

WITCHEKAN LAKE FIRST NATION

Consolidated Financial Statements

For the Year Ended March 31, 2018

Cogent
CHARTERED PROFESSIONAL
ACCOUNTANTS LLP

WITCHEKAN LAKE FIRST NATION

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For the Year Ended March 31, 2018

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Witchekan Lake First Nation and all of the information in these financial statements are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

Witchekan Lake First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that Witchekan Lake First Nation assets are appropriately accounted for and adequately safeguarded.

Witchekan Lake First Nation is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The First Nation carries out this responsibility through the Chief and Council.

Chief and Council review Witchekan Lake First Nation consolidated financial statements and recommend their approval. Chief and Council meet periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The consolidated financial statements have been audited by Cogent Chartered Professional Accountants LLP in accordance with Canadian auditing standards on behalf of the members. Cogent Chartered Professional Accountants LLP has full and free access to the Chief and Council, accountant and program directors. The report of the auditing firm is on the following page.

Chief



Councilor



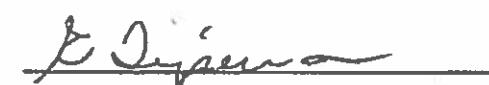
Councilor



Councilor



Councilor



Date: March 21, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Chief and Council,
Witchekan Lake First Nation:

We have audited the accompanying consolidated financial statements of Witchekan Lake First Nation, which are comprised of the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, change in net financial assets (net debt), cash flows and accumulated surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Witchekan Lake First Nation as at March 31, 2018, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The consolidated financial statements for the year ended March 31, 2017 were audited by another accounting firm. These numbers are presented for comparative purposes only.

Battleford, Saskatchewan
March 21, 2019

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WITCHEKAN LAKE FIRST NATION
Consolidated Statement of Financial Position
As at March 31, 2018

		2018	2017
Financial Assets			
Cash and cash equivalents	(Note 2)	\$ 3,419,729	\$ 1,846,510
Accounts receivable	(Note 3)	426,174	229,277
Trust funds held by federal government	(Note 4)	401,295	401,600
Due from government and other government organizations	(Note 6)	180,463	96,678
Loans receivable	(Note 7)	3,584	3,584
Investments in government business enterprises	(Note 9)	(80,448)	(80,448)
		4,350,797	2,497,201
Liabilities			
Accounts payable and accrued liabilities	(Note 10)	1,042,240	965,476
Deferred revenue	(Note 12)	1,503,368	1,006,532
Long-term debt	(Note 13)	3,096,726	1,792,874
		5,642,334	3,764,882
Net financial assets (net debt)		(1,291,537)	(1,267,681)
Non-financial assets			
Tangible capital assets	(Note 16)	19,418,014	18,084,471
Accumulated surplus (deficit)		\$ 18,126,477	\$ 16,816,790

Approved on behalf of Witchekan Lake First Nation:

 , Chief

 , Councillor

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The accompanying notes are an integral part of these financial statements. 1

WITCHEKAN LAKE FIRST NATION
Consolidated Statement of Operations
For the Year Ended March 31, 2018

		<i>Budget</i>	2018	2017
Revenues				
Federal government transfers for operating	(Note 19)	\$	5,348,698	\$ 5,722,565
Federal government transfers for capital	(Note 19)	-	1,687,689	135,196
Provincial government transfers for operating	(Note 19)	-	-	3,000
Rent		-	145,278	149,220
Other		-	1,594,608	1,330,948
		-	8,776,273	7,340,929
Expenditures				
Education		-	1,721,801	2,449,059
Health		-	478,877	305,103
Housing		-	425,543	224,980
Community services		-	344,090	388,948
Social services		-	1,217,408	1,046,500
Band government		-	1,204,479	1,109,033
Public works		-	129,616	40,330
Other		-	989,215	352,920
Interest		-	29,548	34,789
Amortization		-	926,009	1,189,950
		-	7,466,586	7,141,612
Annual surplus (deficit)		-	1,309,687	199,317
Accumulated surplus (deficit) at beginning of year		-	16,816,790	16,617,473
Accumulated surplus (deficit) at end of year		\$	18,126,477	\$ 16,816,790

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WITCHEKAN LAKE FIRST NATION
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the Year Ended March 31, 2018

	<i>Budget</i>	2018	2017
Annual surplus (deficit)	\$	\$ 1,309,687	\$ 199,317
Tangible capital assets:			
Acquisition of tangible capital assets	-	(1,744,327)	(1,460,755)
Amortization of tangible capital assets	-	<u>410,784</u>	<u>1,189,950</u>
	-	<u>(1,333,543)</u>	<u>(270,805)</u>
Change in net financial assets (net debt)	-	(23,856)	(71,488)
Net financial assets (net debt) at beginning of year	-	<u>(1,267,681)</u>	<u>(1,196,193)</u>
Net financial assets (net debt) at end of year	\$	\$ (1,291,537)	\$ (1,267,681)

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WITCHEKAN LAKE FIRST NATION
Consolidated Statement of Cash Flows
For the Year Ended March 31, 2018

	2018	2017
Operating transactions		
Annual surplus (deficit)	1,309,687	199,317
Items not affecting cash:		
Amortization of tangible capital assets	410,784	1,189,950
Change in non-cash charges to operations		
Accounts receivable	(196,897)	(8,782)
Due from Government	(83,785)	60,813
Accounts payable and accrued liabilities	76,764	931,665
Deferred revenue	496,836	912,184
Cash provided by (applied to) operating transactions	<u>2,013,389</u>	<u>3,285,137</u>
Capital transactions		
Purchase of tangible capital assets	<u>(1,744,327)</u>	<u>(1,460,755)</u>
Cash provided by (applied to) capital transactions	<u>(1,744,327)</u>	<u>(1,460,755)</u>
Investing transactions		
Decrease (increase) in Band Trust Funds	<u>305</u>	<u>64,263</u>
Cash provided by (applied to) investing transactions	<u>305</u>	<u>64,263</u>
Financing transactions		
Debt issues	1,425,921	-
Debt retirement	<u>(122,071)</u>	<u>(120,316)</u>
Cash provided by (applied to) financing transactions	<u>1,303,850</u>	<u>(120,316)</u>
Increase (decrease) in cash and cash equivalents	1,573,217	1,768,329
Cash and cash equivalents at beginning of year	<u>1,846,512</u>	<u>78,183</u>
Cash and cash equivalents at end of year	<u>\$ 3,419,729</u>	<u>\$ 1,846,512</u>

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WITCHEKAN LAKE FIRST NATION
Consolidated Statement of Accumulated Surplus
For the Year Ended March 31, 2018

	2017	Changes	2018
Unappropriated surplus (deficit)	\$ (41,575)	\$ 1,279,994	\$ 1,238,419
Appropriated reserves			
CMHC replacement reserve	447,449	-	447,449
CMHC operating reserve	199,767	-	199,767
Total appropriated reserves	647,216	-	647,216
Investment in band entities (Note 9)			
A.C. Forestry	(61,242)	-	(61,242)
A.C. Realty Ltd.	202,571	-	202,571
Agency Chiefs Tribal Council	(275,939)	-	(275,939)
Treaty Land Entitlement	54,162	-	54,162
Total investment in band entities	(80,448)	-	(80,448)
Net investment in tangible capital assets			
Tangible capital assets	18,084,471	1,333,543	19,418,014
Less: related debt	(1,792,874)	(1,303,850)	(3,096,724)
Total net investment in tangible capital assets	16,291,597	29,693	16,321,290
Total accumulated surplus (deficit)	\$ 16,816,790	\$ 1,309,687	\$ 18,126,477

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The accompanying notes are an integral part of these financial statements. 5

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

1. Summary of Significant Accounting Policies

a) Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

b) Reporting Entity

The Witchekan Lake First Nation reporting entity includes the Witchekan Lake First Nation government and all related entities that are controlled by the First Nation.

c) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Witchekan Lake First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Witchekan Lake First Nation.

Organizations consolidated in Witchekan Lake First Nation's financial statements include:

- A.C. Forestry
- A.C. Realty Ltd.
- Agency Chiefs Tribal Council
- Treaty Land Entitlement

d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts, and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

e) Inventories for resale

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value.

f) Loans receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

g) Portfolio Investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

h) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Witchekan Lake First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	2.5%
Housing	2.5%
Infrastructure	10.0%
Equipment	10.0%
Vehicles	20.0%

Tangible capital assets are written down when conditions indicate that they no longer contribute to Witchekan Lake First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents, and historical and cultural artifacts are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

i) Inventories held for use

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

j) Employee benefit obligations

No employee future benefits are applicable.

k) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

l) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Gains and losses resulting from foreign currency transactions are included in the consolidated statement of operations.

m) Measurement uncertainty

In preparing the consolidated financial statements for Witchekan Lake First Nation, management is required 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 period. Actual results could differ from these estimates.

2. Cash and Cash Equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Witchekan Lake First Nation must set aside funds annually for the repair, maintenance, and replacement of worn-out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the CMHC Replacement and Reserve Fund. Cash and cash equivalents is comprised of the following:

	2018	2017
Externally restricted CMHC replacement and surplus reserve funds	\$ 482,546	\$ 437,117
Internally restricted Capital Planning Economic and Social Development	1,794,185 554,320	1,798,375 (74,558)
	2,348,505	1,723,817
Unrestricted Operating Social Housing	542,263 46,415	(330,283) 15,859
	588,678	(314,424)
Total cash and cash equivalents	\$ 3,419,729	\$ 1,846,510

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

3. Accounts Receivable

	2018	2017
Due from others:		
A.C. Forestry Ltd.	4,521	99,554
Advances to membership, staff and council	297,440	13,275
Agency Chiefs Tribal Council	68,596	79,282
Northern Lights Community Development Corp.	63,451	45,000
	<hr/>	<hr/>
	434,008	237,111
Less: Allowance for doubtful accounts	<hr/>	<hr/>
	434,008	237,111
	(7,834)	(7,834)
Total Accounts Receivable	<hr/>	<hr/>
	\$ 426,174	\$ 229,277

4. Trust Funds Held by Federal Government

	March 31, 2017	Additions 2018	Withdrawals 2018	March 31, 2018
Revenue	\$ 401,295	\$ -	\$ -	\$ 401,295
Capital	305	-	(305)	-
End balances	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 401,600	\$ -	\$ (305)	\$ 401,295

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

5. Inventories for Resale

The First Nation has no inventories for resale.

6. Due from Government and Other Government Organizations

	2018	2017
Federal government		
Health Canada	14,314	14,314
Canada Mortgage and Housing Corporation	(17,503)	82,364
Other government organizations	<hr/>	<hr/>
	183,652	-
	<hr/>	<hr/>
	\$ 180,463	\$ 96,678

The First Nation has no funds due from government or other government organizations.

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

7. Loans Receivable

	2018	2017
	\$	\$
Agency Chiefs Tribal Council	3,584	3,584

8. Portfolio Investments

The First Nation has no portfolio investments.

9. Investments In Government Business Enterprises

Witchekan Lake First Nation has ownership interests in A.C Forestry Ltd. and A.C Realty Ltd. as outlined in paragraph (c) of Note 1. The First Nation is related to Agency Chiefs Tribal Council as a result of being one of three member First Nations receiving advisory services and programs from the Agency Chiefs Tribal Council.

At March 31, 2018, A.C Forestry Ltd. had total available debt of \$1,685,000, in the form of a demand loan. Each of the First Nation shareholders have provided guarantees and postponements of claim to the leader in support of the financing. The demand loan bears interest at prime plus 3.55% and is repayable in bi-weekly principal and interest instalments of \$16,536.

Witchekan Lake First Nation's investments in government business enterprises consist of the following:

	2018	2017
	\$	\$
A.C. Forestry	(61,242)	(61,242)
A.C. Realty Ltd.	202,571	202,571
Agency Chiefs Tribal Council	(275,939)	(275,939)
Treaty Land Entitlement	54,162	54,162
	\$ (80,448)	\$ (80,448)

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

10. Accounts Payable and Accrued Liabilities

	2018	2017
Trade payables	\$ 877,274	\$ 844,679
Accrued salaries and benefits payable	48,619	105,149
Other accrued liabilities	116,347	15,648
	\$ 1,042,240	\$ 965,476

11. Due to Government and Other Government Organizations

The First Nation has no funds due to government and other government organizations.

12. Deferred Revenue

	Balance March 31, 2017	Funding Received 2018	Revenue Recognized 2018	Balance March 31, 2018
<u>Federal Government</u>				
Lagoon Feasibility	\$ 987,417	\$ -	\$ -	\$ 987,417
<u>TLE Negotiations</u>				
	19,115	-	-	19,115
<u>Other</u>				
Other	-	496,836	-	496,836
	-	496,836	-	496,836
	\$ 1,006,532	\$ 496,836	\$ -	\$ 1,503,368

Deferred revenue represents the amount of funds received by the First Nation which must be spent on certain projects. As these projects had not been completed as of the year end, the revenue has been deferred until such time as the projects are carried out.

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

13. Long-Term Debt and Obligations under Capital Leases

	2018	2017
<u>Long-term debt financing tangible capital assets</u>		
CMHC mortgage #001 bearing interest at 0.94%, repayable in monthly blended installments of \$1,102. Mortgage is secured by ministerial guarantee on Section 95, 4-unit housing project, CMHC, Band BCR, and AANDC.	89,556	101,881
CMHC mortgage #002 bearing interest at 1.64%, repayable in monthly blended installments of \$2,458. Mortgage is secured by ministerial guarantee on Section 95, 9-unit housing project, CMHC, Band BCR, and AANDC.	244,381	269,157
CMHC mortgage #003 bearing interest at 1.67%, repayable in monthly blended installments of \$268. Mortgage is secured by ministerial guarantee on Section 95, 1-unit housing project, CMHC, Band BCR, and AANDC.	29,805	32,499
CMHC mortgage #004 bearing interest at 1.82%, repayable in monthly blended installments of \$793. Mortgage is secured by ministerial guarantee on Section 95, 3-unit housing project, CMHC, Band BCR, and AANDC.	97,378	105,053
CMHC mortgage #005 bearing interest at 1.11%, repayable in monthly blended installments of \$682. Mortgage is secured by ministerial guarantee on Section 95, 2-unit housing project, CMHC, Band BCR, and AANDC.	60,772	67,399
CMHC mortgage #006 bearing interest at 1.65%, repayable in monthly blended installments of \$1,617. Mortgage is secured by ministerial guarantee on Section 95, 4-unit housing project, CMHC, Band BCR, and AANDC.	166,614	181,529
CMHC mortgage #007 bearing interest at 1.82%, repayable in monthly blended installments of \$1,303. Mortgage is secured by ministerial guarantee on Section 95, 4-unit housing project, CMHC, Band BCR, and AANDC.	221,171	231,406
CMHC mortgage #008 bearing interest at 1.11%, repayable in monthly blended installments of \$1,425. Mortgage is secured by ministerial guarantee on Section 95, 4-unit housing project, CMHC, Band BCR, and AANDC.	272,254	284,182

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

13. Long-Term Debt and Obligations under Capital Leases (continued)

CMHC mortgage #009 bearing interest at 1.68%, repayable in monthly blended installments of \$3,073. Mortgage is secured by ministerial guarantee on Section 95, 5-unit housing project, CMHC, Band BCR, and AANDC.

488,974 519,768

CMHC mortgage #010 bearing interest at 2.41%, repayable in monthly blended installments of \$6,672. Mortgage is secured by ministerial guarantee on Section 95, 5-unit housing project, CMHC, Band BCR, and AANDC.

1,425,921

Total long-term debt

\$ 3,096,726 \$ 1,792,874

Anticipated annual principal repayments over the next five years and thereafter are as follows:

2019	128,000
2020	130,000
2021	132,000
2022	134,000
2023	136,000
Thereafter	2,436,726

2018 2017

Interest expense for the year on long-term debt

\$ 29,548 \$ 34,789

Obligations under capital leases

The First Nation has no obligations under capital leases.

14. Risk Management

The First Nation has no formalized risk management policy.

15. Employee Benefit Obligations

The First Nation does not have any employee benefit obligations.

WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

16. Tangible Capital Assets

	Cost						Accumulated Amortization				Net Book Value	
	Opening Balance	Additions	Disposals	Transfers of Assets	Closing Balance	Operating Balance	Amortization	Disposals, Write-offs & Other Adjustments	Closing Balance	Total 2018	Total 2017	
Tangible Capital Assets												
Land	\$ 4,980,969	\$ -	\$ -	\$ -	\$ 4,980,969	\$ (2,573,734)	\$ (178,476)	\$ -	\$ 4,980,969	\$ 4,980,969		
Buildings	7,139,045	-	-	-	7,139,045	(372,398)	(30,178)	-	(2,752,210)	4,386,835		
Housing	1,092,370	-	-	1,181,297	2,273,667	(917,715)	(146,862)	-	(402,576)	1,871,091		
CMHC Housing	3,110,963	1,405,258	-	(114,730)	4,401,483	(3,505,585)	-	-	(1,064,577)	719,972		
Infrastructure	8,915,089	-	-	(815,798)	8,089,291	(416,568)	(26,996)	-	(3,505,585)	3,336,906		
Equipment	542,555	-	-	-	542,555	(202,756)	(20,681)	-	(443,558)	4,593,706		
Vehicles	202,756	88,309	-	-	291,065	(389,636)	(7,581)	-	(223,447)	67,618		
Store and Bison Ranch	479,107	-	-	-	479,107	-	-	-	(397,217)	81,890		
	26,462,854	1,493,559	-	259,769	28,207,182	(8,378,384)	(410,784)	-	(6,789,168)	19,410,014		
	\$ 26,462,854	\$ 1,493,559	\$ -	\$ 250,769	\$ 28,207,182	\$ (8,378,384)	\$ (410,784)	\$ -	\$ (6,789,168)	\$ 19,410,014		
											\$ 18,084,471	
Total												

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WITCHEKAN LAKE FIRST NATION
Notes to Consolidated Financial Statements
For the Year Ended March 31, 2018

17. Contractual Obligations

The First Nation does not have any contractual obligations.

18. Contingent Liabilities

Witchekan Lake First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Witchekan Lake First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Witchekan Lake First Nation's financial statements.

19. Government Transfers

	2018			2017		
	Operating	Capital	Total	Operating	Capital	Total
Federal government transfers:						
Aboriginal Affairs and Northern Development Canada						
Health Canada	\$ 3,446,299	\$ 182,126	\$ 3,628,425	\$ 3,735,238	\$ 1,507,211	\$ 5,242,449
Canada Mortgage and Housing Corporation	249,547	-	249,547	288,111	18,888	306,999
Total	135,943	41,991	177,934	165,416	113,817	279,233
Provincial government transfers	3,831,789	224,117	4,055,906	4,188,765	1,639,916	5,828,681
	265,755	-	265,755	265,248	-	265,248
	\$ 4,097,544	\$ 224,117	\$ 4,321,681	\$ 4,454,013	\$ 1,639,916	\$ 6,093,929

WITCHEKAN LAKE FIRST NATION
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20. Segment Disclosure

Witchekan Lake First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported on a segmented basis by function of related revenues and expenses. For each segment separately reported, the segment revenues and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the period are as follows:

	Education			Health			Economic Development			Housing		
	Budget 2018	2018	Budget 2017	2017	Budget 2018	2017	Budget 2018	2018	Budget 2017	2017	Budget 2018	2017
Revenues:												
Federal government	\$ -	1,812,447	\$ 3,086,628	\$ -	\$ 459,893	\$ 265,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating transfers	-	-	-	-	-	-	-	-	-	-	-	-
Federal government transfers	-	108,251	-	-	-	23,905	-	16,327	-	-	-	353,901
Capital transfers	-	108,251	-	-	-	-	-	-	-	-	-	109,786
Other revenue	-	-	-	-	-	-	-	-	-	-	-	41,405
Total Revenues	\$ -	1,920,698	3,166,935	-	483,798	281,687	-	-	-	-	-	16,417
Expenditures:												
Salaries and benefits	-	1,114,269	-	951,696	-	195,144	-	161,071	-	-	-	26,178
Debt servicing	-	5,173	-	7,716	-	-	-	-	-	-	-	29,026
Other expenses	-	607,532	-	1,497,363	-	283,733	-	144,032	-	-	-	399,365
Total Expenditures	-	1,726,974	2,458,775	-	478,877	305,103	-	-	-	-	-	195,954
Annual Surplus (Deficit)	\$ -	193,724	\$ 710,160	\$ -	\$ 4,921	\$ (23,416)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (98,777)

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WITCHEKAN LAKE FIRST NATION
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For the Year Ended March 31, 2018

20. Segment Disclosure (continued)

	Social Services			Band Government			Community Services			Capital		
	Budget 2018	2018	2017	Budget 2018	2018	2017	Budget 2018	2018	2017	Budget 2018	2018	2017
Revenues:												
Federal government operating transfers	\$ -	\$ 1,274,224	\$ 1,052,289	\$ -	\$ 948,007	\$ 675,323	\$ -	\$ 373,834	\$ 330,095	\$ -	\$ -	\$ -
Federal government capital transfers	-	25,649	22,176	-	719,352	914,766	-	2,441	20,200	-	1,333,788	25,410
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ -	1,299,873	1,074,465	-	1,667,359	1,590,089	-	376,275	358,295	-	1,333,788	25,410
Expenditures:												
Salaries and benefits	-	73,880	65,982	-	588,079	486,930	-	126,878	146,486	-	129,616	40,330
Other Expenses	-	1,143,528	980,518	-	616,400	622,103	-	217,212	242,462	-	129,616	40,330
Total Expenditures	\$ -	1,217,408	1,046,500	-	1,204,479	1,109,033	-	344,090	388,946	-	129,616	40,330
Annual Surplus (Deficit)	\$ -	82,465	\$ 27,985	\$ -	\$ 462,880	\$ 481,056	\$ -	32,185	\$ (30,653)	\$ -	\$ 1,204,172	\$ (14,920)

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220. Segment Disclosure (continued)

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21. Expenditures by Object

The following is a summary of expenditures by object:

	2018	2017
Salaries and wages	\$ 2,435,766	\$ 2,080,131
Staff development	413,413	489,495
Supplies and services	359,985	410,442
Interest	29,548	34,789
Professional services	52,984	37,255
Rental expenditures	-	144,720
Fees and contract services	129,430	184,323
Other	10,976,259	10,939,426
Amortization	926,009	1,189,950
	\$ 15,323,394	\$ 15,510,531

22. Trusts Under Administration

The First Nation does not administer any trusts.

23. Subsequent Events

The First Nation does not have any subsequent events.

24. Budgeted Figures

The budget figures are provided for information purposes only and were not covered by the scope of the external audit. Budget figures were not available for all programs.

25. Comparative Figures

The prior year consolidated financial statements were audited by another accounting firm. The comparative figures are presented here for information purposes only.