723 | - | 8,307,958 | 4,821,351 |
| Equipment | 964,300 | 249,330 | - | 845,812 | 367,818 |
| Infrastructure | 7,646,922 | - | - | 2,938,325 | 4,708,597 |
| CMHC Housing | 3,188,093 | - | - | 904,659 | 2,283,434 |
| Automotive | 1,265,069 | 58,081 | - | 863,672 | 459,478 |
| Assets under construction | 2,167,936 | 4,987,956 | - | - | 7,155,892 |
| | 37,205,741 | 5,730,893 | - | 21,059,982 | 21,876,652 |

| | Cost | Additions | Disposals | Accumulated amortization | 2019 Net book value |
|---------------------------|-------------------|------------------|------------------|---------------------------------|----------------------------|
| Buildings | 9,022,163 | 236,672 | - | 6,930,546 | 2,328,289 |
| Housing | 12,020,863 | 693,723 | - | 7,870,750 | 4,843,836 |
| Equipment | 892,268 | 72,032 | - | 790,819 | 173,481 |
| Infrastructure | 7,646,922 | - | - | 2,767,812 | 4,879,110 |
| CMHC Housing | 1,663,713 | 1,605,780 | 81,400 | 798,496 | 2,389,597 |
| Automotive | 1,030,340 | 234,729 | - | 766,964 | 498,105 |
| Assets under construction | 780,281 | 1,387,655 | - | - | 2,167,936 |
| | 33,056,550 | 4,230,591 | 81,400 | 19,925,387 | 17,280,354 |

Amortization expense of \$1,104,752 (2019 - \$1,066,874) was recorded in the Capital segment and \$29,843 (2019 - \$28,224) was recorded in the Resorts and Retail segment. Total amortization expense comprises \$106,163 (2019 - \$106,163) amortization for CMHC housing, \$437,206 (2019 - \$423,397) for housing, \$269,010 (2019 - \$268,316) for buildings, \$54,992 (2019 - \$32,315) for equipment, \$96,708 (2019 - \$94,390) for automotive, and \$170,516 (2019 - \$170,517) for infrastructure.

Additions to assets under construction are recorded net of transfers of completed tangible capital assets to housing and buildings of \$4,987,956 (2019 - \$563,502).



Waterhen Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

13. Accumulated surplus

Accumulated surplus consists of the following:

| | 2020 | 2019 |
|-----------------------------------|-------------------------|-------------------------|
| Equity in Ottawa Trust Funds | 276,518 | 221,145 |
| Equity in investments | 2,321,198 | 2,120,159 |
| CMHC reserves | 364,351 | 409,397 |
| Equity in tangible capital assets | 17,930,341 | 13,922,020 |
| Treaty Benefits claim | (1,643,042) | - |
| Operating | (2,182,854) | (1,708,535) |
| | <hr/> 17,066,512 | <hr/> 14,964,186 |

The equity in Ottawa Trust Funds represents moneys owned by the First Nation and held by the Government of Canada.

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 reserves required to be funded for future housing replacements, as per agreements with CMHC. At March 31, 2020 the CMHC reserves are underfunded by \$60,034 (2019 - \$123,051). The possible effect of this violation of the CMHC funding agreements has not yet been determined.

The equity in investments represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

The deficit in Treaty Benefits claim consists of expenditures incurred in relation to the Treaty Benefits Claim (Note 11).

14. Reconciliation of funding from Indigenous Services Canada

| | 2020 | 2019 |
|--|------------------------|------------------------|
| Funding per ISC confirmation | 11,114,219 | 7,921,441 |
| Add: Deferred revenue from prior year | 685,172 | 193,470 |
| Less: Adjustment for School Roof flex funding | - | 280,000 |
| Less: Tuition Agreement revenue that won't be received | - | (18,359) |
| Less: Deferred revenue - ISC Fire Protection | - | (50,000) |
| Less: Deferred revenue - ISC Water Treatment Plant | (1,664,139) | (612,578) |
| Less: Deferred revenue - ISC School Roof | (836,418) | - |
| Less: Deferred revenue - ISC Lagoon | (86,642) | (22,594) |
| Less: Deferred revenue - ISC Employment and Training | (164,670) | - |
| Less: Health Canada amount | (35,000) | - |
| Less: CPP repayment | (5,989) | - |
| | <hr/> 9,006,533 | <hr/> 7,691,380 |

15. Economic dependence

Waterhen Lake 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 ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.



Waterhen Lake First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

16. Compliance with authorities

The First Nations Financial Transparency Act requires First Nations to make their financial statements publicly available and submit their consolidated financial statements to Indigenous Services Canada by July 29, 2020. As the audit is dated after July 29, 2020, the First Nation is in breach of this requirement.

17. Budget information

The disclosed budget information has been approved by the Chief and Council of the Waterhen Lake First Nation at the Chief and Council budget meeting held on April 12, 2019.

The consolidated budget does not include budgets for capital projects. The capital projects are managed by individuals who are contracted on behalf of the First Nation to administer funds for projects funded by Indigenous Services Canada. The First Nation does not include these projects in its consolidated budget as there is a separate funding application for each project which includes a project budget.

The consolidated budget does not include budgets for amortization expenses.

The consolidated budget does not include budgets for grants and donations as funding applications are submitted for each proposal separately from the approved budget.

The consolidated audit does not include budgets for the social assistance program as the First Nation is funded based on reimbursable expenditures.

18. 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 Canadian, provincial, and municipal governments regarding travel, business operations, and isolation/quarantine orders.

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 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. The First Nation has been impacted by office closures, reduced office hours, 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 Lights 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.

19. Comparative figures

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



Waterhen Lake First Nation
Schedule 1 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2020

| | 2020 Budget (Note 17) | 2020 Actual | 2019 Actual |
|--|--------------------------------------|------------------------|------------------------|
| Consolidated expenses by object | | | |
| Advertising | - | 2,312 | - |
| Amortization | - | 1,134,595 | 1,095,098 |
| Assistance | 120,475 | 1,452,921 | 1,433,295 |
| Bad debts | - | 3,353 | - |
| Bank charges and interest | 32,000 | 38,397 | 61,954 |
| Community donations | - | 36,626 | 45,160 |
| Contracted services | 700,628 | 853,803 | 1,016,130 |
| Cost of sales | - | 1,193,821 | 1,427,092 |
| Cultural activities | 59,490 | 65,370 | 67,329 |
| Election | - | - | 20,790 |
| Expense recoveries | (49,072) | (39,070) | (56,230) |
| Fuel | 17,000 | 73,021 | 4,905 |
| Honouraria | 535,338 | 546,964 | 425,073 |
| Insurance | 18,835 | 613,115 | 130,748 |
| Inter program administration fees | 22,661 | 10,933 | - |
| Interest on long-term debt | 54,954 | 175,353 | 167,100 |
| Office equipment lease | 45,000 | 47,399 | 52,825 |
| Prevention | 225,054 | 275,819 | 169,118 |
| Professional development | 21,944 | 130,791 | 54,463 |
| Professional fees | 118,500 | 1,355,689 | 144,135 |
| Program expense | 213,708 | 255,443 | 158,220 |
| Rent | - | 10,000 | 10,000 |
| Repairs and maintenance | 276,054 | 400,606 | 367,543 |
| Salaries and benefits | 4,950,698 | 5,181,765 | 4,526,640 |
| Sports, recreation and extra curricular activities | 521,450 | 769,050 | 466,934 |
| Student expenses | 444,109 | 434,973 | 413,161 |
| Supplies | 912,528 | 1,115,646 | 1,549,326 |
| Telephone | 63,982 | 66,014 | 61,684 |
| Training | 255,148 | 317,234 | 228,995 |
| Travel | 688,573 | 870,503 | 726,915 |
| Tuition | 385,710 | 376,146 | 383,768 |
| Utilities | 279,799 | 376,162 | 355,889 |
| | 10,914,566 | 18,144,754 | 15,508,060 |



Waterhen Lake First Nation
Administration
Schedule 2 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 <i>Actual</i> | 2019 <i>Actual</i> |
|------------------------------------|------------------------------|------------------------------|
| Revenue | | |
| Indigenous Services Canada | 442,279 | 554,091 |
| MLTC Program Services Inc. | 150,950 | 150,950 |
| Other revenue | 84,924 | 21,902 |
| GST and Sales Tax rebates | 57,052 | 43,132 |
| Recovery of prior year ISC funding | - | (3,817) |
| | 735,205 | 766,258 |
| Expenses | | |
| Assistance | - | 10,440 |
| Bank charges and interest | 3,857 | 39,126 |
| Contracted services | 55,469 | 40,681 |
| Election | - | 20,790 |
| Expense recoveries | (30,968) | (28,760) |
| Fuel | 11,714 | 4,905 |
| Honouraria | 422,214 | 383,078 |
| Insurance | 13,833 | 3,724 |
| Inter program administration fees | (537,589) | (755,675) |
| Interest on long-term debt | - | 17,040 |
| Office equipment lease | 17,671 | 24,181 |
| Professional development | 5,545 | 1,369 |
| Professional fees | 152,209 | 118,958 |
| Repairs and maintenance | 4,553 | 810 |
| Salaries and benefits | 440,662 | 514,478 |
| Supplies | 52,021 | 78,665 |
| Telephone | 20,762 | 22,542 |
| Travel | 236,093 | 239,469 |
| Utilities | 13,619 | 12,106 |
| | 881,665 | 747,927 |
| Annual surplus (deficit) | (146,460) | 18,331 |



Waterhen Lake First Nation
Band Programs
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|------------------|-------------|
| Revenue | | |
| Indigenous Services Canada | 113,795 | 365,000 |
| Other revenue | 86,290 | 158,625 |
| Meadow Lake Health & Social Development Authority Inc. | 100,000 | - |
| MLTC Program Services Inc. | 196,565 | 298,400 |
| Northern Lights CDC | 235,331 | 42,500 |
| Investment income - MLTC Resource Development LP | 185,000 | 366,000 |
| MLTC Child & Family Services Inc. | 610,691 | - |
| Prince Albert Development Corporation | 40,122 | - |
| Rental income | 34,980 | 33,115 |
| Interest income | 30,946 | 10,351 |
| First Nations Trust | 622,527 | 631,116 |
| Province of Saskatchewan | 4,500 | 1,000 |
| | 2,260,747 | 1,906,107 |
| Expenses | | |
| Assistance | 119,532 | 71,432 |
| Bank charges and interest | 180 | 122 |
| Community donations | 28,746 | 44,660 |
| Contracted services | 42,021 | 8,609 |
| Cultural activities | 17,399 | 19,780 |
| Expense recoveries | (6,409) | (2,486) |
| Fuel | 2,578 | - |
| Honouraria | 3,288 | 5,808 |
| Insurance | 439,658 | 5,872 |
| Inter program administration fees | 9,135 | 95,638 |
| Interest on long-term debt | 60,340 | 68,348 |
| Professional development | 2,224 | - |
| Professional fees | 1,170,500 | - |
| Program expense | 123,549 | 71,328 |
| Repairs and maintenance | 28,861 | - |
| Salaries and benefits | 165,337 | 250,275 |
| Sports, recreation and extra curricular activities | 53,998 | 84,012 |
| Supplies | 111,196 | 25,564 |
| Telephone | 571 | 794 |
| Travel | 68,214 | 25,273 |
| Utilities | 77,559 | 70,662 |
| | 2,518,477 | 845,691 |
| Surplus (deficit) before transfers | (257,730) | 1,060,416 |
| Transfers between programs | (474,925) | 187,856 |
| Annual surplus (deficit) | (732,655) | 1,248,272 |



Waterhen Lake First Nation
Capital
Schedule 4 - Schedule Revenue and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 4,318,176 | 2,404,301 |
| Canada Mortgage and Housing Corporation | 285,815 | 287,214 |
| Rental income | 80,073 | 90,256 |
| User fees | - | 10,000 |
| Interest income | - | 1,374 |
| | 4,684,064 | 2,793,145 |
| Expenses | | |
| Amortization | 1,104,752 | 1,066,874 |
| Bank charges and interest | 1,741 | - |
| Contracted services | 261,288 | 374,626 |
| Expense recoveries | - | (17,520) |
| Honouraria | 3,050 | 9,882 |
| Insurance | 83,789 | 52,578 |
| Inter program administration fees | 17,713 | 14,282 |
| Interest on long-term debt | 89,144 | 44,743 |
| Professional fees | 16,972 | - |
| Repairs and maintenance | 216,411 | 261,911 |
| Salaries and benefits | 75,321 | 44,359 |
| Supplies | 146,137 | 426,892 |
| Telephone | 673 | - |
| Travel | 31,894 | 26,952 |
| Utilities | 484 | 500 |
| | 2,049,369 | 2,306,079 |
| Surplus before other items | 2,634,695 | 487,066 |
| Other items | | |
| Gain on disposal of capital assets | - | 16,996 |
| Surplus before transfers | 2,634,695 | 504,062 |
| Transfers between programs | - | 11,000 |
| Annual surplus | 2,634,695 | 515,062 |



Waterhen Lake First Nation
Economic Development
Schedule 5 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|----------------|-------------|
| Revenue | | |
| MLTC Program Services Inc. | 68,439 | 84,412 |
| Indigenous Services Canada | 20,000 | 17,176 |
| Earnings from investment in Nation business entities | 451,039 | 747,704 |
| | 539,478 | 849,292 |
| Expenses | | |
| Contracted services | 39,029 | 90,539 |
| Honouraria | 19,413 | 900 |
| Inter program administration fees | - | 7,922 |
| Professional fees | 6,250 | 7,701 |
| Program expense | 11,842 | 8,000 |
| Salaries and benefits | 40,677 | 62,803 |
| Supplies | 2,859 | 5,191 |
| Travel | 15,490 | 15,756 |
| Utilities | 16,749 | 10,198 |
| | 152,309 | 209,010 |
| Surplus before transfers | 387,169 | 640,282 |
| Transfers between programs | 41,872 | - |
| Annual surplus | 429,041 | 640,282 |



Waterhen Lake First Nation
Education
Schedule 6 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|------------------|-------------|
| Revenue | | |
| Indigenous Services Canada | 3,755,323 | 3,454,779 |
| MLTC Program Services Inc. | 389,483 | 389,483 |
| Meadow Lake Health & Social Development Authority Inc. | 242,146 | 79,060 |
| | 4,386,952 | 3,923,322 |
| Expenses | | |
| Assistance | 9,475 | 87 |
| Bank charges and interest | 2,686 | 2,190 |
| Contracted services | 22,093 | 135,378 |
| Cultural activities | 31,735 | 30,552 |
| Expense recoveries | (1,057) | (4,555) |
| Honouraria | 31,937 | 14,212 |
| Insurance | 1,836 | 461 |
| Inter program administration fees | 171,446 | 175,062 |
| Interest on long-term debt | 267 | 1,023 |
| Professional development | - | 46,827 |
| Program expense | 108,280 | 72,528 |
| Salaries and benefits | 2,746,230 | 2,253,622 |
| Student expenses | 434,973 | 413,161 |
| Supplies | 283,062 | 342,781 |
| Telephone | 1,481 | 2,427 |
| Travel | 89,644 | 102,228 |
| Tuition | 376,146 | 383,768 |
| Utilities | - | 75 |
| | 4,310,234 | 3,971,827 |
| Surplus (deficit) before transfers | 76,718 | (48,505) |
| Transfers between programs | (233,913) | - |
| Annual deficit | (157,195) | (48,505) |



Waterhen Lake First Nation
Health
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|------------------|------------------|
| Revenue | | |
| Other revenue | 3,047 | 3,651 |
| Meadow Lake Health & Social Development Authority Inc. | 2,869,830 | 2,259,326 |
| Health Canada | 35,000 | 35,000 |
| MLTC Child & Family Services Inc. | 462,978 | 445,594 |
| | 3,370,855 | 2,743,571 |
| Expenses | | |
| Contracted services | 241,115 | 193,251 |
| Cultural activities | 16,236 | 16,997 |
| Expense recoveries | (636) | (2,342) |
| Honouraria | 66,537 | 11,043 |
| Insurance | 5,802 | 9,308 |
| Inter program administration fees | 305,802 | 376,014 |
| Interest on long-term debt | - | 1,453 |
| Office equipment lease | 29,728 | 28,644 |
| Prevention | 275,819 | 169,118 |
| Professional development | 123,022 | 4,821 |
| Program expense | 10,917 | 6,364 |
| Rent | 10,000 | 10,000 |
| Repairs and maintenance | 2,233 | 10,234 |
| Salaries and benefits | 1,125,598 | 858,749 |
| Sports, recreation and extra curricular activities | 715,052 | 382,606 |
| Supplies | 258,889 | 281,270 |
| Telephone | 23,234 | 24,146 |
| Training | 8,065 | 32,595 |
| Travel | 272,797 | 193,281 |
| Utilities | 22,518 | 22,743 |
| | 3,512,728 | 2,630,295 |
| Surplus (deficit) before transfers | (141,873) | 113,276 |
| Transfers between programs | 97,306 | (265,856) |
| Annual surplus (deficit) | (44,567) | (152,580) |



Waterhen Lake First Nation
Infrastructure
Schedule 8 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|------------------|-------------|
| Revenue | | |
| Indigenous Services Canada | 285,517 | 623,186 |
| Other revenue | 7,200 | 3,960 |
| Department of Highways | 162,232 | 67,731 |
| Rental income | 87,475 | 100,959 |
| | 542,424 | 795,836 |
| Expenses | | |
| Contracted services | 134,534 | 78,172 |
| Expense recoveries | - | (567) |
| Fuel | 58,729 | - |
| Insurance | 68,197 | 58,805 |
| Inter program administration fees | - | 66,475 |
| Interest on long-term debt | - | 1,340 |
| Professional development | - | 1,339 |
| Repairs and maintenance | 122,024 | 83,483 |
| Salaries and benefits | 291,363 | 282,726 |
| Supplies | 196,504 | 305,619 |
| Telephone | 13,043 | 11,775 |
| Travel | 97,588 | 75,821 |
| Utilities | 200,185 | 214,895 |
| | 1,182,167 | 1,179,883 |
| Annual deficit before transfers | (639,743) | (384,047) |
| Transfers between programs | 569,660 | 67,000 |
| Annual deficit | (70,083) | (317,047) |



Waterhen Lake First Nation
Reserves and Trusts
Schedule 9 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|------------------------------------|----------------|-------------|
| Revenue | | |
| Mistik Management Ltd. | 209,397 | 184,485 |
| Indigenous Services Canada | 14,875 | 24,808 |
| Other revenue | 349 | - |
| | 224,621 | 209,293 |
| Expenses | | |
| Contracted services | 21,116 | 31,360 |
| Honouraria | 525 | 150 |
| Inter program administration fees | 22,428 | 3,961 |
| Professional fees | - | 6,782 |
| Supplies | 20,667 | 2,291 |
| Telephone | 1,348 | - |
| Travel | 8,561 | 9,964 |
| Utilities | 7,100 | 336 |
| | 81,745 | 54,844 |
| Surplus before other items | 142,876 | 154,449 |
| Other items | | |
| Gain on disposal of capital assets | 16,000 | - |
| Annual surplus | 158,876 | 154,449 |



Waterhen Lake First Nation
Social Services
Schedule 10 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|------------------|-------------|
| Revenue | | |
| MLTC Program Services Inc. | 1,629,859 | 1,579,281 |
| Indigenous Services Canada | 56,568 | 248,039 |
| Meadow Lake Health & Social Development Authority Inc. | 152,052 | 138,004 |
| Other revenue | 33,031 | - |
| | 1,871,510 | 1,965,324 |
| Expenses | | |
| Assistance | 1,323,914 | 1,351,336 |
| Bank charges and interest | 3,588 | - |
| Contracted services | 37,138 | 46,322 |
| Inter program administration fees | 21,998 | 16,321 |
| Professional development | - | 107 |
| Program expense | 855 | - |
| Repairs and maintenance | - | 1,998 |
| Salaries and benefits | 94,682 | 95,040 |
| Sports, recreation and extra curricular activities | - | 316 |
| Supplies | 19,611 | 57,857 |
| Telephone | 751 | - |
| Training | 309,169 | 196,400 |
| Travel | 29,334 | 32,222 |
| Utilities | 6,387 | - |
| | 1,847,427 | 1,797,919 |
| Annual surplus | 24,083 | 167,405 |



Waterhen Lake First Nation
Resorts and Retail
Schedule 11 - Schedule of Revenues and Expenses
For the year ended March 31, 2020

| | 2020 | 2019 |
|----------------------------|------------------|-------------|
| Revenue | | |
| Other revenue | 5,837 | - |
| Retail sales | 1,609,387 | 1,823,715 |
| | 1,615,224 | 1,823,715 |
| Expenses | | |
| Advertising | 2,312 | - |
| Amortization | 29,843 | 28,224 |
| Bad debts | 3,353 | - |
| Bank charges and interest | 26,345 | 20,516 |
| Community donations | 7,880 | 500 |
| Contracted services | - | 17,192 |
| Cost of sales | 1,193,821 | 1,427,092 |
| Interest on long-term debt | 25,602 | 33,153 |
| Professional fees | 9,758 | 10,694 |
| Repairs and maintenance | 26,524 | 9,107 |
| Salaries and benefits | 201,895 | 164,588 |
| Supplies | 24,700 | 23,196 |
| Telephone | 4,151 | - |
| Travel | 20,888 | 5,949 |
| Utilities | 31,561 | 24,374 |
| | 1,608,633 | 1,764,585 |
| Annual surplus | 6,591 | 59,130 |