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July 25, 2019

FILE NO: 1402

Indigenous Services Canada  
630 Canada Place  
9700 Jasper Ave  
Edmonton AB T5J 4G2

Dear Sir:

Re: Enoch Cree Nation  
March 31, 2019 Financial Statements

We enclose the following in connection with the March 31, 2019 financial statements for the Enoch Cree Nation:

- 1. Consolidated Financial Statements  
2. Schedule of Receipt and Expenditure of Capital and Revenue Indian Monies  
3. Schedule of Remuneration and Expenses - Unelected Senior Officials  
4. Enoch Cree Nation - Band Administration Programs  
5. Enoch Cree Nation - Band Administration Programs Schedules of Revenue and Expense  
6. Enoch Cree Nation - Ottawa Trust Funds  
7. Enoch Cree Nation - Social Housing  
8. Enoch Cree Nation - Social Housing Program Schedules of Revenue and Expense  
9. Kitaskinaw Education Authority Inc.  
10. Kitaskinaw Education Authority Program Schedules of Revenue and Expense

Should you have any questions in connection with the above, please contact Rochelle Mitchell or the undersigned.

Yours very truly,

Crowe MacKay LLP  
Chartered Professional Accountants

Per: Bob McAneeley Professional Corporation  
Partner

/cp

cc: Enoch Cree Nation  
Attention: Keith Salmon, CFO

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JUL 29 2019

Indigenous Services  
Canada  
AB Region - IM EDM OFFICE

**Enoch Cree Nation**  
**Consolidated Financial Statements**  
**March 31, 2019**

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# **Enoch Cree Nation**

## **Consolidated Financial Statements**

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**March 31, 2019**

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## Enoch Cree Nation

### Management's Responsibility for Financial Reporting

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March 31, 2019

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The accompanying consolidated financial statements of Enoch Cree Nation are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

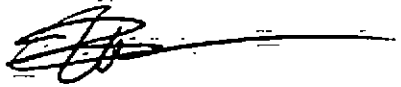
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, 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 consolidated financial statements and the external auditors' report.

The external auditors, Crowe MacKay LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Enoch Cree Nation and meet when required.

On behalf of Enoch Cree Nation:



Chief

July 23, 2019  
Date



Finance Committee

July 23, 2019  
Date

## **Independent Auditors' Report**

**To the Members of  
Enoch Cree Nation**

### ***Opinion***

We have audited the consolidated financial statements of Enoch Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows 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, 2019, and the results of its consolidated operations, its changes in its consolidated 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 Auditors' 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.

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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.

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

## Independent Auditors' Report (continued)

### ***Auditors' 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 auditors' 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 financial statements. 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 auditors' 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 auditors' 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 Group 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.

Edmonton, Canada  
July 23, 2019

*Chow MacKay LLP*  
Chartered Professional Accountants

## Enoch Cree Nation

### Consolidated Statement of Financial Position

March 31 2019 2018

#### Financial Assets

Cash (Note 2)	\$ 26,737,985	\$ 40,174,215
Accounts receivable (Note 3)	9,621,192	6,326,862
Restricted Cash - Ottawa Trust Funds (Note 4)	2,274,072	1,659,692
Restricted Investments - Settlement Trust Funds (Note 5)	5,879,081	6,477,623
Investments (Note 6)	513,164	513,164
Investment in Business Enterprises (Note 7)	329,286	402,766
Franchise Fee	52,500	-

45,407,280 55,554,322

#### Liabilities

Accounts payable (Note 8)	13,858,298	16,326,848
Deferred revenue (Note 9)	9,085,678	20,855,786
Long-term debt (Note 10)	52,259,720	67,094,109
First Nations Finance Authority Financing (Note 11)	30,976,180	2,900,081

106,179,876 107,176,824

Net debt (60,772,596) (51,622,502)

#### Non-financial Assets

Tangible capital assets (Note 12)	145,961,542	114,588,523
Prepaid expenses (Note 13)	1,066,462	213,614
Inventory (Note 14)	526,951	371,587

147,554,955 115,173,724

Accumulated Surplus (Note 15) \$ 86,782,359 \$ 63,551,222

Contingent liabilities (Note 16)

Commitments (Note 17)

Approved on behalf of the Enoch Cree Nation

 , Chief

 , Councillor

# Enoch Cree Nation

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Federal Government:			
Indigenous Services Canada (ISC) - Fixed	\$ 25,057,526	\$ 26,017,124	\$ 11,026,124
ISC - Set	2,413,900	2,980,857	3,492,270
ISC - Flexible	4,657,946	6,087,795	7,334,930
Canada Mortgage and Housing Corporation subsidies	761,834	829,572	751,082
First Nation and Inuit Health	1,706,317	4,730,231	3,073,945
Government of Alberta	729,800	2,060,636	707,446
First Nations Development Fund - Resort	-	34,324,684	31,078,620
Equity loss - River Cree Resort entities	-	(32,842,164)	(29,225,410)
First Nations Development Fund	15,525,370	16,018,399	15,587,752
Mechet Charities Limited	30,776,228	34,067,969	33,257,003
Taxation	-	1,396,279	1,010,965
Business enterprises	-	27,735,552	14,717,510
Resource and investment income	1,188,295	1,486,135	2,595,999
Other revenue	8,477,511	7,436,824	7,738,185
	<b>91,294,727</b>	<b>132,329,893</b>	<b>103,146,421</b>
<b>Expenses (Note 21)</b>			
Administration	2,530,898	3,808,184	6,621,715
Amortization	-	5,142,633	4,525,151
Enhanced Services/ Economic Development	1,169,500	37,656,584	21,592,981
Community service	2,619,087	2,847,912	3,067,174
Finance	2,913,556	2,562,620	4,648,255
Education	16,111,220	16,739,027	16,103,868
Office of the Chief	5,949,066	5,506,618	4,835,685
Health	3,487,384	4,360,687	4,967,180
Treaty Division	5,407,287	5,721,937	5,405,591
Planning and Development	1,701,584	2,641,535	1,389,293
Infrastructure	17,869,056	16,933,002	14,250,893
Mamowicitowin	5,092,841	5,178,017	4,536,506
	<b>64,851,479</b>	<b>109,098,756</b>	<b>91,944,292</b>
<b>Excess of revenue over expenses</b>	<b>26,443,248</b>	<b>23,231,137</b>	<b>11,202,129</b>
<b>Accumulated surplus, beginning of year</b>	<b>63,551,222</b>	<b>63,551,222</b>	<b>52,349,093</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 89,994,470</b>	<b>\$ 86,782,359</b>	<b>\$ 63,551,222</b>



**Enoch Cree Nation****Consolidated Statement of Change in Net Debt****For the year ended March 31**

	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Excess of revenue over expenses</b>	<b>\$ 26,443,248</b>	<b>\$ 23,231,137</b>	<b>\$ 11,202,129</b>
Acquisition of tangible capital assets	(27,065,371)	(37,273,775)	(34,271,772)
Amortization of tangible capital assets	-	5,142,633	4,525,151
Writedown of tangible capital assets	-	75,000	-
Disposition of capital assets	-	683,123	368,435
	(27,065,371)	(31,373,019)	(29,378,186)
Acquisition of prepaid asset	-	(852,848)	-
Use of prepaid asset	-	-	7,014
	-	(852,848)	7,014
Acquisition of inventory	-	(155,364)	(79,000)
<b>Decrease in net financial assets</b>	<b>(622,123)</b>	<b>(9,150,094)</b>	<b>(18,248,043)</b>
<b>Net debt, beginning of year</b>	<b>(51,622,502)</b>	<b>(51,622,502)</b>	<b>(33,374,459)</b>
<b>Net debt, end of year</b>	<b>\$ (52,244,625)</b>	<b>\$ (60,772,596)</b>	<b>\$ (51,622,502)</b>

**Enoch Cree Nation****Consolidated Statement of Cash Flow**

<b>For the year ended March 31, —</b>	<b>2019</b>	<b>2018</b>
<b>Cash flows from</b>		
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 23,231,137	\$ 11,202,129
Items not affecting cash		
Amortization	5,142,633	4,525,151
Loss (gain) on disposition of asset	(102,596)	367,694
	<b>28,271,174</b>	<b>16,094,974</b>
Change in non-cash operating working capital		
Accounts receivable	(3,294,330)	165,827
Inventory	(155,364)	(79,000)
Prepaid expenses	(852,848)	7,014
Accounts payable	(2,468,550)	7,932,657
Deferred revenue	(11,770,108)	10,002,190
	<b>9,729,974</b>	<b>34,123,662</b>
<b>Capital activities</b>		
Purchase of tangible capital assets	(37,273,775)	(34,271,772)
Proceeds on disposal of capital assets	860,719	741
	<b>(36,413,056)</b>	<b>(34,271,031)</b>
<b>Financing activities</b>		
Proceeds of long term debt	11,243,497	11,978,144
Repayment of long term debt	(26,077,886)	(1,969,676)
Net Proceeds from First Nations Finance Authority	28,076,099	2,900,081
	<b>13,241,710</b>	<b>12,908,549</b>
<b>Investing activities</b>		
Net change Restricted Cash - Ottawa Trust Fund	(614,380)	(369,526)
Net change in Mechet Charities Ltd. Investment	598,542	(147,231)
Net change in Restricted Investments	73,480	(120,208)
Franchise fee	(52,500)	-
	<b>5,142</b>	<b>(636,965)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(13,436,230)</b>	<b>12,124,215</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>40,174,215</b>	<b>28,050,000</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 26,737,985</b>	<b>\$ 40,174,215</b>

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# Enoch Cree Nation

## Notes to Consolidated Financial Statements

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March 31, 2019

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### 1. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

#### (a) Reporting entity - Principles of financial reporting

The Enoch Cree Nation reporting entity includes the Enoch Cree Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the Enoch Cree Nation.

The March 31, 2019 Consolidated Financial Statements include the assets, liabilities and results of operations for the following entities:

1. Enoch Cree Nation
2. Kitaskinaw Education Authority Inc.
3. Enoch Cree Nation Social Housing
4. Enoch Human Resource Development
5. Enoch Human Resources Foundation
  
6. Enoch Youth Development Foundation (December 31, 2018)
7. Enoch Training & Development Foundation (December 31, 2018)
8. Enoch Cree Nation Ottawa Trust Funds
9. Enoch Cree Investment Trust (December 31, 2018)
10. Enoch Cree Nation Settlement Trust (December 31, 2018)
  
11. Mechet Charities Limited
12. Mechet Waskahikanuk Association
13. Enoch Development Holdings Ltd.
14. Indian Lakes Golf Ltd.
15. North on 60 Gas Bar and Convenience Store Ltd.
  
16. Oskya Gas Bar and Convenience Store Ltd.
17. Oskya Energy Ltd.
18. Enoch Lands Development Ltd.
19. Enoch Construction Ltd.
20. 317107 Alberta Ltd.
  
21. Enoch Farm Enterprise Ltd.
22. Enoch Utilities Ltd.
23. River Cree Enterprises Corporation
24. River Cree Development Corporation
25. River Cree Crossing Inc.
  
26. Enoch Cree Investment Ltd. (December 31, 2018)
27. River Cree Land Development Corporation
28. Enoch Construction Limited Partnership (December 31, 2018)
29. Enoch Cree Nation Consultation Trust (December 31, 2018)
30. Enoch Health Services Inc.

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## **Enoch Cree Nation**

### **Notes to Consolidated Financial Statements**

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**March 31, 2019**

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#### **1. Basis of Presentation and Significant Accounting Policies (continued)**

- 31. River Cree Convenience Inc.
- 32. Enoch Cree Nation Specific Claims Trust
- 33. River Cree Foods Inc.
- 34. Cistemaw Wholesale Corporation
- 35. Maskekošak Transportation Services Corporation
- 36. Enoch Cree Nation Specific Claims Settlement Trust

The year ends of the entities are March 31, 2019, except for the entities noted above, which indicate December 31, 2018 year ends.

#### **The following entities are recorded on the modified equity basis:**

- 1. River Cree Resort Limited Partnership (December 31, 2018)
- 2. River Cree Corporation (December 31, 2018)
- 3. Enoch Casino Limited Partnership (December 31, 2018)
- 4. Enoch Casino Corporation (December 31, 2018)
- 5. River Cree Enterprises Limited Partnership (December 31, 2018)
- 6. 1023576 Alberta Ltd. (Trustee for the Enoch Cree Nation Business Trust) (December 31, 2018)
- 7. Enoch Community Development Corporation (December 31, 2018)
- 8. Enoch First Nations Development Fund Corporation (December 31, 2018)
- 9. River Cree Sports Inc. (December 31, 2018)
- 10. River Cree Sports Limited Partnership (December 31, 2018)
- 11. Enoch Cree Nation Business Trust (December 31, 2018)

Long-term investments in non-controlled entities are recorded at the lower of cost or net realizable value.

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## **Enoch Cree Nation**

### **Notes to Consolidated Financial Statements**

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**March 31, 2019**

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#### **1. Basis of Presentation and Significant Accounting Policies (continued)**

##### **(b) 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.

Income from investments is recorded on the accrual basis.

Band funds are recognized in the period in which the transactions or events occurred that gave rise to the funds.

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

##### **(c) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

##### **(d) Investments**

Portfolio investments in the Enoch Cree Nation Settlement Trust Funds are carried at market. Other investments are carried at the lower of cost and net realizable value. Investments are written down where there has been a loss in value that is other than a temporary decline.

##### **(e) Inventory**

Inventory is valued at the lower of cost or net realizable value. Cost is determined using the first-in first-out method.

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# Enoch Cree Nation

## Notes to Consolidated Financial Statements

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March 31, 2019

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### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (f) 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 Enoch Cree Nation's incremental cost of borrowing.

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

Buildings	5% straight line
Equipment	20-30% straight line
Assets under construction	0% Straight line
Leasehold improvements are amortized over the term of the lease.	

Tangible capital assets are written down when conditions indicate that they no longer contribute to Enoch Cree 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, including recognized interest in reserve lands and natural resources, as well as 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.

#### (g) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of credit risk, liquidity risk and market risk.

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (h) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Oil and gas royalties and surface rights payments related to oil and gas exploration and development activities are administered directly by the Government of Canada ("Canada") under the provisions of the Indian Oil and Gas Act. The Nation records receipts based on currently available information supplied by Canada. Royalty payments from oil and gas producers are subject to periodic revision. Adjustments are recorded by the Nation in the period that the information becomes available.

### 2. Cash

Included in cash is \$482,731 (2018 - \$43,744) held in a Secured Revenues Trust Account (SRTA) by First Nations Finance Authority, as described in Note 11.

Cash also includes an operating line of credit to a maximum of \$1,600,000, which bears interest at prime plus 1.0% and is secured by Government funding. As at March 31, 2019, the Enoch Cree Nation has drawn \$nil (2018 - \$nil) of the operating line.

Cash also includes a CMHC replacement reserve balance of \$120,259 (2018 - \$120,104), which is restricted.

### 3. Accounts receivable

Accounts receivable include amounts due from the following:

	2019	2018
Indigenous Services Canada	\$ 102,790	\$ 52,113
Health Canada	973,499	-
Canada Mortgage Housing Corporation	1,008,208	170,505
Government remittances	817,014	644,797
Other Government Agencies	279,286	201,322
Other receivables	3,177,530	2,045,102
First Nation - member and employee advances	9,796,197	10,670,729
First Nation - member and employee advances - allowance for doubtful accounts	(6,533,332)	(7,457,706)
	<u>\$ 9,621,192</u>	<u>\$ 6,326,862</u>

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## Enoch Cree Nation

### Notes to Consolidated Financial Statements

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March 31, 2019

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#### 4. Trust funds held by federal government

Funds held by the Government of Canada (Indigenous Services Canada) in trust for the use and benefit of the Enoch Cree Nation are as follows:

	March 31, 2018	Income, 2019	Withdrawals, 2019	March 31, 2019
Capital funds	\$ 550,712	\$ 467,683	\$ (662,500)	\$ 355,895
Revenue funds	1,107,129	1,098,992	(289,795)	1,916,326
Highway Settlement Receivable	1,851	-	-	1,851
	<u>\$ 1,659,692</u>	<u>\$ 1,566,675</u>	<u>\$ (952,295)</u>	<u>\$ 2,274,072</u>

The trust funds accounts held in Ottawa arise from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by section 64 and 69 of the Indian Act.

These funds are treated by Canada as held in trust in the Consolidated Revenue fund of the Government of Canada. The funds attract interest pursuant to Section 61(2) of the Indian Act.



## Enoch Cree Nation

### Notes to Consolidated Financial Statements

March 31, 2019

#### 5. Restricted Investments - Enoch Cree Nation Settlement Trust Funds

The Enoch Cree Nation Settlement Trust Funds are restricted investments and are recorded at market value.

The Chief and Council of the Enoch Cree Nation approved the Trust's investment policy on September 27, 2004, creating two portfolios for investments, as follows:

a) The Trust's short-term portfolios are invested in highly secure money market instruments with a minimum credit rating of "R-1 low". No single investment, other than federal or provincial issued instruments can exceed 5% of the portfolio. The primary objectives of the short-term portfolios are liquidity and security of capital. The funds are expected to be drawn down through spending within two to five years, since the purpose of these accounts is that the capital be put to work and invested within the community in long-term or permanent capital projects.

b) The Trust's long-term portfolios include the long-term portions of the Elders, Youth Development and Human Resources accounts. The primary objective of these portfolios are to achieve a long-term rate of return superior to those achieved solely from money market instruments and to do so at an acceptable level of risk. The fixed-income category of the portfolios shall be a minimum of 40% and a maximum of 65%. The equity category of the portfolios shall be a minimum of 35% and a maximum of 60% of the total portfolios. Investments rated "BBB" may be held within a pooled fund to a maximum of 20% of the pooled fund. All Trust equity instruments shall trade on a recognized Global stock exchange or market and preferred stocks will have an acceptable investment grade quality of P2. No single investment, other than federal or provincial instruments, can exceed 5% of the portfolio. No single equity holding can exceed 10% of the amount the Trust can hold in equity instruments.

The net assets of the Enoch Cree Nation Settlement Trust Funds at December 31, 2018 is \$20,111,404 (2017 - \$20,459,307), which includes cash of \$137,601 (2017 - \$140,351) and marketable securities of \$5,879,071 (2017 - \$6,477,613), loans receivable from Enoch entities of \$15,518,412 (2017 - \$15,196,100) and income allocation payable to Enoch entities of \$1,423,140 (2017 - \$1,354,757). The loans receivable from the Enoch related entities and the loans payable to the Enoch Cree Nation Settlement Trust as recorded by the Enoch related entities have been eliminated in these consolidated financial statements.

In addition, the accumulated loss recorded in the Enoch Cree Nation Investment Trust of \$1,300,499 (2017 - \$1,089,502) has been eliminated against the accumulated surplus of \$20,111,404 (2017 - \$20,459,307) in the Enoch Cree Nation Settlement Trust Funds resulting in a net accumulated surplus of \$18,810,915 (2017 - \$19,369,805).

#### 6. Investments

	2019	2018
United Grain Growers Ltd.	13,164	13,164
First Nations Bank of Canada - shares at cost	500,000	500,000
	<b>513,164</b>	<b>513,164</b>

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 7. Investment in Business Enterprises

As described in note 1(a), the investment in the River Cree Resort business enterprises are recorded on the modified equity basis. The summary of the December 31, 2018 financial statements of Enoch Cree Nation Business Trust and 1023576 Alberta Ltd. are as follows:

#### Change in investment in Business Enterprises

	2019	2018
Equity at beginning of year	\$ 402,766	\$ 282,558
Contributions net of distributions	32,768,684	29,345,618
Net loss	(32,842,164)	(29,225,410)
Investment in Government Business Enterprises	\$ 329,286	\$ 402,766

#### Balance Sheet - December 31, 2018 and 2017

	Enoch Cree Nation Business Trust	1023576 Alberta Ltd.	2018 Total	2017 Total
Cash	\$ -	\$ 348,872	\$ 348,872	\$ 132,699
Accounts receivable	-	30,336	30,336	348,410
Prepaid expenses	-	-	-	600
Equipment	-	-	-	18,015
Investments	1,400	-	1,400	62,898
Due from related parties	761	43,538	44,299	36,017
Total assets	\$ 2,161	\$ 422,746	\$ 424,907	\$ 598,639
Accounts payable	\$ 4,999	\$ 70,579	\$ 75,578	\$ 58,468
Due to related parties	9,203,725	20,541	9,224,266	10,859,806
Government remittance payable	-	1,341	1,341	1,627
Total liabilities	9,208,724	92,461	9,301,185	10,919,901
Share capital/Contributed surplus	-	8,910,122	8,910,122	7,897,622
Accumulated Deficit	(9,206,563)	(8,579,837)	(17,786,400)	(18,218,884)
Total Deficit	(9,206,563)	330,285	(8,876,278)	(10,321,262)
Total liabilities and deficit	\$ 2,161	\$ 422,746	\$ 424,907	\$ 598,639

## Enoch Cree Nation

### Notes to Consolidated Financial Statements

March 31, 2019

#### Investment in Business Enterprises (Continued)

#### Income Statement - December 31, 2018 and 2017

	Enoch Cree Nation Business Trust	1023576 Alberta Ltd.	2018 Total	2017 Total
Equity loss from investments	\$ (31,817,682)	\$ -	\$ (31,817,682)	\$ (28,181,958)
Management fees	-	786,646	786,646	300,000
Expenses	(8,318)	(1,840,346)	(1,848,664)	(1,343,452)
Net loss, December 31,	(31,826,000)	(1,053,700)	(32,879,700)	(29,225,410)
Adjustment to loss	(37,536)	-	(37,536)	-
Equity Loss	\$ (31,788,464)	\$ (1,053,700)	\$ (32,842,164)	\$ (29,225,410)

The Enoch Cree Nation as the Host First Nation of the River Cree Resort and Casino receives 30% of the slot revenue earned at the Casino, pursuant to the "Alberta First Nations Development Fund Grant Agreement".

Enoch Cree Nation advanced First Nation Development Funds of \$34,324,684 (December 31, 2017 - \$31,078,620) as a capital contribution to the Enoch Cree Nation Business Trust and 1023576 Alberta Ltd. (River Cree Resort entities). The funds were used by the River Cree Resort entities for operating expenses and debt servicing expenses.

#### 8. Accounts payable

	2019	2018
Trade accounts payable	\$ 13,536,583	\$ 15,984,144
Tuitions payable	219,808	262,640
Government remittances payable	101,906	80,064
	\$ 13,858,297	\$ 16,326,848

## Enoch Cree Nation

### Notes to Consolidated Financial Statements

March 31, 2019

#### 9. Deferred revenue

Deferred revenue represents funding received during the year that has not been expended as at March 31, 2019:

	March 31, 2018	Funding received, 2019	Revenue recognized, 2019	March 31, 2019
Indigenous Services Canada	\$ 16,349,577	\$ 23,408,995	\$ (35,055,118)	\$ 4,703,454
Health Canada	2,463,135	3,417,160	(4,730,231)	1,150,064
First Nation Development Funds	1,037,952	16,597,115	(16,018,399)	1,616,668
Other	1,005,122	10,184,220	(9,573,850)	1,615,492
	<u>\$ 20,855,786</u>	<u>\$ 53,607,490</u>	<u>\$ (65,377,598)</u>	<u>\$ 9,085,678</u>

#### 10. Long-term debt

	2019	2018
<b>Enoch Cree Nation</b>		
Loan Payable to John Deere Financial Inc., repayable in blended monthly instalments of \$3,504 including interest at 7.50%, secured by equipment with a net book value of \$64,604 (2018 - \$80,755), maturing August 2019.	\$ 20,111	\$ 75,388
<b>Enoch Cree Nation</b>		
Various equipment leases, repayable in total monthly instalments of \$31,941 including interest at rates ranging from 0.00% to 10.50% per annum, secured by equipment with a net book value of \$856,564 (2018 - \$1,217,311), maturing on various dates from November 2020 to July 2027.	728,893	1,156,199
<b>Enoch Cree Nation</b>		
Loan payable to Bridging Finance Inc. repaid during the year.	-	22,731,531
<b>Kitaskinaw Education Authority Inc.</b>		
AIIC loans, repaid during the year.	-	60,530
<b>Enoch Cree Nation Social Housing Authority</b>		
CMHC mortgages, repayable in total monthly instalments of \$76,620 including interest at rates ranging from 1.01% to 2.52% per annum, secured by Ministerial Guarantees, maturing on various dates from March 2026 to May 2042.	14,523,055	12,868,206

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**Enoch Cree Nation****Notes to Consolidated Financial Statements**

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**March 31, 2019**

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**10. Long-term debt, continued**

	2019	2018
<b>Enoch Cree Nation Social Housing Authority</b>		
Bank of Montreal demand loans, repayable in total monthly instalments of \$74,278 including interest at rates ranging from 3.93% to 4.15% per annum, secured by a general security agreement, maturing on various dates from June 2020 to March 2023.	9,314,325	9,815,898
<b>Enoch Cree Nation Social Housing Authority</b>		
Canadian Western Bank Leasing Inc. lease, repayable in monthly instalments of \$5,035 including interest at 7.91% per annum, secured by equipment with a net book value of \$92,160 (2018 - \$115,200), maturing August 2019.	24,186	80,228
<b>Mechet Waskahikanuk Association</b>		
First Nations Bank of Canada mortgages, repayable in total blended monthly instalments of \$49,792 including interest at rates ranging from 3.99% to 4.64% per annum maturing at various dates between July 2018 and July 2022, secured by a general security agreement, a guarantee by Mechet Charities Limited as well as land and buildings being financed with a net book value of \$8,444,247 (2018 - \$8,511,184).	6,173,339	6,565,580
<b>Enoch Cree Nation</b>		
Bank of Montreal loan repayable in blended monthly instalments of \$8,257 including interest at 3.69%, maturing January 2022.	1,292,345	1,343,555
<b>Enoch Cree Nation</b>		
AIIC loan, repayable in blended monthly instalments of \$10,416 including interest at 10.50% per annum, maturing May 2019. During the year this loan was assumed by Enoch Cree Nation	24,240	139,996
<b>River Cree Crossing Inc</b>		
Toronto-Dominion demand construction loan facility to a maximum of \$19,500,000 bearing interest at the bank's prime rate plus 1%. On completion of the project the loan will become a fixed rate term loan, with a 5 year term and 25 year amortization. The loan is secured by a general security agreement of all the company's assets and a registered mortgage over the property.	16,521,871	12,127,074
<b>Enoch Cree Nation</b>		
Loan payable to the Government of Canada, repayable interest-free in full upon maturity at the earlier of claim settlement or March 2021.	129,924	129,924

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 10. Long-term debt, continued

	2019	2018
<b>Maskekosak Transportation Services Corporation</b>		
Lease payable to Century McMynn Leasing, repayable in blended monthly instalments of \$7,900 including interest at 10.71%, secured by bus with a net book value of \$171,934, maturing January 31, 2021.	210,144	-
<b>Enoch Cree Nation</b>		
Loan payable to ATB Financial, accruing interest quarterly at a rate of prime plus 0.25% per annum. Repayable in one lump sum the earlier of settlement of specific claims against Canada, or March 2024. The loan facility is available up to a maximum of \$7,843,920 with the use of loan proceeds restricted to costs relating to the claims. Secured by a first loss payee insurance policy and a surety bond up to a maximum of \$7,843,920.	3,297,287	-
	<b>\$ 52,259,720</b>	<b>\$ 67,094,109</b>

Principal portion of long-term debt due within the next five years:

2020	\$ 18,954,585
2021	4,603,875
2022	1,554,909
2023	1,535,429
2024 and thereafter	25,610,922
	<b>\$ 52,259,720</b>

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## Enoch Cree Nation

### Notes to Consolidated Financial Statements

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March 31, 2019

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#### 11. Loan - First Nations Finance Authority

##### A) Financing with the First Nations Finance Authority (FNFA):

Enoch Cree Nation has entered into an agreement with the FNFA to borrow funds at an interest rate of 3.75%. The funds received has been advanced by the FNFA in anticipation of a bond issued by the FNFA. This interim financing will be replaced by this long term financing upon the issuance of such securities and the earlier of five years from the date of issuance of the interim financing or the completion by Enoch Cree Nation of the defined purpose included in the Borrowing Agreement.

The interim financing loans require monthly interest payments only and are paid from Secured Revenue sources other than ISC or Health Canada funding. These funds are specified in the Borrowing Law adopted by Enoch Cree Nation and are paid directly into a Secured Revenues Trust Account (SRTA), which is governed by a Secured Revenues Trust Management Agreement between Enoch Cree Nation, FNFA and Computershare.

The following amounts are withdrawn from the SRTA:

- 1) Monthly interest payments directly to the FNFA under the terms of the Borrowing Agreement and
- 2) The excess in the SRTA is paid to Enoch Cree Nation

##### B) Debt Reserve Fund

Five percent of any funds borrowed from the FNFA are held by the Authority in a fund as security for payments for bond payments and interim financing providers. If at any time Enoch Cree Nation does not have sufficient funds to meet its obligations under the terms and conditions of the Borrowing Agreement the payments will be made from the Debt Reserve Fund

##### C) Debenture Financing

During the year, \$6,159,000 was rolled from interim financing to long term debenture financing. The debenture has a term of 20 years with amortization period of 30 years and interest rate of 3.65%. The balance of the funds will remain as interim financing and will be replaced by long term financing upon the issuance of a bond issued by the FNFA.

	2019	2018
Funds advanced by First Nations Finance Authority	\$ 26,566,000	\$ 3,053,000
Debt reserve fund	(1,651,727)	(152,919)
Debenture financing	6,061,907	-
<b>Total funds owing to First Nations Finance Authority</b>	<b>\$ 30,976,180</b>	<b>\$ 2,900,081</b>

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 12. Tangible Capital Assets

	Cost				Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2019 net book value
Land	\$ 2,109,688	\$ 235,470	\$ (69,216)	\$ 2,275,942	\$ -	\$ -	\$ -	\$ -	\$ 2,275,942
Buildings	107,908,208	43,518,276	(902,060)	150,522,424	34,444,311	4,260,596	(288,153)	38,416,754	112,105,670
Equipment	12,731,797	677,698	-	13,409,495	9,091,406	876,092	-	9,967,498	3,441,997
Leasehold improvements	-	837,878	-	837,878	-	5,946	-	5,946	831,932
Assets under construction	35,374,547	(7,993,546)	(75,000)	27,306,001	-	-	-	-	27,306,001
	\$ 158,124,240	\$ 37,273,776	\$ (1,046,276)	\$ 194,351,740	\$ 43,535,717	\$ 5,142,634	\$ (288,153)	\$ 48,390,198	\$ 145,961,542

	Cost				Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2018 Net book value
Land	\$ 1,046,938	\$ 1,062,750	\$ -	\$ 2,109,688	\$ -	\$ -	\$ -	\$ -	\$ 2,109,688
Buildings	97,740,803	10,433,788	(268,381)	107,908,208	31,049,608	3,582,918	(188,215)	34,444,311	73,463,897
Equipment	12,499,861	1,011,418	(779,482)	12,731,797	8,638,386	942,233	(489,213)	9,091,406	3,640,391
Assets under construction	13,810,729	21,763,818	-	35,374,547	-	-	-	-	35,374,547
	\$ 124,898,331	\$ 34,271,772	\$ (1,045,863)	\$ 158,124,240	\$ 39,687,994	\$ 4,525,151	\$ (677,428)	\$ 43,535,717	\$ 114,588,523



## Enoch Cree Nation

### Notes to Consolidated Financial Statements

March 31, 2019

#### 13. Prepaid expenses

	2019	2018
Prepaid insurance	\$ 883,615	\$ -
Prepaid other	182,847	213,614
	<u>\$ 1,066,462</u>	<u>\$ 213,614</u>

The prepaid insurance amount of \$883,615 relates to an insurance policy the Nation has purchased to provide security for a bank loan received to pay past and future legal costs related to the negotiation with "Canada" of two specific claims.

#### 14. Inventory

	2019	2018
Grocery	\$ 79,734	\$ 48,418
Tobacco	214,056	208,231
Gasoline	198,691	76,955
Pharmacy	34,470	37,983
	<u>\$ 526,951</u>	<u>\$ 371,587</u>

The Nation's inventory is subject to spoilage. The Nation provides an allowance for spoilage against the cost of the inventory. A charge to cost of sales is recorded in the year in which the spoilage occurs and any profit or loss from the subsequent sale is reflected in the gross margin at the time of sale.

Total inventory expensed to cost of goods sold during the year was \$22,434,505 (2018 - \$11,537,021).

#### 15. Accumulated Surplus

	2019	2018
Unrestricted operating deficit	\$ (31,934,338)	\$ (27,842,539)
Equity in Tangible Capital Assets	97,146,026	70,215,694
Equity in Enoch Cree Nation Settlement Trust Funds	18,810,915	19,369,805
Equity in Ottawa Trust Funds	2,274,072	1,284,692
Equity in CMHC Replacement Reserve	156,398	120,804
Equity in Business Enterprises	329,286	402,766
	<u>\$ 86,782,359</u>	<u>\$ 63,551,222</u>

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## **Enoch Cree Nation**

### **Notes to Consolidated Financial Statements**

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**March 31, 2019**

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#### **16. Contingent Liabilities**

##### **a) Legal proceedings**

Enoch Cree Nation has been named as defendant in certain legal proceedings. The Nation is actively defending all lawsuits. Since the amount of loss, if any, cannot be reasonably estimated, no provision has been recorded in these financial statements. Should a loss be incurred, it will be expensed in the year the liability is determined.

##### **b) Government contributions**

Government contributions related to projects of the Enoch Cree Nation are subject to conditions regarding the expenditure of funds. The Nation's accounting records, as well as those of agencies delegated to execute the projects, are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to the projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective funding agencies.

Adjustments to the financial statements as a result of these audits will be recorded in the year in which they become known.

#### **17. Commitments**

As at March 31, 2019, the Nation has undertaken housing construction projects which were in progress as at March 31, 2019. Costs to complete the projects have been estimated at \$3,612,069.

#### **18. Employment Retirement Plan**

The Nation has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Total employer contributions during the year were \$1,327,801 (2018 - \$1,267,658).

#### **19. Comparative Amounts**

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current year.

#### **20. Budget Information**

The budget information for the year ended March 31, 2019 is prepared by management, approved by Chief and Council and is unaudited. Amortization was not contemplated in the preparation of the budget.

## Enoch Cree Nation

### Notes to Consolidated Financial Statements

March 31, 2019

#### 21. Expenses by object

For the year ended March 31	2019 Budget	2019 Actual	2018 Actual
Amortization - capital assets	\$ -	\$ 5,142,633	\$ 4,525,151
Insurance	606,842	638,751	554,252
Interest and bank charges	3,024,236	4,375,059	3,933,497
Materials and supplies	1,348,100	10,647,673	12,778,642
Per Capita Distribution	-	1,226,900	1,142,115
Professional fees	1,850,907	3,109,623	2,435,968
Program costs	15,338,038	34,097,655	24,825,833
Rent	73,329	759,106	489,705
Repairs and maintenance	5,394,649	5,872,706	2,475,704
Telephone and utilities	1,520,005	2,283,297	1,905,956
Travel and meetings	725,392	891,546	811,035
Wages and benefits	34,969,981	40,053,807	36,066,434
	\$ 64,851,479	\$ 109,098,756	\$ 91,944,292

#### 22. Enoch Minors' Trust Funds

Enoch Cree Nation is the Trustee for the Enoch Minor's Trust account. The Nation is not the beneficiary of the trust. Accordingly, the Minor's Trust is not recorded as an asset of the Nation.

The Enoch Minors' Trust Account of \$1,273,605 (2018 - \$1,273,542) arose from the per capita distribution of the Enoch Cree Nation - 1908 Settlement Trust Funds. The funds held in the trust account represents unpaid amounts to Enoch members who have not reached the age of eighteen. On the members' eighteenth birthday, they will receive the full entitlement of the per capita distribution plus interest earned to that date.

The investment consists of amounts held in trust by Peace Hills Trust which bear interest at 5.25% per annum. Amounts expected to be paid out to members who will reach the age of eighteen over the next fiscal year are kept in short term investments to ensure availability of funds for distribution. The remaining funds are invested in term deposits.

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## **Enoch Cree Nation**

### **Notes to Consolidated Financial Statements**

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**March 31, 2019**

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#### **23. Financial Instruments**

The Nation's financial instruments consist of cash, accounts receivable, long-term investments, trust funds, accounts payable and long term debt.

It is management's opinion that the Nation is not exposed to significant currency risk from its financial instruments. The Nation is subject to credit risk with respect to accounts receivable. Credit risk arises from the possibility that the entities may experience financial difficulty and be unable to fulfill their obligations. The large amount of annual funding is received from the Government of Canada which minimizes credit risk.

The Nation is exposed to liquidity risk with respect to its accounts payable and long term debt. The Nation minimizes this risk by monitoring cash flows and the terms and conditions negotiated with trade creditors and lenders.

The Nation is exposed to interest rate risk with respect to its fixed rate long term debt as the fair value of the debt fluctuates as market rates of interest change. The cash flows resulting from variable rate financial instruments fluctuate as interest rates applicable to the instruments change. The Nation does not employ derivative financial instruments to hedge its exposure to interest rate risk.

The Nation is also exposed to other price risk with respect to certain of its Trust Funds invested in securities.

#### **24. CMHC Replacement Reserve**

Under the terms of the agreement with Canada Mortgage and Housing Corporation, a replacement reserve account is to be credited annually with an agreed amount. These funds, along with accumulated interest, must be held in a separate bank account, and invested in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. The reserve fund balance at March 31, 2019 was underfunded by \$41,793.

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 25. Segmented Information

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. The segment revenues and expenses represent 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 Accounts Policies as described in Note 1. The segment results for the year are as follows:

	Administration			Amortization			Enhanced Services/ Economic Development		
	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>									
Indigenous Services Canada	78,054	365,046	375,696	-	-	-	-	1,956,904	(1,273,937)
Business enterprises & taxation	-	-	-	-	-	-	-	27,626,517	14,675,953
Equity income - River Cree Resort entities	-	-	-	-	-	-	-	(32,842,164)	(29,225,410)
Resource and investment income	-	271,351	482,301	-	-	-	-	17,039	581,414
Mechet Charities Limited	278,385	184,787	164,602	-	-	-	-	3,863,567	7,747,228
First Nations Development Fund	2,092,023	1,929,424	4,888,194	-	-	-	1,069,500	2,950,075	1,000,000
Government of Alberta	-	-	2,750	-	-	-	-	542,500	69,999
First Nations Development Fund - Resort	-	-	-	-	-	-	-	34,324,684	31,078,620
Other revenue	82,436	1,671,144	(875,442)	-	-	-	100,000	(753,351)	1,850,151
<b>Total revenue</b>	<b>2,530,898</b>	<b>4,421,752</b>	<b>5,038,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,169,500</b>	<b>37,485,771</b>	<b>26,304,018</b>
<b>Expenses</b>									
Wages and benefits	1,957,302	1,974,254	2,903,549	-	-	-	-	6,722,583	6,262,151
Travel and meetings	75,200	116,579	119,419	-	-	-	-	67,157	192,618
Repairs and maintenance	-	25,128	208,982	-	-	-	-	112,570	24,562
Interest and bank charges	-	-	2,737	-	-	-	-	3,300,981	644,772
Amortization - capital assets	-	-	-	-	5,142,633	4,525,151	-	-	-
Telephone and utilities	291,000	213,663	289,426	-	-	-	-	267,443	143,053
Materials and supplies	85,494	137,374	158,193	-	-	-	-	9,304,504	11,689,232
Professional fees	10,000	-	663,900	-	-	-	100,000	837,196	940,768
Other expenses	111,902	1,341,186	2,275,509	-	-	-	1,069,500	17,044,150	1,695,825
<b>Total expenses</b>	<b>2,530,898</b>	<b>3,808,184</b>	<b>6,621,715</b>	<b>-</b>	<b>5,142,633</b>	<b>4,525,151</b>	<b>1,169,500</b>	<b>37,656,584</b>	<b>21,592,981</b>
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>613,568</b>	<b>(1,583,614)</b>	<b>-</b>	<b>(5,142,633)</b>	<b>(4,525,151)</b>	<b>-</b>	<b>(170,813)</b>	<b>4,711,037</b>

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 25. Segmented information, continued

	Community service				Finance			Education	
	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
Revenues									
Indigenous and Services Canada	35,676	35,476	35,476	-	-	-	24,291,175	22,326,839	11,308,738
Resource and investment income	-	-	-	-	-	-	61,000	58,888	78,083
Mechet Charities Limited	1,095,710	1,191,387	1,160,879	600,425	173,833	556,855	6,162,911	5,637,353	4,658,947
First Nations Development Fund	1,327,701	1,311,705	1,676,023	2,228,131	2,228,131	2,108,395	-	-	-
Government of Alberta	200,000	200,000	181,803	-	-	-	397,800	504,638	252,849
Other revenue	190,000	202,627	446,891	85,000	45,300	10,760	1,200,334	1,577,428	2,145,262
Total revenue	2,849,087	2,941,195	3,500,672	2,913,556	2,447,264	2,676,010	32,113,220	30,105,142	18,443,879
Expenses									
Wages and benefits	1,931,549	1,916,632	1,772,545	1,963,314	1,806,104	2,013,594	8,172,312	8,015,583	6,064,610
Travel and meetings	13,876	30,417	21,362	31,800	15,337	14,755	80,876	174,022	107,939
Repairs and maintenance	292,854	381,421	347,211	85,000	40,820	7,557	255,314	246,021	266,957
Interest and bank charges	94,800	33,460	30,415	35,000	36,440	2,318,009	-	2,375	13,759
Telephone and utilities	38,203	62,867	75,523	27,200	15,234	15,980	92,300	174,010	146,164
Materials and supplies	113,035	104,934	82,805	87,400	69,010	69,719	485,503	412,928	363,311
Professional fees	10,250	16,304	54,566	300,000	491,314	139,463	214,964	456,102	172,672
Other expenses	124,520	301,877	682,747	383,842	88,361	69,178	6,829,951	7,257,986	8,968,456
Total expenses	2,619,087	2,847,912	3,067,174	2,913,556	2,562,620	4,648,255	16,111,220	16,739,027	16,103,868
Annual surplus (deficit)	230,000	93,283	433,498	-	(115,356)	(1,972,245)	16,002,000	13,366,115	2,340,011

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 25. Segmented Information, continued

	Office of the Chief			Health			Treaty Division		
	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
Revenues									
Indigenous Services Canada	1,009,915	1,160,586	953,231	87,360	87,360	87,360	-	-	-
Resource and investment income	662,500	662,500	662,000	-	-	-	175,000	198,015	261,024
Mechet Charities Limited	205,904	109,991	357,179	1,979,211	2,100,187	2,494,339	2,592,287	2,203,069	2,244,523
First Nations Development Fund	2,827,409	2,329,381	1,342,111	-	-	-	2,401,000	2,401,000	2,924,901
Government of Alberta	-	173,500	70,000	-	53,263	-	-	-	-
Other revenue	1,293,338	411,120	1,283,725	1,447,117	4,987,983	3,345,925	239,000	29,000	225,625
Total revenue	5,999,066	4,847,058	4,668,246	3,513,688	7,228,803	5,927,624	5,407,287	4,831,084	5,656,073
Expenses									
Wages and benefits	4,243,130	3,654,793	3,037,409	2,517,324	2,616,777	1,992,209	1,689,228	1,362,463	1,480,183
Travel and meetings	385,000	367,908	288,049	38,290	1,138	3,693	-	-	766
Repairs and maintenance	5,000	3,510	4,863	74,460	65,528	42,271	130,875	168,585	34,046
Interest and bank charges	-	47,871	50,553	-	492	180	-	-	-
Telephone and utilities	32,450	29,368	39,217	20,967	7,242	10,152	418,200	496,487	468,954
Materials and supplies	126,400	152,037	88,078	59,103	104,004	46,615	50,020	14,109	17,290
Professional fees	668,000	648,980	125,174	10,000	15,650	48,389	25,000	7,020	53,144
Other expenses	489,086	602,151	1,202,342	767,240	1,549,856	2,823,671	3,093,964	3,673,273	3,351,208
Total expenses	5,849,066	5,506,618	4,835,685	3,487,384	4,360,687	4,967,180	5,407,287	5,721,937	5,405,591
Annual surplus (deficit)	50,000	(659,560)	(167,439)	26,304	2,868,116	960,444	-	(890,853)	250,482

# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 25. Segmented information, continued

	Infrastructure			Mamowicktown:			Planning and Development:		
	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>									
Indigenous Services Canada	5,669,286	7,679,042	9,204,940	836,724	1,409,215	1,092,013	121,182	65,307	69,807
Business enterprises & taxation:	-	-	-	-	-	-	-	1,505,314	1,052,522
Resource and investment income	-	42,803	32,845	-	-	-	289,795	235,540	498,332
Mechet Charities Limited	15,891,693	17,067,369	12,113,782	1,969,702	1,736,416	1,758,869	-	-	-
First Nations Development Fund	692,701	579,931	(205,649)	1,886,639	1,736,088	1,540,288	1,000,266	552,684	313,479
Government of Alberta	-	317,750	-	22,000	28,592	22,876	110,000	240,395	107,569
Other revenue	5,945,747	3,331,039	3,583,372	182,349	247,990	275	180,341	1,246,349	(253,332)
<b>Total revenue</b>	<b>28,199,427</b>	<b>29,017,934</b>	<b>24,729,290</b>	<b>4,897,414</b>	<b>5,158,301</b>	<b>4,414,131</b>	<b>1,701,584</b>	<b>3,845,589</b>	<b>1,788,377</b>
<b>Expenses</b>									
Wages and benefits	9,065,991	8,582,029	7,985,691	2,521,165	2,547,835	2,074,127	908,666	854,954	480,366
Travel and meetings	40,600	39,725	46,526	20,600	45,885	4,455	39,150	33,398	11,453
Repairs and maintenance	4,489,824	4,684,486	1,435,747	61,322	48,417	23,958	-	96,220	79,550
Interest and bank charges	2,894,436	953,295	872,979	-	-	-	-	145	93
Telephone and utilities	540,231	607,782	511,462	48,054	40,264	49,347	11,400	368,937	156,678
Materials and supplies	224,106	225,862	223,990	118,790	69,311	29,532	18,249	53,600	9,877
Professional fees	197,847	508,330	204,548	20,000	900	-	294,846	127,827	33,344
Other expenses	418,021	1,331,493	2,969,950	2,302,910	2,425,625	2,355,087	429,273	1,106,454	617,832
<b>Total expenses</b>	<b>17,869,056</b>	<b>16,933,002</b>	<b>14,250,893</b>	<b>5,092,841</b>	<b>5,178,017</b>	<b>4,536,506</b>	<b>1,701,584</b>	<b>2,641,535</b>	<b>1,389,293</b>
<b>Annual surplus (deficit)</b>	<b>10,330,371</b>	<b>12,084,932</b>	<b>10,478,397</b>	<b>(195,427)</b>	<b>(19,716)</b>	<b>(122,375)</b>	<b>-</b>	<b>1,204,054</b>	<b>399,084</b>



# Enoch Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 25. Segmented Information, continued

	Consolidated totals		
	2019 Budget	2019 Actual	2018 Actual
Revenues			
Indigenous Services Canada	32,129,372	35,085,775	21,853,324
Business enterprises & Taxation	-	29,131,831	15,728,475
Equity income - River Cree Resort entities	-	(32,842,164)	(29,225,410)
Resource and Investment Income	1,188,295	1,486,136	2,595,999
Mechet Charities Limited	30,776,228	34,087,969	33,257,003
First Nations Development Fund	15,525,370	18,018,399	15,587,752
Government of Alberta	729,800	2,060,638	707,448
First Nations Development Fund - Resort	-	34,324,684	31,078,620
Other revenue	10,945,662	12,996,627	11,563,212
Total revenue	91,294,727	132,329,892	103,146,421
Expenses			
Wages and benefits	34,969,981	40,053,807	36,066,434
Travel and meetings	725,392	891,548	811,035
Repairs and maintenance	5,394,649	5,872,708	2,475,704
Interest and bank charges	3,024,238	4,375,059	3,933,497
Amortization - capital assets	-	5,142,633	4,525,151
Telephone and utilities	1,520,005	2,283,297	1,905,956
Materials and supplies	1,348,100	10,647,673	12,778,642
Professional fees	1,850,907	3,109,623	2,435,968
Other expenses	16,018,209	38,722,412	27,011,905
Total expenses	64,851,479	109,098,756	81,944,292
Annual surplus (deficit)	26,443,248	23,231,137	11,202,129