



**Waterhen Lake First Nation  
Consolidated Financial Statements**

*March 31, 2022*



# Waterhen Lake First Nation

## Contents

For the year ended March 31, 2022

	Page
<b>Management's Responsibility</b>	
<b>Independent Auditor's Report</b>	
<b>Consolidated Financial Statements</b>	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	3
Consolidated Statement of Cash Flows .....	4
<b>Notes to the Consolidated Financial Statements.....</b>	<b>5</b>
<b>Schedules</b>	
Schedule 1 - Schedule of Consolidated Expenses by Object.....	17
Schedule 2 - Consolidated schedule of Revenues and Expenses - Administration.....	18
Schedule 3 - Consolidated schedule of Revenues and Expenses - Band Programs.....	19
Schedule 4 - Consolidated schedule of Revenues and Expenses - Capital.....	20
Schedule 5 - Consolidated schedule of Revenues and Expenses - Economic Development.....	21
Schedule 6 - Consolidated schedule of Revenues and Expenses - Education.....	22
Schedule 7 - Consolidated schedule of Revenues and Expenses - Health.....	23
Schedule 8 - Consolidated schedule of Revenues and Expenses - Infrastructure.....	24
Schedule 9 - Consolidated schedule of Revenues and Expenses - Reserves and Trusts.....	25
Schedule 10 - Consolidated schedule of Revenues and Expenses - Social Services.....	26
Schedule 11 - Consolidated schedule of Revenues and Expenses - Resorts and Retail.....	27

## **Management's Responsibility**

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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.

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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, 2022, and the consolidated statements of operations and accumulated surplus, change in net debt, cash flows, and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2022, and the results of its consolidated operations, its consolidated change in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

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

### **Emphasis of Matter**

Without modifying our opinion, we draw attention to Notes 11 and 12 to the consolidated financial statements, which describes 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)

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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

July 28, 2022

*MNP LLP*

Chartered Professional Accountants

**MNP**



**Waterhen Lake First Nation**  
**Consolidated Statement of Financial Position**  
As at March 31, 2022

	2022	2021
<b>Financial assets</b>		
<b>Current</b>		
Cash	4,490,296	1,189,929
Accounts receivable (Note 3)	759,121	761,789
Inventory for resale	47,048	37,605
Restricted cash (Note 4)	1,825,776	2,660,551
Funds held in lawyer's trust	90,585	109,616
	<b>7,212,826</b>	4,759,490
<b>Restricted cash (Note 4)</b>	<b>341,865</b>	401,726
<b>Advances to Waterhen Forestry Products LP (Note 5)</b>	<b>290,000</b>	-
<b>Portfolio investments (Note 6)</b>	<b>9,802</b>	9,802
<b>Investment in Nation business entity (Note 7)</b>	<b>1,961,890</b>	2,260,350
<b>Funds held in trust (Note 8)</b>	<b>286,865</b>	280,605
	<b>10,103,248</b>	7,711,973
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	1,028,538	1,684,004
Deferred revenue (Note 10)	7,641,610	6,590,514
Current portion of long-term debt (Note 11)	714,000	611,000
	<b>9,384,148</b>	8,885,518
<b>Long-term debt (Note 11)</b>	<b>7,834,270</b>	6,120,819
	<b>17,218,418</b>	15,006,337
<b>Net debt</b>	<b>(7,115,170)</b>	(7,294,364)
<b>Contingent assets (Note 12)</b>		
<b>Subsequent events (Note 18)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	26,569,891	25,034,150
Prepaid expenses	482,166	-
	<b>19,936,887</b>	17,739,786

**Approved by:**

Signed by: Chief Blaine Fiddler

Chief

Signed by: David Fleury

Councillor

Signed by: Peter Bouvier

Councillor

Signed by: Carolyn Bernard

Councillor



**Waterhen Lake First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
For the year ended March 31, 2022

	<i>Schedules</i>	<i>2022 Budget (Note 17)</i>	<i>2022 Actual</i>	<i>2021 Actual</i>
<b>Revenues</b>				
Indigenous Services Canada (Note 15)		6,919,192	12,595,995	10,915,854
Meadow Lake Health & Social Development Authority Inc.		2,070,263	3,118,252	3,112,695
MLTC Program Services Inc.		308,391	2,615,061	2,013,535
Canada Mortgage and Housing Corporation		1,100,245	895,794	1,097,496
MLTC Child & Family Services Inc.		203,122	410,371	45,749
Other revenue		12,258	544,744	305,082
Mistik Management Ltd.		-	98,514	79,976
Retail sales		-	2,115,981	1,609,837
Investment income - MLTC Resource Development LP		132,400	1,117,220	125,000
Department of Highways		-	272,947	213,784
First Nations Trust		453,225	372,956	453,225
Rental income		62,000	292,737	198,759
Contracts		580,000	198,000	-
GST and Sales Tax rebates		-	67,018	30,603
Prince Albert Development Corporation		-	51,032	-
Northern Lights CDC		-	37,616	29,000
Interest income		-	6,260	5,524
Earnings (loss) from investment in Nation business entity		-	(298,460)	229,050
		11,841,096	24,512,038	20,465,169
<b>Program expenses</b>				
Administration	2	1,273,826	(100,594)	705,586
Band Programs	3	939,187	5,617,141	4,324,340
Capital	4	3,068,612	2,179,515	2,026,751
Economic Development	5	-	110,887	66,234
Education	6	4,201,542	5,291,301	4,650,772
Health	7	2,031,490	3,045,807	3,143,429
Infrastructure	8	914,505	1,554,405	1,545,432
Reserves and Trusts	9	13,349	134,943	91,837
Social Services	10	58,628	1,828,990	1,644,057
Resorts and Retail	11	-	2,752,542	1,612,762
		12,501,139	22,414,937	19,811,200
<b>Annual surplus (deficit) before other items</b>		(660,043)	2,097,101	653,969
<b>Other items</b>				
Gain on disposal of tangible capital assets		-	-	19,305
Management fees (Note 7)		-	100,000	-
<b>Annual surplus (deficit)</b>		(660,043)	2,197,101	673,274
<b>Accumulated surplus, beginning of year</b>		17,739,786	17,739,786	17,066,512
<b>Accumulated surplus, end of year (Note 14)</b>		17,079,743	19,936,887	17,739,786



**Waterhen Lake First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2022*

	<b>2022 Budget (Note 17)</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
<b>Annual surplus</b>	<b>(660,043)</b>	<b>2,197,101</b>	<b>673,274</b>
Purchases of tangible capital assets	-	(2,721,632)	(4,338,939)
Amortization of tangible capital assets	-	1,185,891	1,181,441
Gain on disposal of tangible capital assets	-	-	(19,305)
Proceeds on disposal of tangible capital assets	-	-	19,305
Acquisition of prepaid expenses	-	(482,166)	-
 <b>Decrease (increase) in net debt</b>	 <b>(660,043)</b>	 <b>179,194</b>	 <b>(2,484,224)</b>
<b>Net debt, beginning of year</b>	<b>(7,294,364)</b>	<b>(7,294,364)</b>	<b>(4,810,140)</b>
 <b>Net debt, end of year</b>	 <b>(7,954,407)</b>	<b>(7,115,170)</b>	<b>(7,294,364)</b>



**Waterhen Lake First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2022*

2022 2021

**Cash provided by (used for) the following activities**

**Operating activities**

Annual surplus	2,197,101	673,274
Non-cash items		
Amortization	1,185,891	1,181,441
Gain on disposal of tangible capital assets	-	(19,305)
Loss (earnings) from investment in Nation business entities	298,460	(229,050)
	3,681,452	1,606,360
Changes in working capital accounts		
Accounts payable and accruals	(655,466)	(428,257)
Deferred revenue	1,051,096	3,425,967
Funds held in lawyer's trust	19,031	60,896
Accounts receivable	2,668	(356,019)
Prepaid expenses	(482,166)	-
Inventory for resale	(9,443)	8,701
	3,607,172	4,317,648

**Financing activities**

Advances of long-term debt	2,552,493	3,138,173
Repayment of long-term debt	(736,042)	(1,640,356)
	1,816,451	1,497,817

**Capital activities**

Purchases of tangible capital assets	(2,721,632)	(4,338,939)
Proceeds on disposal of tangible capital assets	-	19,305
	(2,721,632)	(4,319,634)

**Investing activities**

Advances to Waterhen Forestry Products LP	(290,000)	-
Increase of funds held in trust	(6,260)	(4,087)
Increase (decrease) in restricted cash	894,636	(957,485)
Distributions received from investments	-	280,096
	598,376	(681,476)

**Increase in cash resources**

<b>Cash resources, beginning of year</b>	<b>3,300,367</b>	814,355
<b>Cash resources, end of year</b>	<b>4,490,296</b>	1,189,929



# Waterhen Lake First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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### 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 controlled by the Nation.

#### *Impact on operations of COVID-19 (coronavirus)*

In early March 2020 the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were impacted by COVID-19 due to distancing measures, reduced gaming revenues from First Nations Trust, disruption to Waterhen Forestry's operations causing investment loss this year, and reduced office hours. As the First Nation provides essential services to its members, Indigenous Services Canada has increased the amount of financial resources provided to the First Nation in order to ensure the safe and orderly provision of services. The First Nation's total revenues were not negatively impacted as a result.

### 2. Significant accounting policies

These 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
- Waterhen Lake First Nation Development Co. 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.



# Waterhen Lake First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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

### ***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.

### ***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.



# Waterhen Lake First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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

#### **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.

#### **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, Resort (South) cabins, Waterhen Lake First Nation Development Co., and campground.



# Waterhen Lake First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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

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.

#### **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.

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, 2022.

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

	2022	2021
Canada Mortgage and Housing Corporation	99,528	96,413
Indigenous Services Canada	76,506	117,303
Goods and services tax recoverable	11,685	6,065
Member and employee advances	85,633	86,133
MLTC Program Services Inc.	123,802	61,047
Meadow Lake Health & Social Development Authority Inc.	345,258	226,708
Northern Lights Community Development Corporation	42,366	59,958
Trade receivables - Waterhen Lake Resort (North) Ltd.	24,621	79,496
Other	23,655	102,599
	<hr/>	<hr/>
	833,054	835,722
Less: Allowance for doubtful accounts	73,933	73,933
	<hr/>	<hr/>
	759,121	761,789



**Waterhen Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

**4. Restricted cash**

	<b>2022</b>	<b>2021</b>
<b>Current:</b>		
ISC capital projects	<b>1,825,776</b>	2,660,551
<b>Long-term:</b>		
CMHC replacement reserve	310,436	246,909
CMHC operating reserve	31,429	154,817
	<b>341,865</b>	401,726
	<b>2,167,641</b>	3,062,277

**5. Advances to Waterhen Forestry Products LP**

Amounts owing between the First Nation's business entity is without fixed terms of repayments and bears no interest.

**6. Portfolio investments**

	<b>2022</b>	<b>2021</b>
Measured at cost:		
IMI Brokerage LP	9,800	9,800
MLTC Resource Development Inc.	1	1
MLTC Resource Development LP	1	1
	<b>9,802</b>	9,802

**7. Investment in Nation business entity**

The First Nation has an investment in the following entity:

	<b>2021</b>	<b>Current loss</b>	<b>Distributions</b>	<b>2022</b>
<b>Government business enterprises</b>				
Forestry Company	2,260,350	(298,460)	-	1,961,890

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, 2022</i>
<b>Assets</b>	
Current assets	723,338
Equipment	5,464,038
<b>Total assets</b>	<b>6,187,376</b>
<b>Liabilities</b>	
Current liabilities	2,089,174
Long-term liabilities	2,136,312
<b>Total liabilities</b>	<b>4,225,486</b>
<b>Retained earnings</b>	<b>1,961,890</b>



**Waterhen Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

**7. Investment in Nation business entity** *(Continued from previous page)*

<b>Total revenue</b>	<b>5,958,616</b>
<b>Total expenses</b>	<b>6,304,576</b>
<b>Operating loss</b>	<b>(345,960)</b>
<b>Other income</b>	<b>47,500</b>
<b>Comprehensive loss</b>	<b>(298,460)</b>

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:

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>Total</b>
<b>Long-term liabilities owed to parties external to the First Nation</b>						
Long-Term Debt -						
Forestry Company	345,974	226,214	124,885	-	-	697,073
Capital Leases - Forestry Company	894,180	894,180	498,673	438,736	47,508	2,773,277
	1,240,154	1,120,394	623,558	438,736	47,508	-

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 \$397,386 (2021 - \$605,047) used to acquire machinery. Interest rates range from 4.76% to 5.91%. The current portion of these loans is \$177,037 (2021 - \$207,662).

Waterhen Forestry Limited Partnership, a wholly owned business entity of the First Nation paid \$100,000 in management fees to Waterhen Lake First Nation Development Co., a wholly owned subsidiary of the First Nation.

**8. 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.

	<b>2022</b>	<b>2021</b>
<b>Ottawa Trust Fund - Capital Trust</b>		
Balance, beginning of year	229,787	204,387
Transfer from Revenue Trust	-	25,400
Balance, end of year	229,787	229,787
<b>Ottawa Trust Fund - Revenue Trust</b>		
Balance, beginning of year	50,818	72,131
Interest	6,260	4,087
Transfer to Capital Trust	-	(25,400)
Balance, end of year	57,078	50,818
	286,865	280,605



# Waterhen Lake First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

### 9. Credit Arrangements

Included in cash are draws against lines of credit and bank balances less outstanding cheques. At March 31, 2022, the First Nation had a line of credit available with an approved limit of \$250,000; of which \$6,824 (2021 - \$1,728) 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.

### 10. 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>Funding received</i>	<i>Amount recognized as revenue</i>	<i>Balance, end of year</i>
Indigenous Services Canada	4,829,843	13,942,259	12,595,996	6,176,106
MLTC Program Services Inc.	296,834	2,699,070	2,615,061	380,843
Meadow Lake Health & Social Development Inc.	613,759	3,192,253	3,057,552	748,460
MLTC Child & Family Services Inc.	222,801	613,965	539,523	297,243
Canada Mortgage and Housing Corporation	627,277	268,517	895,794	-
Saskatchewan Indian Equity Foundation Inc.	-	38,958	-	38,958
	<b>6,590,514</b>	<b>20,755,022</b>	<b>19,703,926</b>	<b>7,641,610</b>

### 11. Long-term debt

Royal Bank of Canada demand loan, proceeds of which are used to pursue the reserve creation claim against the Government of Canada. The loan may be drawn to a maximum of \$2,614,640. The loan requires quarterly transfers of interest only to the principal balance and is repayable the earlier of the date of a settlement payment from Canada or November 2025. Interest is calculated at bank prime plus 0.75%. Secured by an assignment of \$2,614,640 claim settlement proceeds and assignment of loan insurance policy and surety bond with AM Trust International (Note 12).

2022 2021

**1,874,717** 1,487,510

Royal Bank of Canada demand loan, proceeds of which are used to pursue the air weapons range claim against the Government of Canada. The loan may be drawn to a maximum of \$3,735,200. The loan requires quarterly transfers of interest only to the principal balance and is repayable the earlier of the date of a settlement payment from Canada or November 2025. 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 12).

**1,429,498** -

Royal Bank of Canada demand loan, proceeds of which are used to pursue the treaty benefits claim against the Government of Canada. The loan may be drawn to a maximum of \$2,988,160. The loan requires quarterly transfers of interest only to the principal balance 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 12).

**1,074,359** 1,021,734

First Nations Bank loan in regard to construction of 10 housing units and 2 RTM units, monthly interest payable at prime plus 1.85%. Repayable in quarterly principal payments of \$34,113, due June 2025. Secured by First Nations Trust distributions.

**852,828** 989,281



**Waterhen Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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

	<b>2022</b>	<b>2021</b>
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, due May 2024. Secured by ISC funding Builder's All Risk Insurance, and Fire Insurance.	149,920	224,880
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.	216,638	224,498
First Nations Bank loan repaid during the year.	-	202,500
First Nations Bank loan repaid during the year.	-	48,320
Ford Credit Canada finance loan for purchase of CFS van, repayable in monthly instalments of \$1,363 blended principal and interest at 6.29%, due November 2022.	9,339	24,585
Brandt Finance loan for purchase of John Deere tractor, repayable in monthly instalments of \$2,289 with 0.00% interest, due October 21, 2022. Secured by equipment having a net book value of \$67,280.	13,735	41,202
Brandt Finance loan for purchase of an equipment trailer, repayable in monthly instalments of \$431 with 0.00% interest, due September 23, 2022. Secured by equipment having a net book value of \$10,861.	2,434	7,865
CMHC Mortgage, phase 1, repayable in monthly instalments of \$740 blended principal and interest at 0.65%. Secured by a Ministerial Guarantee and matures January 2025.	24,915	33,600
CMHC Mortgage, phase 2, repayable in monthly instalments of \$1,865 blended principal and interest at 1.01%. Secured by a Ministerial Guarantee and matures June 2026.	93,052	114,364
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.	96,592	110,492
CMHC Mortgage, phase 4, repayable in monthly instalments of \$2,105 blended principal and interest at 0.83%. Secured by a Ministerial Guarantee and matures July 2025.	83,017	107,477
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.	394,556	424,578
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.	643,465	690,009
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 2034.	682,738	735,959
CMHC Mortgage, phase 8, repayable in monthly instalments of \$2,830 blended principal and interest at 1.22%. Secured by a Ministerial Guarantee and matures May 2036.	441,743	242,965
First Nations Bank loan to Waterhen Lake Resort (South) Ltd., repayable in monthly instalments of \$1,631 blended principal and interest at prime plus 1.25%. Secured by a General Security Agreement issued by Waterhen Lake Resort (South) Ltd. and redirection of Waterhen Lake First Nation's First Nations Trust Funding.	266,517	-



**Waterhen Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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

	<b>2022</b>	<b>2021</b>
Mistik Management loan to provide additional working capital to Waterhen Forestry Products Limited Partnership. The loan is interest free and repaid through the Nation's Co-Management Fund disbursements until the loan is paid off.	<b>198,207</b>	-
	<b>8,548,270</b>	6,731,819
Less: current portion	<b>714,000</b>	611,000
	<b>7,834,270</b>	6,120,819

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:

2023	714,000
2024	510,000
2025	1,514,000
2026	3,726,000
2027	387,000

**12. Contingent assets**

In 2021, the First Nation initiated a air weapons range 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.

In 2020, the First Nation initiated a reserve creation 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.

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, 2022, expenses totaling \$1,175,114 (2021 - \$1,725,396) for the three claims has been incurred and available financing drawn (Note 10) of \$4,378,574 (2021 - \$2,509,244) and accounts payable outstanding of \$269,732 (2021 - \$1,033,292) 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, 2022*

**13. Tangible capital assets**

	<b>Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Accumulated amortization</b>	<b>2022 Net book value</b>
Buildings	9,319,638	-	-	8,582,448	737,190
Housing	13,129,309	2,356,368	-	8,307,958	7,177,719
Equipment	1,286,458	154,499	-	981,312	459,645
Infrastructure	7,646,922	-	-	3,279,357	4,367,565
CMHC Housing	4,257,946	631,301	-	1,208,845	3,680,402
Automotive	1,345,449	226,471	-	1,067,394	504,526
Assets under construction	10,289,851	2,340,662	2,987,669	-	9,642,844
	<b>47,275,573</b>	<b>5,709,301</b>	<b>2,987,669</b>	<b>23,427,314</b>	<b>26,569,891</b>
					<b>2021</b>
	<b>Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Accumulated amortization</b>	<b>Net book value</b>
Buildings	9,279,638	40,000	-	7,907,648	1,411,990
Housing	13,129,309	1,069,853	-	8,307,958	5,891,204
Equipment	1,213,630	72,828	-	908,330	378,128
Infrastructure	7,646,922	-	-	3,108,842	4,538,080
CMHC Housing	3,188,093	-	-	1,046,033	2,142,060
Automotive	1,323,150	22,299	-	962,612	382,837
Assets under construction	7,155,892	3,133,959	-	-	10,289,851
	<b>42,936,634</b>	<b>4,338,939</b>	<b>-</b>	<b>22,241,423</b>	<b>25,034,150</b>

Amortization expense of \$1,152,611 (2021 - \$1,151,559) was recorded in the Capital segment and \$33,280 (2021 - \$29,882) was recorded in the Resorts and Retail segment. Total amortization expense comprises \$162,812 (2021 - \$141,374) amortization for CMHC housing, \$654,390 (2021 - \$688,024) for housing, \$54,153 (2021 - \$20,068) for buildings, \$61,351 (2021 - \$62,518) for equipment, \$104,782 (2021 - \$98,940) for automotive, and \$148,544 (2021 - \$170,517) for infrastructure.

Assets under construction disposals are transfers out of accumulated costs from the prior fiscal year for completed capital projects to the asset classes to which they relate. These disposals have no cash impact. The cash cost of additions during the year was \$2,721,632 after accounting for these transfers.

Details of amounts included in assets under construction are as follows:

<b>Project</b>	<b>Budget</b>	<b>Cumulative costs to March 31, 2022</b>
ISC Lagoon Expansion (AT511)	3,089,000	1,854,989
ISC WTP Expansion (AT308)	6,989,500	6,019,331
ISC School Roof Repair (AT312)	2,306,000	1,650,468
ISC Solid Waste Transfer (CT912)	-	27,442
Resort South Upgrades	610,862	90,614



**Waterhen Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**14. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2022</b>	<b>2021</b>
Equity in Funds held in trust	286,865	280,605
Equity in investments	1,971,692	2,270,152
CMHC reserves	286,851	308,099
Equity in tangible capital assets	22,864,921	21,062,398
Treaty Benefits, air weapons and Reserve Creation claims	(4,517,152)	(3,368,438)
Operating	(956,290)	(2,813,030)
	<b>19,936,887</b>	<b>17,739,786</b>

The equity in funds held in trust 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, 2022 the CMHC reserves are fully funded (2021 - fully funded).

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, air weapons and Reserve Creation claims consists of expenditures incurred in relation to these claims (Note 12).

**15. Reconciliation of funding from Indigenous Services Canada**

	<b>2022</b>	<b>2021</b>
Funding per ISC confirmation	13,942,258	12,993,828
Add: Deferred revenue from prior year	4,829,843	2,751,869
Less: Deferred revenue from current year	(6,176,106)	(4,829,843)
	<b>12,595,995</b>	<b>10,915,854</b>

**16. 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, 2022

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### 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 meetings held on April 28 and 29, 2021.

The consolidated budget also 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. Subsequent events

#### Resort Expansion

Subsequent to year-end, the First Nation continued a project to renovate and expand facilities at one of its recreational properties. The expansion is budgeted to cost \$610,000. At March 31, 2022 \$90,000 has been spent on the renovations and expansion.

The planned financing structure is as follows:

- Equity Contribution from Waterhen Lake First Nation \$161,000
- Non repayable grant \$182,000
- Debt financing \$267,000

The loan is subject to certain financial and non-financial covenants.

#### Acquisition of assets constituting a business

Subsequent to year end, the First Nation acquired the business operations and the net assets of a recreational property consisting of cabins and a lodge for \$2,100,000. In addition to the initial purchase cost, renovations and equipment purchases are planned which have an estimated cost of \$733,000.

The planned financing structure for the purchase and subsequent renovations are as follows:

- Indigenous Services Canada Community Opportunity Readiness Program (CORP) Funding - \$820,000
- Equity contribution from Waterhen Lake First Nation - \$283,000
- Debt financing \$1,730,000

The loan is repayable in interest only instalments at prime plus 1.75% until fully drawn. Under the same loan agreement, the First Nation has also obtained an operating loan through a revolving line of credit that provides up to \$190,000 at prime plus 1.75%. The loans are secured by a general security agreement representing a first charge on all assets acquired and a guarantee from Waterhen Lake First Nation.



**Waterhen Lake First Nation**  
**Schedule 1 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2022*

	<b>2022 Actual</b>	<b>2021 Actual</b>
<b>Consolidated expenses by object</b>		
Advertising	5,299	-
Amortization	1,185,891	1,181,441
Assistance	1,469,448	1,347,327
Bad debts	152,978	4,154
Bank charges and interest	81,488	71,554
Community donations	85,918	6,746
Contracted services	1,349,482	861,100
Cost of sales	1,648,880	1,247,648
Expense recoveries	(187,525)	(61,739)
Fuel	117,817	124,123
Honouraria	335,467	535,304
Insurance	1,066,868	854,643
Inter program administration fees	2,976	(11,378)
Interest on long-term debt	224,089	157,867
Language and culture	23,449	67,254
Prevention	84,436	85,178
Professional development	424,339	3,148
Professional fees	605,169	1,192,294
Program expense	334,811	2,120,057
Repairs and maintenance	447,290	563,304
Salaries and benefits	7,555,654	5,659,224
Sports, recreation and extra curricular activities	393,987	456,297
Student expenses	441,255	366,569
Supplies	2,614,689	1,259,722
Telephone	86,736	86,671
Training	217,592	255,166
Travel	926,703	572,696
Tuition	391,628	465,475
Utilities	328,123	339,355
	<b>22,414,937</b>	<b>19,811,200</b>



**Waterhen Lake First Nation**  
**Administration**  
**Schedule 2 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b> <i>Actual</i>	<b>2021</b> <i>Actual</i>
<b>Revenue</b>		
Indigenous Services Canada	532,845	443,591
MLTC Program Services Inc.	207,337	155,297
Other revenue	72,132	174,813
GST and Sales Tax rebates	67,018	30,603
	<b>879,332</b>	804,304
<b>Expenses</b>		
Bad debts	51,399	-
Bank charges and interest	11,961	13,788
Contracted services	140,985	108,229
Expense recoveries	(150,041)	(18,938)
Honouraria	238,374	436,788
Insurance	34,509	28,923
Inter program administration fees	(1,678,990)	(657,363)
Professional development	720	168
Professional fees	106,150	114,950
Salaries and benefits	713,233	346,061
Supplies	136,033	108,320
Telephone	35,227	32,353
Travel	251,698	168,076
Utilities	8,148	24,231
	<b>(100,594)</b>	705,586
<b>Annual surplus</b>	<b>979,926</b>	98,718



**Waterhen Lake First Nation  
Band Programs**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Indigenous Services Canada	3,716,884	2,109,638
MLTC Program Services Inc.	341,288	198,354
Other revenue	239,420	22,110
Meadow Lake Health & Social Development Authority Inc.	21,502	-
Mistik Management Ltd.	2,000	-
Investment income - MLTC Resource Development LP	1,117,220	125,000
First Nations Trust	372,956	453,225
Rental income	73,388	33,116
Prince Albert Development Corporation	51,032	-
Northern Lights CDC	35,116	29,000
Interest income	6,260	4,087
	<b>5,977,066</b>	2,974,530
<b>Expenses</b>		
Assistance	227,561	82,184
Bank charges and interest	37,769	12,762
Community donations	82,005	6,700
Contracted services	184,193	63,626
Expense recoveries	(16,621)	(4,712)
Fuel	76	28
Honouraria	4,050	2,437
Insurance	745,700	625,485
Inter program administration fees	650,074	49,720
Interest on long-term debt	159,547	52,225
Language and culture	7,589	-
Professional fees	283,323	1,047,168
Program expense	202,495	2,030,172
Repairs and maintenance	37,171	-
Salaries and benefits	1,689,845	212,641
Sports, recreation and extra curricular activities	121,553	33,207
Supplies	1,098,186	30,165
Telephone	857	1,085
Travel	99,470	70,994
Utilities	2,298	8,453
	<b>5,617,141</b>	4,324,340
<b>Surplus (deficit) before transfers</b>	<b>359,925</b>	(1,349,810)
<b>Transfers between programs</b>	<b>-</b>	(40,037)
<b>Annual surplus (deficit)</b>	<b>359,925</b>	(1,389,847)



**Waterhen Lake First Nation**  
**Capital**  
**Schedule 4 - Consolidated Schedule Revenue and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Indigenous Services Canada	2,121,804	3,106,497
Canada Mortgage and Housing Corporation	895,794	1,097,496
Meadow Lake Health & Social Development Authority Inc.	60,000	-
Rental income	122,874	83,518
Interest income	-	1,437
	<b>3,200,472</b>	4,288,948
<b>Expenses</b>		
Amortization	1,152,611	1,151,559
Bank charges and interest	400	9,610
Contracted services	91,151	46,569
Expense recoveries	(1,572)	(14,064)
Honouraria	27,050	1,100
Insurance	159,829	108,014
Inter program administration fees	66,880	18,621
Interest on long-term debt	52,254	89,640
Professional development	3,700	-
Professional fees	15,865	11,230
Program expense	850	-
Repairs and maintenance	173,391	152,806
Salaries and benefits	105,940	280,822
Supplies	267,808	139,428
Telephone	994	1,249
Travel	62,364	30,167
	<b>2,179,515</b>	2,026,751
<b>Surplus before other items</b>	<b>1,020,957</b>	2,262,197
<b>Other items</b>		
Gain on disposal of capital assets	-	19,305
<b>Annual surplus</b>	<b>1,020,957</b>	2,281,502



**Waterhen Lake First Nation**  
**Economic Development**  
**Schedule 5 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
MLTC Program Services Inc.	86,525	19,197
Other revenue	30,784	7,000
Earnings (loss) from investment in Nation business entities	<b>(298,460)</b>	229,050
	<b>(181,151)</b>	255,247
<b>Expenses</b>		
Contracted services	16,216	49,549
Honouraria	-	2,137
Professional fees	-	8,751
Program expense	<b>85,919</b>	-
Repairs and maintenance	1,303	1,563
Supplies	336	97
Travel	106	276
Utilities	7,007	3,861
	<b>110,887</b>	66,234
<b>Surplus (deficit) before transfers</b>	<b>(292,038)</b>	189,013
<b>Transfers between programs</b>	<b>-</b>	40,037
<b>Annual surplus (deficit)</b>	<b>(292,038)</b>	229,050



**Waterhen Lake First Nation**  
**Education**  
**Schedule 6 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Indigenous Services Canada	4,843,494	4,283,597
MLTC Program Services Inc.	441,534	344,679
Meadow Lake Health & Social Development Authority Inc.	230,732	152,013
Other revenue	1,064	-
	<b>5,516,824</b>	4,780,289
<b>Expenses</b>		
Assistance	12,560	12,398
Bank charges and interest	2,638	5,895
Contracted services	8,344	6,156
Expense recoveries	(9,131)	(2,259)
Honouraria	24,253	15,890
Insurance	5,634	4,337
Inter program administration fees	472,473	230,354
Language and culture	-	49,219
Professional development	411,276	-
Program expense	11,200	5,826
Repairs and maintenance	482	-
Salaries and benefits	2,974,467	2,956,204
Student expenses	441,255	366,569
Supplies	357,040	473,509
Telephone	2,055	2,407
Travel	174,933	58,792
Tuition	391,628	465,475
Utilities	10,194	-
	<b>5,291,301</b>	4,650,772
<b>Surplus before transfers</b>	<b>225,523</b>	129,517
<b>Transfers between programs</b>	<b>(182,080)</b>	(258,632)
<b>Annual surplus (deficit)</b>	<b>43,443</b>	(129,115)



**Waterhen Lake First Nation**  
**Health**  
**Schedule 7 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Meadow Lake Health & Social Development Authority Inc.	2,574,038	2,799,371
MLTC Child & Family Services Inc.	410,371	45,749
Indigenous Services Canada	42,500	40,000
Other revenue	600	-
	<b>3,027,509</b>	2,885,120
<b>Expenses</b>		
Contracted services	401,525	268,013
Expense recoveries	(2,396)	(10,104)
Honouraria	39,940	76,702
Insurance	21,165	10,648
Inter program administration fees	320,706	304,019
Interest on long-term debt	-	2,039
Language and culture	15,860	18,035
Prevention	84,436	85,178
Professional development	4,868	2,980
Program expense	27,335	56,630
Repairs and maintenance	4,981	10,598
Salaries and benefits	1,183,591	1,293,373
Sports, recreation and extra curricular activities	272,434	423,090
Supplies	387,907	255,751
Telephone	23,679	25,640
Training	37,058	114,649
Travel	194,615	181,187
Utilities	28,103	25,001
	<b>3,045,807</b>	3,143,429
<b>Annual deficit</b>	<b>(18,298)</b>	(258,309)



**Waterhen Lake First Nation**  
**Infrastructure**  
**Schedule 8 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Indigenous Services Canada	1,068,739	788,104
Other revenue	-	66,000
Department of Highways	272,947	213,784
Contracts	198,000	-
Rental income	96,475	82,125
Northern Lights CDC	2,500	-
	<b>1,638,661</b>	<b>1,150,013</b>
<b>Expenses</b>		
Contracted services	334,806	285,088
Expense recoveries	(7,764)	(11,662)
Fuel	117,741	124,095
Insurance	81,998	72,474
Inter program administration fees	123,406	12,223
Professional development	2,375	-
Repairs and maintenance	171,642	303,427
Salaries and benefits	267,583	278,192
Supplies	181,248	210,612
Telephone	18,588	17,176
Travel	40,723	31,692
Utilities	222,059	222,115
	<b>1,554,405</b>	<b>1,545,432</b>
<b>Surplus (deficit) before transfers</b>	<b>84,256</b>	<b>(395,419)</b>
<b>Transfers between programs</b>	<b>312,214</b>	<b>258,632</b>
<b>Annual surplus (deficit)</b>	<b>396,470</b>	<b>(136,787)</b>



**Waterhen Lake First Nation**  
**Reserves and Trusts**  
**Schedule 9 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Indigenous Services Canada	139,402	83,079
Mistik Management Ltd.	96,514	79,976
	<b>235,916</b>	163,055
 <b>Expenses</b>		
Contracted services	20,389	8,800
Honouraria	1,800	250
Professional fees	11,000	-
Repairs and maintenance	-	68,242
Supplies	84,235	8,762
Telephone	-	411
Travel	17,519	4,923
Utilities	-	449
	<b>134,943</b>	91,837
 <b>Surplus before transfers</b>	<b>100,973</b>	71,218
<b>Transfers between programs</b>	<b>(130,134)</b>	-
 <b>Annual surplus (deficit)</b>	<b>(29,161)</b>	71,218



**Waterhen Lake First Nation**  
**Social Services**  
**Schedule 10 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
MLTC Program Services Inc.	1,538,377	1,296,008
Meadow Lake Health & Social Development Authority Inc.	231,980	161,311
Indigenous Services Canada	130,327	61,348
Other revenue	-	3,568
	<b>1,900,684</b>	<b>1,522,235</b>
<b>Expenses</b>		
Assistance	1,229,327	1,252,745
Bank charges and interest	-	3,909
Contracted services	30,200	25,070
Inter program administration fees	48,427	31,048
Program expense	7,012	25,807
Repairs and maintenance	1,800	-
Salaries and benefits	251,275	97,107
Supplies	54,339	20,550
Telephone	1,860	1,638
Training	180,534	140,517
Travel	23,241	18,756
Utilities	975	26,910
	<b>1,828,990</b>	<b>1,644,057</b>
<b>Annual surplus (deficit)</b>	<b>71,694</b>	<b>(121,822)</b>



**Waterhen Lake First Nation**  
**Resorts and Retail**  
**Schedule 11 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Other revenue	200,744	31,591
Retail sales	2,115,981	1,609,837
	<b>2,316,725</b>	1,641,428
<b>Expenses</b>		
Advertising	5,299	-
Amortization	33,280	29,882
Bad debts	101,579	4,154
Bank charges and interest	28,720	25,590
Community donations	3,913	46
Contracted services	121,673	-
Cost of sales	1,648,880	1,247,632
Insurance	18,032	4,762
Interest on long-term debt	12,288	13,963
Professional development	1,400	-
Professional fees	188,831	10,195
Repairs and maintenance	56,521	26,668
Salaries and benefits	369,720	194,824
Supplies	47,557	12,544
Telephone	3,476	4,712
Travel	62,034	7,833
Utilities	49,339	28,335
Program expense	-	1,622
	<b>2,752,542</b>	1,612,762
<b>Surplus (deficit) before other income</b>	<b>(435,817)</b>	28,666
<b>Other income</b>		
Management fees	100,000	-
<b>Annual surplus (deficit)</b>	<b>(335,817)</b>	28,666