

**Muscowpetung First Nation  
Consolidated Financial Statements  
March 31, 2018**

**Muscowpetung First Nation**  
**Consolidated Financial Statements**  
*March 31, 2018*

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# Muscowpetung First Nation Management's Responsibility for Financial Reporting

March 31, 2018

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

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as 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 financial statements and the external auditor's report.

Chalupiak & Associates, an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

Signature on file  
Muscowpetung First Nation

September 17, 2018  
Date

**Chalupiak & Associates**  
**Chartered Professional Accountants**  
**3261 Saskatchewan Drive, Regina, SK S4T 6S4**  
**Phone (306) 359-3711 Fax (306) 569-3030**

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**Independent Auditors' Report**

To the Members of  
**Muscowpetung First Nation**

We have audited the accompanying consolidated financial statements of Muscowpetung First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, accumulated surplus, change in net debt, 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 auditors' 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 Muscowpetung First Nation as at March 31, 2018, and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Regina, Saskatchewan**  
**September 17, 2018**

*Chalupiak & Associates*

**Chartered Professional Accountants**

**Muscowpetung First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2018*

	2018	2017
<b>Financial Assets</b>		
Restricted cash (Note 3)	\$ 1,153,223	\$ 876,258
Trust funds held by federal government (Notes 3 and 4)	6,556	6,414
Accounts receivable (Note 5)	3,136,512	2,868,465
Investments in related business entities (Notes 6 and 7)	74,370	155,370
Portfolio investments (Note 8)	60,000	60,000
	4,430,661	3,966,507
<b>Liabilities</b>		
Bank indebtedness (Note 3 and 9)	119,981	248,325
Accounts payable (Note 10)	644,270	659,061
Accrued interest on long term debt	30,014	4,283
Deferred revenue - unexpended funds (Note 11)	31,628	-
Deferred revenue - unexpended funds - health (Note 12)	40,100	-
Deferred revenue (Note 13)	1,132,734	1,007,083
Current portion of long-term debt (Note 14)	387,833	482,185
Current portion of CMHC mortgages (Note 15)	126,710	124,116
Long-term debt (Note 14)	3,989,225	2,893,543
CMHC mortgages (Note 15)	2,214,550	2,341,619
	8,717,045	7,760,215
<b>Net debt</b>	(4,286,384)	(3,793,708)
<b>Non-financial Assets</b>		
Capital assets (Note 16)	4,949,867	5,297,875
<b>Accumulated Surplus</b> (Note 17)	\$ 663,483	\$ 1,504,167

**Approved on behalf of the Muscowpetung First Nation:**

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 Signature on file

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 Signature on file

The accompanying notes are an integral part of the financial statements

**Muscowpetung First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Indigenous Services Canada - grant contribution	\$ 507,505	\$ 507,505	\$ 383,768
Indigenous Services Canada - fixed contribution	2,230,383	2,237,751	2,006,555
Indigenous Services Canada - set contribution	91,102	92,157	89,817
Indigenous Services Canada - flexible	1,099,176	1,409,274	1,218,747
ISC - current year receivable (payable)	-	(1,611)	15,598
Health Canada	287,122	294,745	299,543
Health Canada - NNADAP	74,544	72,660	74,544
Health Canada - CDCC	-	4,000	-
Health Canada - AHHRI training	-	27,250	-
Health Canada recovery	-	(766)	(9,315)
CMHC	167,902	214,356	167,902
Rental income (CMHC houses)	18,528	61,619	79,115
First Nations Trust	434,174	440,407	434,174
FHQ Tribal Council	113,081	309,613	213,045
Keseechiwan Holdings LP dividend	78,582	60,000	60,000
Living Sky CDC	36,349	-	62,095
Muscowpetung Legacy Trust	-	416,609	387,588
FHQ Developments Ltd	-	15,000	-
Equity pickup - related business entities (Note 6)	-	(81,000)	155,370
Land claim - future settlement (Note 21)	-	307,731	2,168,174
Interest earned	11,550	12,435	11,750
Other revenue - business ventures	458,642	458,642	987,710
Other revenue	231,789	128,623	230,036
Administration fees - internal allocation	147,806	130,937	172,669
Deferred revenue - prior year	1,106,226	1,007,083	1,106,226
Deferred revenue - current year	(85,583)	(1,132,734)	(1,007,083)
	<b>7,008,878</b>	<b>6,992,286</b>	<b>9,308,028</b>
<b>Expenses</b>			
Claims and Indian Government (Schedule 1)	31,834	333,569	2,199,478
Community Development (Schedule 2)	1,063,814	2,068,137	1,273,217
Economic Development (Schedule 3)	81,876	171,637	81,876
Education (Schedule 4)	1,955,675	1,851,191	1,692,650
Indian Government Support (Schedule 5)	1,078,281	1,147,862	1,068,226
Social Development (Schedule 6)	746,098	820,039	795,544
Indian Registration (Schedule 7)	10,523	10,215	10,109
Health Programs (Schedule 8)	546,912	416,573	451,012
CMHC Operations (Schedule 9)	215,492	78,302	96,145
Other Band Programs (Schedule 10)	478,057	515,706	512,391
Amortization (Schedule 11)	-	348,012	357,328
	<b>6,208,562</b>	<b>7,761,243</b>	<b>8,537,976</b>
<b>Current surplus (deficit) before unexpended transfers</b>	<b>800,316</b>	<b>(768,957)</b>	<b>770,052</b>

The accompanying notes are an integral part of the financial statements

**Muscowpetung First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(71,728)	-
<b>Current surplus (deficit)</b>	\$ 800,316	\$ (840,685)	\$ 770,052

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The accompanying notes are an integral part of the financial statements

**Muscowpetung First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2018*

	2018	2017
<b>Surplus at beginning of year</b>	\$ 1,504,167	\$ 734,115
<b>Current surplus (deficit)</b>	(840,685)	770,052
<b>Surplus at end of year</b>	\$ 663,482	\$ 1,504,167

The accompanying notes are an integral part of the financial statements



**Muscowpetung First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Current surplus (deficit)</b>	\$ 800,316	\$ (840,685)	\$ 770,052
<u>Amortization of tangible capital assets</u>	-	348,009	357,332
Increase (decrease) in net financial assets	800,316	(492,676)	1,127,384
<u>Net debt at beginning of year</u>	<u>(3,793,708)</u>	<u>(3,793,708)</u>	<u>(4,921,092)</u>
<b><u>Net debt at end of year</u></b>	<b><u>\$ (2,993,392)</u></b>	<b><u>\$ (4,286,384)</u></b>	<b><u>\$ (3,793,708)</u></b>

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The accompanying notes are an integral part of the financial statements

**Muscowpetung First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2018*

	2018	2017
<b>Cash flows from Operating activities</b>		
Current surplus (deficit)	\$ (840,685)	\$ 770,052
Items not affecting cash		
Amortization	348,012	357,327
	(492,673)	1,127,379
Change in non-cash operating working capital		
Accounts receivable	(268,047)	(2,281,247)
Accounts payable	(14,793)	194,116
Deferred revenue - unexpended funds	31,628	-
Deferred revenue - unexpended funds - health	40,100	-
Deferred revenue	125,651	(99,143)
Accrued interest on long term debt	25,731	4,283
	(552,403)	(1,054,612)
<b>Financing activities</b>		
Long-term debt - proceeds	1,284,199	2,245,846
Long-term debt - repaid	(282,870)	(537,156)
CMHC mortgages - repaid	(124,475)	(122,384)
	876,854	1,586,306
<b>Investing activities</b>		
Trust funds held by federal government	(142)	(120)
Investment in related entity	81,000	(155,370)
	80,858	(155,490)
<b>Increase in cash and cash equivalents</b>	405,309	376,204
<b>Cash and cash equivalents, beginning of year</b>	627,933	251,729
<b>Cash and cash equivalents, end of year</b>	\$ 1,033,242	\$ 627,933
<b>Represented by</b>		
Bank indebtedness	\$ (119,981)	\$ (248,325)
Restricted cash	1,153,223	876,258
	\$ 1,033,242	\$ 627,933

The accompanying notes are an integral part of the financial statements

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**1. General**

The Muscowpetung First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include the Muscowpetung First Nation government and all related entities, which are accountable to the First Nation and are either owned or controlled by the First Nation.

**2. 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 Canadian Institute of Chartered Accountants.

**(a) Reporting entity**

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

**(b) Principles of consolidation**

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

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

Organizations accounted for on a modified equity basis include:

Muscowpetung Ki-Pih-Cheen and Mah-Jahn Convenience Store Inc. (Muscowpetung Stop & Go Store)

**(c) Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible assets, prepaid expenses and inventory of supplies.

**(d) Net debt or net financial assets**

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial assets is determined by its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

**(e) Cash and cash equivalents**

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

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**2. 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 Muscowpetung First Nation's incremental cost of borrowing.

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

Buildings	25 years Straight line
Vehicles	4 years Straight line
Office equipment	3 years Straight line
Store equipment	10 years Straight line
Machinery and equipment	10 years Straight line
CMHC - houses	25 years Straight line
Infrastructure assets	40 years Straight line

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

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

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

**(g) Use of estimates**

The preparation of consolidated financial statements 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**(h) Segments**

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**2. Basis of presentation and significant accounting policies (continued)**

**(i) Internal charges and transfers**

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees - internal allocation."

**(j) 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.

**(k) Expense recognition**

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

**(l) Cash**

Cash resources include balances with banks and short-term investments with maturities of 1 year or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

**(m) Comparative figures**

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**3. Cash and cash equivalents**

(I) The CMHC agreements require that funds to cover future repairs to CMHC houses be maintained in a separate bank account. Under the terms of the agreement with Canada Mortgage and Housing Corporation, Muscowpetung First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Subsidy Fund.

(II) Monies received relating to the flood claim settlement intended for future minor per capita distributions are held in a separate account that the First Nation restricts solely for that purpose. Monies are dispersed from this account as per the conditions specified in the trust agreement.

(III) Capital projects are managed by a project manager. The bank accounts are maintained by the project manager for use specifically for these projects.

Cash and cash equivalents is comprised of the following:

	2018	2017
Cash (bank indebtedness)		
Bank accounts	\$ (119,981)	\$ (248,325)
<hr/>		
Restricted cash		
CMHC replacement reserve term deposits	465,678	465,678
School capital project	231,780	14,790
Flood repair capital project	126,659	59,343
School feasibility	24,225	-
CMHC replacement reserve	14,152	8,813
Funds in trust - land claims	64,226	77,672
Per capita distribution	226,503	249,962
<hr/>		
	1,153,223	876,258
<hr/>		
Trust funds held by federal government		
Revenue and capital trust funds	6,556	6,414
<hr/>		
	\$ 1,039,798	\$ 634,347
<hr/> <hr/>		

Indigenous Services Canada (ISC) released funds to the First Nation for capital projects. The terms of the agreement require the First Nation to transfer those funds to a restricted account managed by a project manager however not all of the funds were transferred. The total amount not transferred to the restricted account on March 31, 2018 was \$100,000.

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

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

The Trust funds held by federal government are derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the consolidated revenue fund of the Government of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

		2018 Revenue		2018 Capital		2018 Total		2017 Total
Surplus, beginning of year	\$	1,639	\$	4,775	\$	6,414	\$	6,294
Interest earnings		142		-		142		120
Surplus, end of year	\$	1,781	\$	4,775	\$	6,556	\$	6,414

**5. Accounts receivable**

		2018		2017
<b>Due from members</b>				
Advances	\$	67,142	\$	72,355
Social development		33,833		22,311
		100,975		94,666
<b>Due from others</b>				
FHQ Tribal Council		80,646		109,904
Living Sky CDC		7,136		43,486
Legacy Trust - annual income		416,609		387,588
Other		15,000		11,297
CMHC rent		124,699		103,922
Future land claim settlements (Note 21)		2,475,905		2,168,174
		3,119,995		2,824,371
<b>Due from government and other government organizations</b>				
Indigenous Services Canada (ISC)		-		24,456
CMHC		13,984		13,992
		13,984		38,448
Allowance for doubtful accounts		3,234,954 (98,442)		2,957,485 (89,020)
	\$	3,136,512	\$	2,868,465

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**6. Investments in related business entities**

Muscowpetung has 100% ownership of the Muscowpetung Ki-Pih-Cheen and Mah-Jahn Convenience Store Inc. that operates as Muscowpetung Stop & Go Store.

	2018	2017
Muscowpetung Stop & Go Store (100%)	\$ 74,370	\$ 155,370

	Investment, start of year	Contributions	Share of earnings (loss)	Investment, end of year
Muscowpetung Stop & Go Store	\$ 155,370	\$ 139,500	\$ (220,500)	\$ 74,370

**7. Investment in government business enterprises**

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

	Muscowpetung Stop & Go Store	2018 Total	2017 Total
Cash	\$ -	\$ -	\$ 20,172
Accounts receivable	12,250	12,250	12,758
Inventory	14,861	14,861	14,556
Tangible capital assets	131,580	131,580	151,775
<b>Total assets</b>	<b>\$ 158,691</b>	<b>\$ 158,691</b>	<b>\$ 199,261</b>
Bank indebtedness	\$ 43,236	\$ 43,236	\$ -
Accounts payable	41,085	41,085	42,891
Due to Muscowpetung First Nation	-	-	1,000
<b>Total liabilities</b>	<b>84,321</b>	<b>84,321</b>	<b>43,891</b>
Contributed surplus	533,409	533,409	393,909
Retained earnings	(459,039)	(459,039)	(238,539)
<b>Total equity</b>	<b>74,370</b>	<b>74,370</b>	<b>155,370</b>
<b>Total liabilities and equity</b>	<b>\$ 158,691</b>	<b>\$ 158,691</b>	<b>\$ 199,261</b>



**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**7. Investment in government business enterprises, continued**

	Muscowpetung Stop & Go Store	2018 Total	2017 Total
Revenue	\$ 739,004	\$ 739,004	\$ 793,060
Rebates	47,459	47,459	59,280
	<u>786,463</u>	<u>786,463</u>	<u>852,340</u>
Cost of goods sold	706,410	706,410	691,788
Expenses	300,553	300,553	399,091
	<u>1,006,963</u>	<u>1,006,963</u>	<u>1,090,879</u>
Total expenses	1,006,963	1,006,963	1,090,879
Net income	<u>\$ (220,500)</u>	<u>\$ (220,500)</u>	<u>\$ (238,539)</u>

**8. Portfolio investments**

	2018	2017
Keseechiwan Holdings LP (8.3% interest)	\$ 60,000	\$ 60,000

**9. Bank indebtedness**

On March 31, 2018 the First Nation had the following operating facilities in place:

1. Approved line of credit (LOC) of \$150,000 at an interest rate of prime + 2% and 24% on amounts exceeding \$50,000. The balance on March 31, 2018 was \$16,826 (2017 - \$150,582).
2. Overdraft protection of \$450,000 on the general operating account at an interest rate of 24%. The amount overdrawn on March 31, 2018 was nil (2017 - \$518) and there were cheques issued in excess of deposits totaling \$246,658 (2017 - \$105,222).

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**10. Accounts payable**

	2018	2017
<b>Internal payables</b>		
Social Development rent due to CMHC Housing	\$ 103,922	\$ 103,922
<hr/>		
<b>Due to others</b>		
General suppliers	538,737	339,200
Maurice Law	-	196,500
<hr/>		
	538,737	535,700
<hr/>		
<b>Due to government and other government organizations</b>		
Indigenous Services Canada (ISC)	1,611	8,859
Health Canada	-	7,763
CRA	-	2,817
<hr/>		
	1,611	19,439
<hr/>		
	\$ 644,270	\$ 659,061
<hr/> <hr/>		

**11. Deferred revenue - unexpended funds**

Indigenous Services Canada (ISC) funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

	2018	2017
In-home care	\$ 993	\$ -
SA - employment and training	15,635	-
P&ID - strategic planning	15,000	-
<hr/>		
	\$ 31,628	\$ -
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**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2018

**12. Deferred revenue - unexpended funds - health**

Health Canada funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to Health Canada, deferred to the following year, or transferred to another Health Canada program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds - Health" on the financial statements.

	2018	2017
Brighter futures	\$ 14,142	\$ -
Mental health	13,962	-
Pre natal	393	-
Community health	5,320	-
Health board	4,096	-
FASD	2,187	-
	\$ 40,100	\$ -

**13. Deferred revenue**

	March 31, 2017	Funding received, 2018	Revenue recognized, 2018	March 31, 2018
<b>Federal government</b>				
Capital				
Backup well	\$ 158,248	\$ 100,255	\$ (32,939)	\$ 225,564
School feasibility	-	80,151	(55,926)	24,225
School renovations and roof repairs	15,199	138,196	(21,686)	131,709
Renovations and additions	76,267	250,000	(326,267)	-
Innovation	9,316	-	(9,316)	-
	259,030	568,602	(446,134)	381,498
<b>Other</b>				
Non capital				
Legacy Trust - minor distributions	360,465	-	(25,838)	334,627
Legacy Trust - annual income	387,588	416,609	(387,588)	416,609
	748,053	416,609	(413,426)	751,236
	\$ 1,007,083	\$ 985,211	\$ (859,560)	\$ 1,132,734

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**14. Long-term debt**

	2018	2017
Peace Hills Trust - #15 - Debt consolidation Term loan - bearing interest at 5.00%. Quarterly blended payments of \$46,000, maturing January 1, 2019. Secured by general security agreement with specific interest in ISC, First Nations Trust and Economic Development funding and collateral assignment of GICs.	\$ 424,401	\$ 504,909
Peace Hills Trust - #16 - Debt consolidation Term loan - bearing interest at 6.00%. Monthly blended payments of \$10,650, maturing March 1, 2018. Secured by general security agreement with specific interest in ISC and First Nations Trust funding.	-	123,828
Peace Hills Trust - #17 - Band store Term loan bearing interest at 5.00%, annual principle payment of \$50,000, interest paid monthly, maturing October 1, 2020. Secured by assignment of Keseechiwan Holdings LP and store revenues.	150,000	200,833
Peace Hills Trust - #18 - CMHC reserves Term loan bearing interest at 5.00%, blended quarterly payments of \$15,724, maturing October, 2020. Secured by assignment of First Nations Trust funding.	272,611	300,312
Royal Bank - #2 - Surrender Claim Loan bearing interest at prime plus 0.25%. Interest payments paid monthly and total principle due on June 23, 2021, secured by a general security agreement, BCR and assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$2,988,160 and drawdowns will coincide with settlement expenses incurred.	1,291,198	1,104,896
Royal Bank - #1 - Channelization Claim Loan bearing interest at prime plus 0.25%. Interest payments paid monthly and total principle due on May 12, 2021, secured by a general security agreement, BCR and assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$2,988,160 and drawdowns will coincide with settlement expenses incurred.	1,258,169	1,140,950
PHT Loan - #19 - Housing Repairs and Renovations Term loan bearing interest at 6.00%, blended annual payments of \$150,000, maturing June 1, 2022. Secured by assignment of Indigenous Services Canada band based capital funds.	980,679	-
	4,377,058	3,375,728
Less current portion	387,833	482,185
	\$ 3,989,225	\$ 2,893,543

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

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

	2018	2017
Principal portion of long-term debt due within the next five years:		
2019	\$ 387,833	
2020	361,648	
2021	279,352	
2022	153,309	
2023 and thereafter	3,194,916	
	\$ 4,377,058	
	2018	2017
Interest expense for the year on long-term debt	\$ 151,303	\$ 155,697

**15. CMHC mortgages**

	Phase number	Renewal date	Interest rate	Monthly payment	2018	2017
CMHC	1	4/01/20	1.05%	\$ 2,002	\$ 156,482	\$ 178,738
CMHC	2	7/01/22	1.50%	1,429	111,340	126,670
CMHC	3	1/01/20	1.67%	3,336	569,506	599,779
CMHC	4	9/01/18	2.35%	5,507	1,074,370	1,114,807
CMHC	5	9/01/18	2.35%	2,203	429,563	445,742
					2,341,261	2,465,736
Less current portion					126,711	124,117
<b>Total</b>					\$ 2,214,550	\$ 2,341,619

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**16. Tangible capital assets**

	Cost	Accumulated amortization	2018 Net book value
Buildings	\$ 121,026	\$ 102,542	\$ 18,484
Vehicles	36,500	36,500	-
Office equipment	27,949	27,949	-
Store equipment	140,918	110,853	30,065
Machinery and equipment	965,767	723,025	242,742
CMHC - houses	6,127,284	2,079,834	4,047,450
Infrastructure assets	1,047,500	436,374	611,126
<b>Total</b>	<b>\$ 8,466,944</b>	<b>\$ 3,517,077</b>	<b>\$ 4,949,867</b>

	Cost	Accumulated amortization	2017 Net book value
Buildings	\$ 121,026	\$ 97,921	\$ 23,105
Vehicles	36,500	34,875	1,625
Office equipment	27,949	27,949	-
Store equipment	140,918	95,824	45,094
Machinery and equipment	965,767	669,868	295,900
CMHC - houses	6,127,284	1,832,445	4,294,839
Infrastructure assets	1,047,500	410,187	637,313
<b>Total</b>	<b>\$ 8,466,944</b>	<b>\$ 3,169,069</b>	<b>\$ 5,297,876</b>

**17. Accumulated surplus**

	2018	2017
Restricted		
Indigenous Services Canada (ISC)	\$ 6,556	\$ 6,414
Capital assets	2,608,605	2,704,029
CMHC reserves	713,702	629,953
Investments	134,370	215,370
	<b>3,463,233</b>	<b>3,555,766</b>
Unrestricted		
Operating	(2,784,750)	(2,051,599)
	<b>\$ 678,483</b>	<b>\$ 1,504,167</b>

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**18. Indigenous Services Canada (ISC) Reconciliation**

	2018	2017
ISC confirmation	\$ 4,246,687	\$ 3,698,887
Receivable (payable) - current year		
Band employee benefits	(689)	(3,962)
Special needs	-	(4,424)
Basic needs	-	7,474
Home care	-	(473)
Institutional care	(922)	16,982
	\$ 4,245,076	\$ 3,714,484

**19. Government Transfers**

				2018
	Operating	Capital		Total
<b>Federal government transfers</b>				
Indigenous Services Canada (ISC)	\$ 3,426,841	\$ 818,235	\$ 4,245,076	
Health Canada	397,889	-	397,889	
Canada Mortgage and Housing Corporation	167,831	46,525	214,356	
<b>Total</b>	3,992,561	864,760	4,857,321	
<b>Provincial government transfers</b>	-	-	-	
	\$ 3,992,561	\$ 864,760	\$ 4,857,321	
				2017
	Operating	Capital		Total
<b>Federal government transfers</b>				
Indigenous Services Canada (ISC)	\$ 3,083,822	\$ 630,663	\$ 3,714,485	
Health Canada	354,344	10,428	364,772	
Canada Mortgage and Housing Corporation	167,902	-	167,902	
<b>Total</b>	3,606,068	641,091	4,247,159	
<b>Provincial government transfers</b>	-	-	-	
	\$ 3,606,068	\$ 641,091	\$ 4,247,159	

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**20. CMHC Reserves**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts. On March 31, 2018 the replacement reserve was underfunded by \$133,557 (2017 - \$87,192) and the operating reserve was underfunded by \$100,316 (2017 - \$70,702).

**21. Land claim settlements**

Muscowpetung First Nation has entered into negotiations with Canada regarding specific claim settlements. Loans have been secured to provide funding for the negotiation costs. There are insurance policies guaranteeing repayment, should no settlement funds be received. There are two loans approved for a total of \$5,976,320 and draw downs will coincide with settlement expenses incurred. As of March 31, 2018 the amount of \$2,549,367 had been drawn down. This amount is reported as a liability to the lending institution and a corresponding amount less funds held in trust has been recorded as a receivable in the amount of \$2,475,905.

**22. Employee benefit obligations**

**Pension plan**

Muscowpetung First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute a percentage of their basic salary; Muscowpetung First Nation matches the employee contributions. Muscowpetung First Nation does not have any other obligations with regards to the pension plan as at March 31, 2018.

**23. Contingent liabilities**

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

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

**24. Trusts under administration**

Muscowpetung First Nation holds assets in trust; these assets are managed by an appointed trustee and are not included on the statement of financial position as assets of Muscowpetung First Nation.

The market value of the assets held in trust at the year-end are as follows:

	2018	2017
Muscowpetung First Nation Legacy Trust	\$ 33,107,228	\$ 31,386,937
	\$ 33,107,228	\$ 31,386,937



# Muscowpetung First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 25. Economic dependence

Muscowpetung First Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada (ISC) and Health and Welfare Canada.

### 26. Subsequent events

There are no subsequent events to report.

### 27. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from estimates approved by Muscowpetung First Nation.

**Muscowpetung First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2018*

**28. Expenses by object**

	2018 Budget	2018 Actual	2017 Actual
Administration	\$ 186,382	\$ 140,508	\$ 179,669
Amortization	-	348,012	357,328
Assistance - band members	102,109	111,957	100,909
Assistance - social development	561,493	650,393	595,605
Bad debts	-	9,422	10,751
Bank charges and interest	32,047	51,751	71,116
Community support	15,458	24,540	15,458
Consultants and contractors	576,213	1,309,843	979,971
Cultural programs	41,067	48,767	44,887
Election fees	10,000	4,215	-
Equipment purchases	-	-	2,968
Equipment rental/lease	47,495	50,353	52,179
Fuel	14,349	12,560	18,742
Governance activities	-	1,800	-
Graduation, awards, prizes	-	1,118	-
Honorariums	427,201	410,189	415,020
Insurance	51,291	119,728	1,046,248
Long term debt - payments principle & interest	-	434,173	674,238
Long term debt - principle repayment	-	(282,871)	(518,541)
Mortgage payments - principle and interest	173,807	173,532	173,807
Mortgage payments - principle repaid	-	(124,475)	(122,386)
Other expenses	18,091	152,916	-
Per capita distribution	31,834	25,661	31,304
Plumbing	-	1,044	-
Professional fees	88,902	201,275	910,561
Program expenses	424,373	310,054	325,594
Recreational activities	-	1,860	-
Repairs and maintenance	511,242	815,932	332,294
Student allowance	327,912	274,805	327,912
Student incentives	5,731	4,900	7,681
Student transportation	152,516	152,517	151,958
Student tuition	192,925	151,471	193,037
Supplies	202,093	212,455	167,387
Telephone	56,995	45,690	80,034
Training	32,106	26,859	27,033
Travel - medical transportation	17,700	18,031	19,145
Travel, meetings, per diems	341,200	447,317	335,593
Utilities	91,415	81,777	60,024
Wages and benefits	1,448,931	1,319,025	1,444,557
Youth	25,684	22,139	25,893
	<b>\$ 6,208,562</b>	<b>\$ 7,761,243</b>	<b>\$ 8,537,976</b>

## 29. Segmented information

As previously discussed in note 2 (h) the First Nation conducts its business through reportable segments as follows:

### 1) Indigenous Services Canada (ISC)

#### **Claims and Indian Government:**

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

#### **Community Development:**

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

#### **Economic Development:**

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

#### **Education:**

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with ISC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labour market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

#### **Indian Government Support:**

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

# Muscowpetung First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 29. Segmented information, continued

#### **Land Management:**

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

#### **Social Development:**

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

#### **Indian Registration:**

Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the Indian Act.

#### **Governance and Institutions of Government:**

Costs associated with Governance and Institution of Government activities.

### 2) Health Programs (FNIHB)

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

### 3) Canada Mortgage and Housing Corporation (CMHC)

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

### 4) Band programs

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

**Schedule #1**  
**Muscowpetung First Nation**  
**Claims and Indian Government**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Land claim - future settlement (Note 21)	\$ -	\$ 307,731	\$ 2,168,174
Deferred revenue - prior year	391,769	360,465	391,769
Deferred revenue - current year	-	(334,627)	(360,465)
	391,769	333,569	2,199,478
<b>Expenses</b>			
Bank charges	-	11,334	34,200
Consultants and contractors	-	583	109,824
Honorariums	-	-	40,650
Insurance	-	69,178	992,381
Interest on long term debt	-	84,652	85,065
Per capita distribution	31,834	25,661	31,304
Professional fees	-	64,024	839,432
Repairs and maintenance	-	177	-
Travel, meetings, per diems	-	77,960	66,622
	31,834	333,569	2,199,478
<b>Current surplus</b>	<b>\$ 359,935</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Muscowpetung First Nation**  
**Community Development**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Indigenous Services Canada - fixed contribution	\$ 489,189	\$ 489,189	\$ 487,655
Indigenous Services Canada - flexible	500,663	818,235	630,663
CMHC - Retrofit	-	46,525	-
FHQ Tribal Council	-	8,039	10,930
Interest earned	-	774	80
Other revenue	750	5,601	10,108
Administration fees - internal allocation	48,000	52,025	48,000
Deferred revenue - prior year	350,508	259,030	350,508
Deferred revenue - current year	(85,583)	(381,498)	(259,030)
	<b>1,303,527</b>	<b>1,297,920</b>	<b>1,278,914</b>
<b>Expenses</b>			
Administration	58,738	58,738	25,000
Bank charges	-	206	25
Consultants and contractors	164,550	895,303	595,982
Equipment rental/lease	24,943	24,437	33,698
Fuel	14,349	12,560	18,742
Honorariums	-	1,000	-
Insurance	51,291	50,550	53,867
Long term debt - payments principle & interest	-	143,863	116,759
Long term debt - principle repayment	-	(123,828)	(106,142)
Program expenses	-	400	-
Repairs and maintenance	478,048	764,399	302,998
Student tuition	575	600	1,620
Supplies	26,821	25,927	3,536
Telephone	6,852	4,747	6,852
Travel, meetings, per diems	9,863	17,104	10,160
Utilities	70,684	67,123	43,336
Wages and benefits	157,100	125,006	166,786
	<b>1,063,814</b>	<b>2,068,135</b>	<b>1,273,219</b>
<b>Current surplus (deficit) before transfers</b>	<b>239,713</b>	<b>(770,215)</b>	<b>5,695</b>
<b>Transfers</b>			
Transfer - Other Band Programs	60,758	-	117,781
Transfer - Amortization	-	(96,000)	(96,000)
<b>Current surplus (deficit)</b>	<b>\$ 300,471</b>	<b>\$ (866,215)</b>	<b>\$ 27,476</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Muscowpetung First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
FHQ Tribal Council	\$ -	\$ 51,101	\$ 51,101
<b>Expenses</b>			
Consultants and contractors	81,876	31,896	81,876
Other expenses	-	139,726	-
Supplies	-	15	-
	81,876	171,637	81,876
<b>Current deficit before transfers</b>	(81,876)	(120,536)	(30,775)
<b>Transfers</b>			
Transfer - Other Band Programs	-	-	30,775
<b>Current deficit</b>	\$ (81,876)	\$ (120,536)	\$ -

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Muscowpetung First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Indigenous Services Canada - fixed contribution	\$ 1,683,632	\$ 1,688,846	\$ 1,461,444
FHQ Tribal Council	86,401	164,765	114,226
Other revenue	-	78	-
	<b>1,770,033</b>	<b>1,853,689</b>	<b>1,575,670</b>
<b>Expenses</b>			
Administration	70,126	49,268	93,606
Consultants and contractors	154,705	154,627	47,387
Cultural programs	35,367	37,367	22,310
Graduation, awards, prizes	-	1,118	-
Honorariums	14,400	10,900	10,400
Program expenses	192,697	193,201	141,297
Other expenses	-	10	-
Student allowance	327,912	274,805	327,912
Student incentives	5,131	4,900	7,081
Student transportation	152,516	152,517	151,958
Student tuition	192,050	149,853	191,666
Supplies	104,605	111,633	111,944
Travel, meetings, per diems	49,323	56,270	18,018
Training	300	300	-
Utilities	-	-	8,000
Wages and benefits	656,543	654,422	560,877
Youth	-	-	194
	<b>1,955,675</b>	<b>1,851,191</b>	<b>1,692,650</b>
<b>Current surplus (deficit) before transfers</b>	<b>(185,642)</b>	<b>2,498</b>	<b>(116,980)</b>
<b>Transfers</b>			
Transfer - Other Band Programs	134,000	-	112,471
Transfer - Amortization	-	(1,625)	(6,742)
<b>Current surplus (deficit)</b>	<b>\$ (51,642)</b>	<b>\$ 873</b>	<b>\$ (11,251)</b>

The accompanying notes are an integral part of the financial statements



**Schedule #5**  
**Muscowpetung First Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Indigenous Services Canada - grant contribution	\$ 507,505	\$ 507,505	\$ 383,768
Indigenous Services Canada - fixed contribution	8,589	10,743	8,589
Indigenous Services Canada - set contribution	26,924	44,962	26,924
ISC - current year receivable (payable)	-	(689)	(3,692)
Other revenue	102,605	-	74,872
	<b>645,623</b>	<b>562,521</b>	<b>490,461</b>
<b>Expenses</b>			
Administration	-	558	-
Bank charges	30,444	39,193	35,428
Consultants and contractors	76,202	100,698	55,967
Election fees	10,000	4,215	-
Equipment rental/lease	12,560	12,832	8,488
Honorariums	362,331	374,331	317,000
Long term debt - principle repayment	(35,375)	-	-
Professional fees	88,902	129,394	71,129
Program expenses	2,065	-	2,065
Student tuition	-	718	(249)
Supplies	41,143	16,806	39,916
Telephone	30,159	22,417	22,404
Training	8,747	3,500	8,747
Travel, meetings, per diems	221,043	223,825	203,496
Utilities	5,731	3,898	-
Wages and benefits	224,329	215,477	303,835
	<b>1,078,281</b>	<b>1,147,862</b>	<b>1,068,226</b>
<b>Current deficit before unexpended transfers</b>	<b>(432,658)</b>	<b>(585,341)</b>	<b>(577,765)</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(15,000)	-
<b>Current deficit before transfers</b>	<b>(432,658)</b>	<b>(600,341)</b>	<b>(577,765)</b>
<b>Transfers</b>			
Transfer - Other Band Programs	523,895	580,541	565,533
Transfer - Amortization	-	(2,998)	(7,197)
<b>Current deficit</b>	<b>\$ 91,237</b>	<b>\$ (22,798)</b>	<b>\$ (19,429)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Muscowpetung First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Indigenous Services Canada - fixed contribution	\$ 38,758	\$ 38,758	\$ 38,758
Indigenous Services Canada - set contribution	64,178	47,195	62,893
Indigenous Services Canada - flexible	598,513	591,039	588,084
ISC - current year receivable (payable)	-	(922)	19,290
FHQ Tribal Council	12,000	19,075	12,000
	<b>713,449</b>	<b>695,145</b>	<b>721,025</b>
<b>Expenses</b>			
Administration	7,896	-	9,120
Assistance - assisted living	64,178	55,460	79,875
Assistance - basic needs	461,815	549,724	480,265
Assistance - special needs	35,500	45,209	35,465
Bank charges	140	138	-
Consultants and contractors	35,304	36,614	31,966
Cultural programs	-	-	20,570
Home to work transition	17,191	12,280	-
Honorariums	-	500	-
Program expenses	17,848	14,721	55,057
Supplies	16,647	16,947	661
Training	20,375	20,375	17,114
Travel, meetings, per diems	5,095	4,336	9,313
Wages and benefits	64,109	63,735	56,139
	<b>746,098</b>	<b>820,039</b>	<b>795,545</b>
<b>Current deficit before unexpended transfers</b>	<b>(32,649)</b>	<b>(124,894)</b>	<b>(74,520)</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(16,628)	-
<b>Current deficit before transfers</b>	<b>(32,649)</b>	<b>(141,522)</b>	<b>(74,520)</b>
<b>Transfers</b>			
Transfer - Other Band Programs	33,121	-	35,756
<b>Current deficit</b>	<b>\$ 472</b>	<b>\$ (141,522)</b>	<b>\$ (38,764)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Muscowpetung First Nation**  
**Indian Registration**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Indigenous Services Canada - fixed contribution	\$ 10,215	\$ 10,215	\$ 10,109
<b>Expenses</b>			
Supplies	282	282	90
Travel, meetings, per diems	1,241	1,241	605
Wages and benefits	9,000	8,692	9,414
	10,523	10,215	10,109
<b>Current surplus</b>	<b>\$ (308)</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Muscowpetung First Nation**  
**Health Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Health Canada	\$ 361,666	\$ 397,889	\$ 364,772
FHQ Tribal Council	14,680	19,532	24,788
Other revenue	250	6,585	250
Administration fees - internal allocation	28,958	-	23,350
	<b>405,554</b>	<b>424,006</b>	<b>413,160</b>
<b>Expenses</b>			
Administration	26,622	31,944	28,943
Bank charges	1,096	735	1,096
Consultants and contractors	13,916	14,511	7,308
Cultural programs	5,700	5,700	2,007
Equipment purchases	-	-	2,968
Equipment rental/lease	9,992	13,083	9,992
Honorariums	5,400	5,350	1,900
Other expenses	900	900	-
Program expenses	211,763	92,131	127,174
Repairs and maintenance	14,876	15,004	7,939
Student tuition	300	300	-
Supplies	2,992	8,273	1,637
Telephone	19,984	17,869	50,779
Training	2,684	2,684	1,172
Travel - medical transportation	17,700	18,031	19,145
Travel, meetings, per diems	29,090	27,614	1,834
Utilities	15,000	10,756	8,688
Wages and benefits	162,831	151,689	172,494
Youth	6,066	-	5,936
	<b>546,912</b>	<b>416,574</b>	<b>451,012</b>
<b>Current surplus (deficit) before unexpended transfers</b>	<b>(141,358)</b>	<b>7,432</b>	<b>(37,852)</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(40,100)	-
<b>Current deficit before transfers</b>	<b>(141,358)</b>	<b>(32,668)</b>	<b>(37,852)</b>
<b>Transfers</b>			
Transfer - Other Band Programs	25,650	-	26,342
<b>Current deficit</b>	<b>\$ (115,708)</b>	<b>\$ (32,668)</b>	<b>\$ (11,510)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Muscowpetung First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
CMHC	\$ 167,902	\$ 167,831	\$ 167,902
Rental income (CMHC houses)	18,528	61,619	79,115
Interest earned	11,550	11,518	11,550
Other revenue	53	-	53
	<u>198,033</u>	<u>240,968</u>	<u>258,620</u>
<b>Expenses</b>			
Administration	23,000	-	23,000
Bank charges	367	131	366
Interest on long term debt	173,807	49,057	51,421
Plumbing	-	1,044	-
Professional fees	-	7,856	-
Repairs and maintenance	18,318	10,660	21,358
Supplies	-	9,554	-
	<u>215,492</u>	<u>78,302</u>	<u>96,145</u>
<b>Current surplus before transfers</b>	(17,459)	162,666	162,475
<b>Transfers</b>			
Transfer - Amortization	-	(247,389)	(247,389)
<b>Current deficit</b>	<u>\$ (17,459)</u>	<u>\$ (84,723)</u>	<u>\$ (84,914)</u>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Muscowpetung First Nation**  
**Other Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
First Nations Trust	\$ 434,174	\$ 440,407	\$ 434,174
FHQ Tribal Council	-	47,101	-
FHQ Developments Ltd	-	15,000	-
Keseechiwan Holdings LP dividend	78,582	60,000	60,000
Living Sky CDC	36,349	-	62,095
Muscowpetung Legacy Trust	-	416,609	387,588
Equity pickup - related business entities	-	(81,000)	155,370
Interest earned	-	142	120
Other revenue - business ventures	458,642	458,642	987,710
Other revenue	128,131	116,360	144,753
Administration fees - internal allocation	70,848	78,912	101,318
Deferred revenue - prior year	363,949	387,588	363,949
Deferred revenue - current year	-	(416,609)	(387,588)
	<b>1,570,675</b>	<b>1,523,152</b>	<b>2,309,489</b>
<b>Expenses</b>			
Assistance - band members	102,109	111,957	100,909
Bad debts	-	9,422	10,751
Bank charges	-	14	-
Community support	15,458	24,540	15,458
Consultants and contractors	49,660	75,611	49,660
Cultural programs	-	5,700	-
Governance activities	-	1,800	-
Honorariums	45,070	18,108	45,070
Long term debt - payments principle & interest	-	205,658	472,414
Long term debt - principle repayment	35,375	(159,042)	(412,399)
Program expenses	-	9,602	-
Recreational activities	-	1,860	-
Repairs and maintenance	-	25,692	-
Student incentives	600	-	600
Supplies	9,603	23,018	9,603
Telephone	-	657	-
Travel, meetings, per diems	25,545	38,969	25,545
Wages and benefits	175,019	100,001	175,018
Youth	19,618	22,139	19,762
	<b>478,057</b>	<b>515,706</b>	<b>512,391</b>
<b>Current surplus before transfers</b>	<b>1,092,618</b>	<b>1,007,446</b>	<b>1,797,098</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10, continued**  
**Muscowpetung First Nation**  
**Other Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Transfers</b>			
Transfer - Community Development	-	-	(117,781)
Transfer - Economic Development	-	-	(30,775)
Transfer - Education	-	-	(112,471)
Transfer - Indian Government Support	(867,889)	(580,541)	(565,533)
Transfer - Social Development	-	-	(35,756)
Transfer - Health	-	-	(26,342)
<b>Current surplus</b>	<b>\$ 224,729</b>	<b>\$ 426,905</b>	<b>\$ 908,440</b>

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The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Muscowpetung First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Water Systems	-	52,397	52,397
Sanitation Systems	-	23,450	23,450
Community Buildings	-	20,153	20,153
Student Transportation	-	1,625	1,625
CMHC Operations	-	247,389	247,389
Band Support	-	2,998	7,197
Instructional Services	-	-	5,117
	-	348,012	357,328
<b>Current deficit before transfers</b>	-	(348,012)	(357,328)
<b>Transfers</b>			
Transfer - Programs	-	348,012	357,328
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements