

**Alexander First Nation**  
**Consolidated Financial Statements**  
March 31, 2016

HAND DELIVERED TO: Anil Patel  
name

ON JUN 16 2017 AP  
date initials

# Alexander First Nation

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For the year ended March 31, 2016

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## Independent Auditors' Report

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To the Members of Alexander First Nation:

We were engaged to audit the accompanying consolidated financial statements of Alexander First Nation, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, and change in net financial assets 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on conducting the March 31, 2016 audit in accordance with Canadian generally accepted auditing standards. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### *Basis for Disclaimer of Opinion*

Our audit procedures performed have identified a significant amount of transactions for which no support or insufficient supporting documentation was available. As a result of this matter, we are unable to obtain sufficient appropriate audit evidence to conclude whether the consolidated financial statements for the year ended March 31, 2016 are free from material misstatement.

### *Disclaimer of Opinion*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements.

Edmonton, Alberta

June 9, 2017

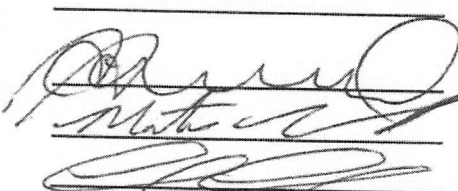
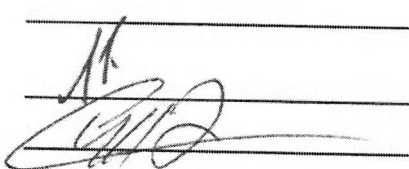
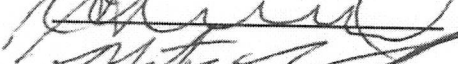
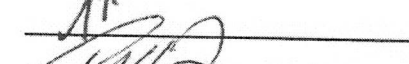
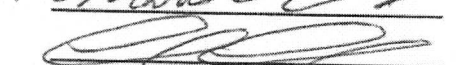

**MNP LLP**

Chartered Professional Accountants

**Alexander First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

	2016	2015
<b>Financial assets</b>		
Cash and cash equivalents	708,320	2,385,160
Accounts receivable	213,693	1,008,048
Restricted cash - capital reserve (MAR)	158,935	147,059
INAC Band Funds	3,126,060	2,179,813
Restricted investments - Land Surrender Claim	54,578,170	51,194,937
<b>Total of assets</b>	<b>58,785,178</b>	<b>56,915,017</b>
<b>Liabilities</b>		
Bank indebtedness	48,042	300,000
Accounts payable and accruals	1,564,361	1,407,321
Deferred revenue	-	1,692,749
Long-term debt	8,865,589	8,093,080
Distributions due to minors	2,785,464	3,199,152
<b>Total of financial liabilities</b>	<b>13,263,456</b>	<b>14,692,302</b>
<b>Net financial assets</b>	<b>45,521,722</b>	<b>42,222,715</b>
<b>Non-financial assets</b>		
Tangible capital assets	23,438,187	24,099,322
<b>Accumulated surplus</b>	<b>68,959,909</b>	<b>66,322,037</b>
<b>Accumulated surplus is comprised of:</b>		
Accumulated surplus	66,829,810	66,322,039
Accumulated remeasurement gains	2,130,099	-
	<b>68,959,909</b>	<b>66,322,039</b>

Approved on behalf of the First Nation

 _____ Chief		 _____ Councilor
 _____ Councilor		 _____ Councilor
 _____ Councilor		 _____ Councilor

The accompanying notes are an integral part of these consolidated financial statements

**Alexander First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2016*

	<i>Schedules</i>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada			
Block funding		7,664,654	7,776,689
Fixed funding		292,334	243,740
Set funding		848,342	771,869
Other revenue		3,408,101	4,298,391
Human Resources and Development grant		115,000	122,560
Health Canada		2,768,814	2,854,618
Canada Mortgage and Housing Corporation		465,589	609,713
Transfers from LSC		1,612,174	261,008
First Nation Development Fund Grants		695,595	660,000
Forestry revenue		772,818	580,591
Industry Relations Corporation revenue		854,221	1,104,573
Province of Alberta		493,082	883,141
Transfers from INAC band funds		3,516,624	-
		<b>23,507,348</b>	<b>20,166,893</b>
<b>Expenses</b>			
Band Government	2	6,238,461	7,083,176
Public Works	3	1,553,470	1,514,451
Kipohakawmik Lodge	4	1,664,513	1,496,382
Economic Development	5	551,406	473,767
Community Services	6	877,074	999,185
Housing	7	148,400	147,644
Amortization	8	2,128,133	1,519,528
Health	9	3,014,859	2,877,842
Social Services	10	1,118,854	1,242,535
Education Authority	11	4,983,206	4,532,990
Farm	12	134,856	192,553
Forestry	13	731,989	652,135
KMC	14	607,186	-
Employment and Labour Services	15	548,511	615,596
Industry Relations Corporation	16	951,697	1,058,887
1905 Land Surrender Claim Trust	17	485,241	327,771
Lands	18	460,125	246,349
<b>Total expenditures</b>		<b>26,197,981</b>	<b>24,980,791</b>
<b>Deficit before other items</b>		<b>(2,690,633)</b>	<b>(4,813,898)</b>
<b>Other income (expense)</b>			
INAC band funds capital account income		4,255,842	-
INAC band funds revenue account income		234,935	-
Transfers of band funds to other departments		(3,516,624)	-
LSC investment income		3,730,845	6,406,384
Transfer of LSC income to other departments		(1,506,594)	-
		<b>3,198,404</b>	<b>6,406,384</b>
<b>Surplus</b>		<b>507,771</b>	<b>1,592,486</b>
<b>Accumulated surplus, beginning of year</b>		<b>66,322,039</b>	<b>64,729,553</b>
<b>Accumulated surplus, end of year</b>		<b>66,829,810</b>	<b>66,322,039</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**Alexander First Nation**  
**Consolidated Statement of Remeasurement Gains and Losses**  
*For the year ended March 31, 2016*

	2016	2015
Accumulated remeasurement gains, beginning of year	-	-
Unrealized gains (losses) attributable to:		
2014 Accumulated remeasurement gain	3,175,166	-
2015 Unrealized loss	(1,045,067)	-
Change in remeasurement gains, for the year	2,130,099	-
Accumulated remeasurement gains (losses), end of year	2,130,099	-

*The accompanying notes are an integral part of these consolidated financial statements*

**Alexander First Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2016*

	2016	2015
<b>Annual surplus</b>	<b>507,771</b>	<b>1,592,486</b>
Amortization of tangible capital assets (Schedule 1)	2,340,747	1,765,551
Purchase of tangible capital assets	(1,679,610)	(505,488)
Change in remeasurement gains (losses) for the year	2,130,099	-
<b>Increase in net financial assets</b>	<b>3,299,007</b>	<b>2,852,549</b>
<b>Net financial assets, beginning of year</b>	<b>42,222,715</b>	<b>39,370,166</b>
<b>Net financial assets, end of year</b>	<b>45,521,722</b>	<b>42,222,715</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**Alexander First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**1. Operations**

The Alexander First Nation (the "First Nation") is located in the province of Alberta, and provides various services to its members. The Alexander First Nation reporting entity includes the the Alexander First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by Alexander First Nation.

**2. Salary advances**

The following individuals received net salary advances (advances less repayments) during the reporting period. This is in addition to the amounts reported on the Schedule of Remuneration and Expenses.

	<b>2016</b>	<b>2015</b>
Edwin Paul	20,695	-
Marty Arcand	17,100	-
Kurt Burnstick	16,250	-
Craig Yellowdirt	6,600	-
Armand Arcand	3,725	-
Audra Arcand	1,000	-
Allan Paul	-	-
	<hr/> 65,370	<hr/> -



**Alexander First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2016*

	<i>Buildings</i>	<i>Automotive equipment</i>	<i>Furniture and fixtures</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>2016</i>	<i>2015</i>
<b>Cost</b>							
Balance, beginning of year	1,511,126	1,216,546	1,438,332	1,247,162	39,886,133	45,299,299	44,793,812
Acquisition of tangible capital assets	-	-	-	-	1,679,612	1,679,612	505,487
Balance, end of year	1,511,126	1,216,546	1,438,332	1,247,162	41,565,745	46,978,911	45,299,299
<b>Accumulated amortization</b>							
Balance, beginning of year	728,196	1,066,368	1,352,651	904,754	17,148,008	21,199,977	19,434,427
Annual amortization	129,566	55,963	8,268	152,642	1,994,308	2,340,747	1,765,550
Balance, end of year	857,762	1,122,331	1,360,919	1,057,396	19,142,316	23,540,724	21,199,977
<b>Net book value of tangible capital assets</b>	<b>653,364</b>	<b>94,215</b>	<b>77,413</b>	<b>189,766</b>	<b>22,423,429</b>	<b>23,438,187</b>	<b>24,099,322</b>
2015 Net book value of tangible capital assets	782,930	150,178	85,681	342,408	22,738,125	24,099,322	