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**Duncan's First Nation**

**Consolidated Financial Statements**

**March 31, 2018**

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**Duncan's First Nation****Consolidated Financial Statements**

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## Duncan's First Nation

### **Management's Responsibility for Financial Reporting**

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**March 31, 2018**

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The accompanying consolidated financial statements of Duncan's First Nation are the responsibility of management and have been approved by Chief and 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 auditor's 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 Duncan's First Nation and meet when required.

On behalf of Duncan's First Nation

Virginia D. Folsom  
Chief  
Frank  
Finance Director

July 26, 2018  
Date  
July 26, 2018  
Date



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## Independent Auditors' Report

### To the Members of Duncan's First Nation

We have audited the accompanying consolidated financial statements of Duncan's First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, change in net financial assets, cash flows and the related schedules 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 our audit. We conducted our audit in accordance with Canadian generally accepted 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, the consolidated financial statements present fairly, in all material respects, the financial position of Duncan's First Nation as at March 31, 2018, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

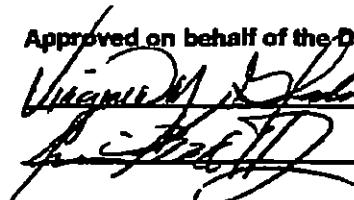
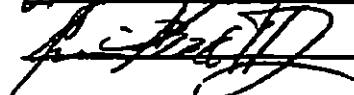
Edmonton, Canada  
July 26, 2018

*Crowe MacKay LLP*  
Chartered Professional Accountants

**Duncan's First Nation****Consolidated Statement of Financial Position**

<u>March 31</u>	<u>2018</u>	<u>2017</u>
<b>Financial Assets</b>		
Cash (Note 2)	\$ 1,400,136	\$ 660,842
Accounts receivable (Note 3)	1,134,136	366,459
Long-term investments (Note 4)	-	193,003
Settlement Funds - Agricultural Benefits Claim (Note 9)	13,588,888	-
Federal Trust Funds (Note 5)	60,268	37,541
Funds held in trust (Note 6)	3,461,507	3,575,696
	<b>19,644,935</b>	<b>4,833,541</b>
<b>Liabilities</b>		
Demand loans (Note 7)	2,095,553	2,313,732
Accounts payable and accrued liabilities (Note 8)	650,840	301,733
Deferred revenue (Note 10)	821,069	376,952
Duncan's First Nation Trust liabilities (Note 9)	13,588,888	-
Long-term debt (Note 11)	1,012,662	1,080,016
	<b>18,169,012</b>	<b>4,072,433</b>
<b>Net financial assets</b>	<b>1,475,923</b>	<b>761,108</b>
<b>Non-financial Assets</b>		
Capital assets (Note 12)	10,807,831	10,934,111
Prepads	1,500	-
	<b>10,809,331</b>	<b>10,934,111</b>
<b>Accumulated Surplus (Note 14)</b>	<b>\$ 12,285,253</b>	<b>\$ 11,695,219</b>
Contingent liabilities (Note 15)		

Approved on behalf of the Duncan's First Nation


 , Chief  

 , Councillor

## Duncan's First Nation

### Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Western Cree Tribal Council (WCTC)	\$ 1,339,924	\$ 2,622,663	\$ 1,499,079
Health Canada - First Nation and Inuit Health Branch	653,150	711,035	588,804
First Nation Development Funds	-	315,611	317,575
Government of Alberta	73,104	251,290	231,451
Resource revenue	-	58,633	105,612
CMHC subsidy	-	30,079	45,575
CMHC - other	-	53,898	10,124
Other income	553,965	1,643,638	659,569
Government of Canada - Settlement (Note 9)	-	13,588,888	-
	<b>2,620,143</b>	<b>19,275,735</b>	<b>3,457,789</b>
<b>Expenses (Note 13)</b>			
Band Government	685,802	801,773	805,220
Economic Development	50,000	1,309,956	708,595
Education	258,603	246,553	231,256
Health	671,349	716,822	564,802
Housing	331,650	558,121	202,217
Public Works	221,870	508,091	484,313
Social Services	404,488	447,992	403,254
Other programs	-	112,497	125,089
Amortization	-	395,008	379,147
Duncan's First Nation Trust (Note 9)	-	13,588,888	-
	<b>2,623,762</b>	<b>18,685,701</b>	<b>3,903,893</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>(3,619)</b>	<b>590,034</b>	<b>(446,102)</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>11,695,219</b>	<b>12,141,321</b>
<b>Accumulated surplus, end of year</b>	<b>\$ (3,619)</b>	<b>\$ 12,285,253</b>	<b>\$ 11,695,219</b>

## Duncan's First Nation

### Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2018 Budget	2018 Actual	2017
<b><u>Excess (deficiency) of revenue over expenses</u></b>	<b>\$ (3,619)</b>	<b>\$ 590,034</b>	<b>\$ (446,102)</b>
Acquisition of capital assets	-	(268,727)	(60,501)
Amortization of capital assets	-	395,008	379,147
	-	126,281	318,646
<b><u>Acquisition of prepaids</u></b>	<b>(1,500)</b>	<b>(1,500)</b>	<b>-</b>
<b>Decrease in net financial assets</b>	<b>(5,119)</b>	<b>714,815</b>	<b>(127,456)</b>
<b><u>Net financial assets, beginning of year</u></b>	<b>761,108</b>	<b>761,108</b>	<b>888,564</b>
<b><u>Net financial assets, end of year</u></b>	<b>\$ 755,989</b>	<b>\$ 1,475,923</b>	<b>\$ 761,108</b>

## Duncan's First Nation

### Consolidated Statement of Cash Flow

For the year ended March 31, 2018	2018	2017
<b>Cash flows from Operating activities</b>		
Excess (deficiency) of revenue over expenses	\$ 590,034	\$ (446,102)
Items not affecting cash		
Amortization	395,008	379,147
Loss on long-term investments	193,003	203,000
	<b>1,178,045</b>	<b>136,045</b>
Change in non-cash operating working capital		
Accounts receivable	(767,677)	59,922
Prepads	(1,500)	-
Accounts payable and accrued liabilities	349,106	(371,797)
Deferred revenue	444,117	236,648
	<b>1,202,091</b>	<b>60,818</b>
<b>Capital activities</b>		
Purchase of capital assets	(268,727)	(60,500)
<b>Financing activities</b>		
Repayment of long-term debt	(113,330)	(126,051)
Repayment of term loans due on demand	(218,178)	(259,690)
Proceeds of long-term debt	45,976	-
	<b>(285,532)</b>	<b>(385,741)</b>
<b>Investing activities</b>		
Withdrawals from trust fund	192,721	484,985
Contributions to trust fund	(101,259)	(145,767)
	<b>91,462</b>	<b>339,218</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>739,294</b>	<b>(46,205)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>660,842</b>	<b>707,047</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,400,136</b>	<b>\$ 660,842</b>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 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

These financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation entities

First Nation entities included in the Consolidated Financial Statements include

- (a) 1126544 Alberta Ltd (August 31, 2017 year end) - Modified Equity Method
- (b) Duncan's First Nation Trust (December 31, 2017 year end)

Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform with those of the First Nation. Thus, the First Nation's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses

#### (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

Income from investments is recorded on the accrual basis

#### (c) Cash

Cash and cash equivalents include cash held on deposit at financial institutions

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## Duncan's First Nation

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

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**March 31, 2018**

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

##### **(d) Capital assets**

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 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 Duncan's First Nation's incremental cost of borrowing.

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

Buildings	50 years Straight line
Automotive equipment	10-20 years Straight line
Equipment	5-15 years Straight line
Land and Land Improvements	25 years Straight line
Engineering Structures	45 years Straight line

Capital assets are written down when conditions indicate that they no longer contribute to Duncan's 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, 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.

##### **(e) Investments**

Investments, other than investments in related entities are carried at cost.

##### **(f) 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 future cash flows, interest rate risk and credit risk.

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

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

#### (g) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue 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.

### 2 Cash

	2018	2017
Externally restricted		
Province of Alberta - First Nations Development Fund	\$ 269,964	\$ 189,393
Unrestricted		
General accounts	1,130,172	471,449
	<hr/> <b>\$ 1,400,136</b>	<hr/> <b>\$ 660,842</b>

### 3 Accounts receivable

	2018	2017
Accounts receivable		
Accounts receivable - Western Cree Tribal Council	\$ 411,863	\$ 105,003
Accounts receivable - Other government funding	628,416	137,594
	<hr/> <b>93,857</b>	<hr/> <b>123,862</b>
	<hr/> <b>\$ 1,134,136</b>	<hr/> <b>\$ 366,459</b>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 4 Long-term investments

	2018	2017
<b>Wholly-owned Businesses</b>		
1126544 Alberta Ltd - Savanna Energy Services Limited Partnership #5	\$ -	\$ 193,003

### Statement of Financial Position - 1126544 Alberta Ltd.

	2018 Total	2017 Total
Investment - Savanna Energy Services Limited Partnership #5	\$ -	\$ 193,003
Due to shareholders	\$ 1,791,997	\$ 1,791,997
Equity (Deficit)	(1,791,997)	(1,598,994)
<b>Total liabilities and equity (deficit)</b>	<b>\$ -</b>	<b>\$ 193,003</b>

### Statement of Operations - 1126544 Alberta Ltd

	2018 Total	2017 Total
Net loss	\$ (193,003)	\$ (203,000)

During the December 31, 2017 fiscal year end of Savanna Energy Services LP, the Limited Partnership incurred losses of \$2,014,000, resulting in 1126544 Alberta Ltd's Partners' deficit of \$814,000.

Subsequent to the December 31, 2017 fiscal year end of Savanna Energy Services LP, the Partnership offered 1126544 Alberta Ltd the option to remove itself from the Limited Partnership for zero proceeds and have Savanna Energy assume 1126544 Alberta Ltd's debt of the Partnership. If the company does not accept the offer, an additional investment of cash will be required by 1126544 Alberta Ltd into the Partnership. At March 31, 2018 a decision had not been finalized.

## Duncan's First Nation

### Notes to Consolidated Financial Statements

March 31, 2018

#### 5 Federal Trust Funds

The Ottawa Trust Funds include funds held by the Government of Canada for the use and benefit of the Duncan's First Nation. These funds are accounted for as received and the release of such funds is subject to Ministerial approval.

	March 31, 2017	Income	Withdrawals	March 31, 2018
Capital funds held in trust	\$ 12,145	\$ -	\$ -	\$ 12,145
Revenue funds held in trust	\$ 25,396	\$ 58,633	\$ (35,906)	\$ 48,123
	\$ 37,541	\$ 58,633	\$ (35,906)	\$ 60,268

The trust fund 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 Sections 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.

#### 6 Funds held in trust

	March 31, 2017	Additions, 2018	Withdrawals, 2018	March 31, 2018
Carmon Creek Community Trust	\$ 3,575,696	\$ 42,626	\$ (156,815)	\$ 3,461,507

#### 7 Demand loans

	2018	2017
Bank of Montreal term loan due on demand, bearing interest at prime plus 1.50%, payable in quarterly instalments of \$53,732 plus interest due March 2030	\$ 2,095,553	\$ 2,310,482
Bank of Montreal term loan repaid during the year	-	3,250
	\$ 2,095,553	\$ 2,313,732

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 8 Accounts payable and accrued liabilities

	2018	2017
Trade payables	\$ 630,210	\$ 294,777
Government remittances	20,630	6,956
	<hr/> <b>\$ 650,840</b>	<hr/> <b>\$ 301,733</b>

### 9 Settlement Funds - Agricultural Benefits Claim

In 1998, Duncan's First Nation submitted the Duncan's Treaty #8 Agricultural Benefits Specific Claim under Canada's Specific Claims Policy, alleging that Canada had failed to provide the Agricultural Benefits described in Treaty 8

On September 28, 2011, Canada accepted the Treaty #8 Agricultural Benefits Specific Claim for negotiation. The Duncan's First Nation and Canada have negotiated terms of settlement of the claim and reached a settlement agreement in November 2017. Under the agreement, the Nation was awarded \$13,588,888 from Canada, which was received in January 2018.

Pursuant to the settled claim with Canada, Duncan's First Nation created Duncan's First Nation Trust to administer, manage, and hold in trust the awarded funds from the Agricultural Benefits Specific Claim.

The settlement funds of \$13,588,888 were transferred to the Duncan's First Nation Trust on January 26, 2018.

#### Duncan's First Nation Trust

The Trustees of the Duncan's First Nation Trust are required to hold the Trust Property in trust and use the Trust Property for the specific purposes outlined in the Duncan's First Nation Trust Agreement. Pursuant to the Trust Agreement, all beneficiaries are entitled to a proportionate per capita distribution.

Per capita distributions due to beneficiaries under the age of 18, are held in Trust and invested in agreed upon investment funds as outlined in the Trust Agreement. Trustees, with the assistance from the Trust Administrator, are required to monitor and evaluate the performance of the investments to ensure they are in compliance with the Trust Agreement.

Upon a beneficiary reaching the age of 18 years old, the beneficiary is entitled to their proportionate per capita distribution, adjusted for inflation.

Annual income of the Trust, is deemed to be due and payable in its entirety to Duncan's First Nation to be used for Band development, no later than December 31 of each year.

Per capital distributions due to beneficiaries over the age of 17 commenced in January 2018.

## Duncan's First Nation

### Notes to Consolidated Financial Statements

March 31, 2018

#### 10. Deferred Revenue

Deferred revenue represents funds received that will be recognized as revenue in the next fiscal year, when the related expenses are incurred, or when the terms of the funding have been fulfilled

	March 31, 2017	Funding received	Revenue recognized	March 31, 2018
First Nation Development Fund	\$ 207,959	\$ 396,273	\$ (315,611)	\$ 288,621
Western Cree Tribal Council	99,907	2,998,066	(2,622,663)	475,310
Government of Alberta - Building Collaboration and Capacity in Education grant	65,614	50,000	(58,476)	57,138
Health Canada - Aboriginal Head Start Program	3,472	-	(3,472)	-
	\$ 376,952	\$ 3,444,339	\$ (3,000,222)	\$ 821,069

#### 11 Long-term debt

	2018	2017
Peace Hills Trust loan repaid during the year	\$ -	\$ 3,723
Peace Hills Trust loan repaid during the year	-	2,054
Peace Hills Trust loan payable bearing interest at 3.95%, payable in monthly instalments of \$4,333, due 2022, with Ministerial guarantee pledged as collateral	200,359	243,636
Peace Hills Trust loan payable bearing interest at 3.95%, payable in monthly instalments of \$767, due 2017, with Ministerial guarantee pledged as collateral	34,132	41,453
Peace Hills Trust loan payable bearing interest at 3.95%, payable in monthly instalments of \$2,396, due 2022, with Ministerial guarantee pledged as collateral	327,538	342,560
Canada Housing and Mortgage loan payable bearing interest at 1.01%, payable in monthly instalments of \$1,731, due 2031, with Ministerial guarantee pledged as collateral	251,484	269,624
Canada Housing and Mortgage loan payable bearing interest at 1.67%, payable in monthly instalments of \$1,458, due 2028, with Ministerial guarantee pledged as collateral	162,304	176,966
Ford Credit financing payable bearing interest at 2.99%, payable in monthly instalments of \$1,017, including interest, due May 2021 Secured by a vehicle with a net book value of \$53,842	36,845	-
	\$ 1,012,662	\$ 1,080,016

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**Duncan's First Nation****Notes to Consolidated Financial Statements**

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**March 31, 2018**

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**11 Long-term debt, continued**

	<b>2018</b>	<b>2017</b>
<hr/>		
Principal portion of long-term debt due within the next five years		
2019	\$ 109,866	
2020	113,597	
2021	117,490	
2022	111,229	
2023 and thereafter	560,480	
	<hr/>	<hr/>
	\$ 1,012,662	
	<hr/>	<hr/>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 12 Capital Assets

	Cost		Accumulated amortization			2018 net book value	
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	
Buildings	\$ 13,343,963	\$ -	\$ 13,343,963	\$ 3,096,586	\$ 262,986	\$ 3,359,572	\$ 9,984,391
Automotive equipment	543,631	265,227	808,858	388,284	67,625	455,909	352,949
Equipment	559,695	3,500	563,195	342,979	56,144	399,123	164,072
Land and land improvements	33,380	-	33,380	18,325	1,335	19,660	13,720
Engineering structures	345,870	-	345,870	46,254	6,917	53,171	292,699
	<b>\$ 14,826,539</b>	<b>\$ 268,727</b>	<b>\$ 15,095,266</b>	<b>\$ 3,892,428</b>	<b>\$ 395,008</b>	<b>\$ 4,287,435</b>	<b>\$ 10,807,831</b>

	Cost		Accumulated amortization			2017 Net book value	
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	
Buildings	\$ 13,343,963	\$ -	\$ 13,343,963	\$ 2,833,599	\$ 262,987	\$ 3,096,586	\$ 10,247,377
Automotive equipment	498,131	45,500	543,631	336,196	52,088	388,284	155,347
Equipment	559,695	-	559,695	287,009	55,970	342,979	216,716
Land and land improvements	33,380	-	33,380	16,990	1,335	18,325	15,055
Engineering structures	330,870	15,000	345,870	39,487	6,767	46,254	299,616
	<b>\$ 14,766,039</b>	<b>\$ 60,500</b>	<b>\$ 14,826,539</b>	<b>\$ 3,513,281</b>	<b>\$ 379,147</b>	<b>\$ 3,892,428</b>	<b>\$ 10,934,111</b>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 13 Expenses by Object

For the year ended March 31	2018 Budget	2018 Actual	2017 Actual
Administration fees	\$ 29,347	\$ 58,079	\$ 23,547
Allowances	52,000	39,600	52,824
Amortization	-	395,008	379,147
Bank charges and interest	480	3,705	3,964
Consulting fees	-	24,300	-
Contracted services	225,011	593,159	170,392
Cultural events	22,318	69,185	104,414
Duncan's First Nation Trust expenses	-	13,588,888	-
Equipment rental and leases	-	2,005	-
Funerals	-	49,328	31,428
Garbage collection	-	-	3,198
Insurance	56,000	100,584	117,692
Interest on long-term debt	-	133,632	135,158
Land Lease	-	58,208	95,482
Member support	31,840	31,530	11,552
Office expenses	25,614	44,169	21,477
Operations and maintenance - buildings	-	-	31,842
Professional fees	-	275,613	127,174
Program expenses	53,548	59,423	104,476
Rent	27,500	17,352	26,504
Repairs and maintenance	155,500	220,531	178,481
Social Assistance	128,236	92,340	113,314
Supplies	141,425	136,201	156,164
Transportation	-	436	1,882
Travel	86,250	132,374	121,732
Tuition	34,360	41,571	38,423
Utilities	191,100	183,362	142,355
Vehicle	64,718	107,183	94,082
Wages and benefits	957,048	1,640,419	1,350,993
Wages and benefits - Chief and Council	226,000	207,718	212,630
Workshops, training, and professional development	115,467	379,798	53,566
	<b>\$ 2,623,762</b>	<b>\$ 18,685,701</b>	<b>\$ 3,903,893</b>

## Duncan's First Nation

### Notes to Consolidated Financial Statements

March 31, 2018

#### 14 Accumulated surplus

	2018	2017
Unrestricted surplus	\$ 1,063,862	\$ 348,142
Equity in Capital Assets	7,699,616	7,540,363
Equity in Trust Funds	3,521,775	3,613,711
Equity in Long-term Investments	-	193,003
	<b>\$ 12,285,253</b>	<b>\$ 11,695,219</b>

#### 15 Contingent Liabilities

Duncan's First 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.

Government contributions related to the projects of the organization are subject to conditions regarding the expenditure of funds. The organization's accounting records are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to 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 period in which they become known.

#### 16 Employment Retirement Plan

The Nation has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Employees may contribute 5.5% of their gross pay with the Nation making a matching contribution to the plan. Any voluntary amounts paid by the employee are not matched.

#### 17 CMHC Replacement Reserve

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation is required to provide a replacement reserve. This reserve is to ensure replacement of buildings financed by Canada Mortgage and Housing Corporation. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation. Withdrawals are to be credited to interest first and then to the principal. At March 31, 2018, the replacement reserve was underfunded by \$150,085 (2017 \$158,048).

#### 18 Economic Dependence

Duncan's First Nation receives a significant portion of its revenue pursuant to a funding agreement with Western Cree Tribal Council.

#### 19 Comparative Amounts

Certain of the comparative amounts have been reclassified to conform with the current years presentation.

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 20 Segmented Information

	Band Government			Economic Development			Education		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
<b>Revenues</b>									
Western Cree Tribal Council	\$ 321,048	\$ 1,127,404	\$ 314,428	-	\$ 48,090	\$ 7,000	\$ 237,517	\$ 258,181	\$ 247,900
Transfers (to) from other programs	-	(120,904)	286,944	-	(255,953)	991,932	21,086	8,203	(16,644)
Other revenue	364,834	199,706	248,609	50,000	1,845,462	-	-	-	-
<b>Total revenue</b>	<b>685,882</b>	<b>1,206,206</b>	<b>849,981</b>	<b>50,000</b>	<b>1,693,552</b>	<b>742,979</b>	<b>258,603</b>	<b>266,384</b>	<b>231,256</b>
<b>Expenses</b>									
Wages and benefits	202,795	180,380	229,555	-	298,397	265,451	136,750	136,525	104,129
Professional fees	-	66,940	79,632	-	196,858	25,099	-	-	-
Repairs and maintenance	-	779	14,443	-	18,040	-	-	-	-
Utilities	113,800	85,924	72,148	-	358	9,680	3,000	5,959	3,083
Travel	17,500	16,456	29,134	-	48,000	25,502	5,250	1,373	2,900
Contracted services	54,710	92,996	6,457	-	297,801	130,203	-	2,845	4,750
Other expenses	296,997	358,298	373,851	50,000	450,502	252,660	113,603	99,851	116,394
<b>Total expenses</b>	<b>685,802</b>	<b>801,773</b>	<b>805,220</b>	<b>50,000</b>	<b>1,309,956</b>	<b>708,595</b>	<b>258,603</b>	<b>246,553</b>	<b>231,256</b>
<b>Annual surplus (deficit)</b>	<b>\$ 80</b>	<b>\$ 404,433</b>	<b>\$ 44,761</b>	<b>-</b>	<b>\$ 383,596</b>	<b>\$ 34,384</b>	<b>-</b>	<b>\$ 19,831</b>	<b>-</b>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 20 Segmented Information, continued

	2018 Budget	Health 2018 Actual	2017 Actual	2018 Budget	Housing 2018 Actual	2017 Actual	2018 Budget	Public Works 2018 Actual	2017 Actual
<b>Revenues</b>									
Western Cree Tribal Council	\$ 10,000	\$ 10,000	-	\$ 212,308	\$ 388,180	\$ 240,842	-	\$ -	\$ -
CMHC subsidy	-	-	-	-	\$ 30,079	\$ 45,575	-	-	-
Health Canada	653,150	711,035	588,804	-	-	-	-	-	-
Transfers (to) from other programs	-	37,008	-	-	18,574	(22,931)	-	-	-
Government of Canada - Settlement	-	-	-	-	-	-	-	13,588,888	-
Other revenue	4,500	7,274	12,615	119,342	225,877	64,782	221,870	(12,923,155)	498,636
<b>Total revenue</b>	<b>667,650</b>	<b>765,317</b>	<b>601,419</b>	<b>331,650</b>	<b>662,720</b>	<b>328,268</b>	<b>221,870</b>	<b>665,733</b>	<b>498,636</b>
<b>Expenses</b>									
Wages and benefits	365,088	370,853	290,348	37,000	205,996	22,312	-	-	-
Repairs and maintenance	4,500	1,493	4,430	95,000	130,773	129,548	-	-	-
Utilities	12,900	9,081	11,420	16,200	26,143	7,166	-	-	-
Travel	50,500	35,937	38,468	7,500	14,816	3,178	-	-	-
Contracted services	17,559	8,852	7,475	150,000	131,677	7,044	-	-	-
Other expenses	220,802	290,608	214,661	25,950	48,716	32,971	221,870	508,091	484,313
<b>Total expenses</b>	<b>671,349</b>	<b>716,822</b>	<b>564,802</b>	<b>331,650</b>	<b>558,121</b>	<b>202,217</b>	<b>221,870</b>	<b>508,091</b>	<b>484,313</b>
<b>Annual surplus (deficit)</b>	<b>\$ (3,699)</b>	<b>\$ 48,495</b>	<b>\$ 36,617</b>	<b>-</b>	<b>\$ 104,599</b>	<b>\$ 126,051</b>	<b>-</b>	<b>\$ 157,642</b>	<b>\$ 14,323</b>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 20 Segmented Information, continued

	Social Services				Other			Amortization	
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
<b>Revenues</b>									
Western Cree Tribal Council	\$ 177,667	\$ 423,985	\$ 328,408	\$ 381,384	\$ 366,813	\$ 360,502	-	\$ -	\$ -
Transfers (to) from other programs	-	57,119	21,574	-	-	(12,890)	-	-	-
Other revenue	226,821	(54,172)	55,471	(381,384)	(366,810)	(547,715)	-	-	-
<b>Total revenue</b>	<b>404,488</b>	<b>426,932</b>	<b>405,453</b>	-	<b>3</b>	<b>(200,203)</b>	-	-	-
<b>Expenses</b>									
Wages and benefits	122,128	249,648	299,792	93,287	198,620	139,407	-	-	-
Professional fees	-	-	-	-	11,815	22,443	-	-	-
Repairs and maintenance	55,000	66,153	30,061	1,000	3,293	-	-	-	-
Utilities	11,500	25,322	9,685	33,700	30,575	29,172	-	-	-
Travel	-	4,940	12,212	5,500	10,852	12,340	-	-	-
Social Assistance	-	-	-	128,236	92,340	113,314	-	-	-
Contracted services	2,742	57,983	10,778	-	1,004	3,685	-	-	-
Other expenses	213,118	43,946	40,726	(261,723)	(236,002)	(195,272)	-	395,008	379,147
<b>Total expenses</b>	<b>404,488</b>	<b>447,992</b>	<b>403,254</b>	-	<b>112,497</b>	<b>125,089</b>	-	<b>395,008</b>	<b>379,147</b>
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (21,060)</b>	<b>\$ 2,199</b>	-	<b>\$ (112,494)</b>	<b>\$ (325,292)</b>	-	<b>\$ (395,008)</b>	<b>\$ (379,147)</b>

# Duncan's First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 20 Segmented information, continued

	Duncan's First Nation Trust			Consolidated totals		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
<b>Revenues</b>						
Western Cree Tribal Council	\$ -	\$ -	\$ -	\$ 1,339,924	\$ 2,622,663	\$ 1,499,080
CMHC subsidy	-	-	-	-	30,079	45,575
Health Canada	-	-	-	-	653,150	711,035
Government of Canada - Settlement	-	-	-	-	13,588,888	588,804
Other revenue	-	13,588,888	-	627,069	2,323,070	1,324,330
<b>Total revenue</b>	-	13,588,888	-	2,620,143	19,275,735	3,457,789
<b>Expenses</b>						
Wages and benefits	-	-	-	957,048	1,640,419	1,350,994
Professional fees	-	-	-	-	275,613	127,174
Repairs and maintenance	-	-	-	-	155,500	220,531
Utilities	-	-	-	191,100	183,362	142,354
Travel	-	-	-	86,250	132,374	121,732
Social Assistance	-	-	-	128,236	92,340	113,314
Contracted services	-	-	-	225,011	593,158	170,392
Other expenses	-	13,588,888	-	880,617	15,547,904	1,699,451
<b>Total expenses</b>	-	13,588,888	-	2,623,762	18,685,701	3,903,893
<b>Annual surplus (deficit)</b>	\$ -	\$ -	\$ -	\$ (3,618)	\$ 590,034	\$ (446,104)