

Montreal Lake Cree Nation
Consolidated Financial Statements
March 31, 2017

Montreal Lake Cree Nation Contents

For the year ended March 31, 2017

| | Page |
|---|------|
| Management's Responsibility | |
| Independent Auditors' Report | |
| Consolidated Financial Statements | |
| Consolidated Statement of Financial Position..... | 1 |
| Consolidated Statement of Operations and Accumulated Surplus..... | 2 |
| Consolidated Statement of Change in Net Debt..... | 3 |
| Consolidated Statement of Cash Flows | 4 |
| Notes to the Consolidated Financial Statements | 5 |
| Schedules | |
| Schedule 1 - Consolidated Schedule of Tangible Capital Assets..... | 18 |
| Schedule 2 - Schedule of Consolidated Expenses by Object..... | 20 |
| Schedule 3 - Consolidated Schedule of Revenues and Expenses - Administration..... | 21 |
| Schedule 4 - Consolidated Schedule of Revenues and Expenses - Band Activities..... | 22 |
| Schedule 5 - Consolidated Schedule of Revenues and Expenses - Capital..... | 23 |
| Schedule 6 - Consolidated Schedule of Revenues and Expenses - Community Infrastructure..... | 24 |
| Schedule 7 - Consolidated Schedule of Revenues and Expenses - Economic Development..... | 25 |
| Schedule 8 - Consolidated Schedule of Revenues and Expenses - Education..... | 26 |
| Schedule 9 - Consolidated Schedule of Revenues and Expenses - Housing..... | 27 |
| Schedule 10 - Consolidated Schedule of Revenues and Expenses - Other Programs..... | 28 |
| Schedule 11 - Consolidated Schedule of Revenues and Expenses - Ottawa Trust..... | 29 |
| Schedule 12 - Consolidated Schedule of Revenues and Expenses - Post Secondary..... | 30 |
| Schedule 13 - Consolidated Schedule of Revenues and Expenses - Social Development..... | 31 |
| Schedule 14 - Consolidated Schedule of Revenues and Expenses - Social Support Services..... | 32 |

Management's Responsibility

To the Members of Montreal Lake Cree Nation:

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

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Montreal Lake Cree Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council are responsible for reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP, a Chartered Professional Accountant firm, is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

Signed By: Mark D'Amato

Mark D'Amato, Band Manager

Independent Auditors' Report

To the Members of Montreal Lake Cree Nation:

We have audited the accompanying consolidated financial statements of Montreal Lake Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, changes 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 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 entity'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 entity'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 qualified audit opinion.

Basis for Qualified Opinion

The reporting entity of Montreal Lake Cree Nation consists of two separate communities, Montreal Lake and Little Red, each with its own administration. During our examination of the 2017 fiscal year, we noted deficiencies in the accounting records and systems of internal controls over expenses recorded by Little Red. These deficiencies relate to program delivery expenses other than income assistance and amortization. The accounts which we were unable to verify are approximately \$1,970,000 of the total expenses of the Cree Nation. Because of the deficiencies in documentation, we were unable to obtain appropriate audit evidence about the occurrence and classification of expenses recorded by Little Red throughout the year. Consequently, we were unable to determine whether any adjustments to the amounts reported for these expenses were necessary.

Further deficiencies in the accounting records and systems of internal controls were noted over amounts recorded as travel expenses of the Cree Nation as a whole. As a result, we were unable to obtain appropriate audit evidence about the occurrence and classification of travel expenses recorded by the Cree Nation. Consequently, we were unable to determine whether any adjustments to the amounts reported for travel expenses were necessary.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphs, the consolidated financial statements present fairly, in all material respects, the financial position of Montreal Lake Cree Nation as at March 31, 2017 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

August 3, 2017

MNP LLP

Chartered Professional Accountants

Montreal Lake Cree Nation
Consolidated Statement of Financial Position
As at March 31, 2017

| | 2017 | 2016 |
|---|---------------------|---------------------------|
| Financial assets | | |
| Current | | |
| Cash and cash equivalents | 523,470 | 363,286 |
| Accounts receivable (Note 3) | 1,968,195 | 981,517 |
| Inventory for resale | 100,614 | 96,077 |
| Restricted cash - capital projects (Note 6) | 7,467,441 | 3,947,677 |
| | 10,059,720 | 5,388,557 |
| Investments in Nation business entities (Note 4) | 3,373,389 | 3,167,957 |
| Funds held in trust (Note 5) | 11,617 | 10,376 |
| Restricted cash - housing (Note 6) | 1,018,836 | 1,538,966 |
| | 14,463,562 | 10,105,856 |
| Liabilities | | |
| Current | | |
| Bank indebtedness (Note 7) | 1,677,740 | 843,183 |
| Accounts payable and accruals | 4,292,957 | 1,480,268 |
| Deferred revenue (Note 8) | 8,613,798 | 3,854,343 |
| Current portion of long-term debt (Note 9) | 932,000 | 911,000 |
| | 15,516,495 | 7,088,794 |
| Long-term debt (Note 9) | 10,387,040 | 6,409,567 |
| | 25,903,535 | 13,498,361 |
| Net debt | (11,439,973) | (3,392,505) |
| Contingent liabilities (Note 10) | | |
| Non-financial assets | | |
| Tangible capital assets (Note 11) (Schedule 1) | 35,376,145 | 23,192,636 |
| Prepaid expenses | 65,548 | 88,998 |
| | 35,441,693 | 23,281,634 |
| Accumulated surplus (Note 12) | 24,001,720 | 19,889,129 |
| Approved on behalf of Chief and Council | | |
| Signed By: Edward Henderson | Chief | Signed By: Dean Henderson |
| | | Councillor |

The accompanying notes are an integral part of these financial statements

Montreal Lake Cree Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2017

| | Schedules | 2017 Budget (Note 18) | 2017 Actual | 2016 Actual |
|---|-----------|-----------------------------|-------------------|----------------|
| Revenue | | | | |
| Indigenous and Northern Affairs Canada (Note 16) | | 10,403,571 | 18,765,155 | 14,366,900 |
| Health Canada (Note 17) | | 2,962,130 | 5,915,417 | 4,970,509 |
| Prince Albert Grand Council | | 526,110 | 2,084,011 | 1,515,988 |
| Canada Mortgage and Housing Corporation | | 706,163 | 1,152,574 | 733,404 |
| Retail sales | | - | 1,098,851 | 44,852 |
| First Nations Trust | | 1,200,000 | 1,261,762 | 1,327,413 |
| Other revenue | | 204,640 | 1,115,551 | 1,468,892 |
| Operating revenues - government partnership | | - | 915,615 | 835,366 |
| Rental income | | 749,731 | 632,301 | 760,952 |
| Investment income (Note 4) | | - | 363,264 | 594,212 |
| Northern Lights Community Development Corporation | | - | 268,593 | 150,667 |
| Province of Saskatchewan | | - | 93,750 | 124,085 |
| User fees | | 56,841 | 43,143 | 44,671 |
| Interest income | | - | 14,151 | - |
| Interest on trust funds | | - | 1,241 | 1,234 |
| | | 16,809,186 | 33,725,379 | 26,939,145 |
| Program expenses | | | | |
| Administration | 3 | 1,268,191 | 3,364,338 | 1,722,957 |
| Band Activities | 4 | 52,676 | 1,359,365 | 1,464,800 |
| Capital | 5 | - | 81,296 | 53,498 |
| Community Infrastructure | 6 | 1,156,712 | 3,072,763 | 4,149,492 |
| Economic Development | 7 | - | 1,060,593 | 65,666 |
| Education | 8 | 3,146,622 | 4,594,615 | 3,497,154 |
| Housing | 9 | 1,462,018 | 2,416,321 | 1,689,603 |
| Other Programs | 10 | 112,337 | 1,741,127 | 1,009,402 |
| Post Secondary | 12 | 953,876 | 1,402,758 | 1,183,390 |
| Social Development | 13 | 4,203,296 | 5,071,841 | 5,147,085 |
| Social Support Services | 14 | 3,840,202 | 5,447,771 | 4,818,139 |
| | | 16,195,930 | 29,612,788 | 24,801,186 |
| Surplus before other expense | | 613,256 | 4,112,591 | 2,137,959 |
| Other expense | | | | |
| Loss on disposal of tangible capital assets | | - | - | (358,064) |
| Surplus | | 613,256 | 4,112,591 | 1,779,895 |
| Accumulated surplus, beginning of year | | 19,889,129 | 19,889,129 | 18,109,234 |
| Accumulated surplus, end of year | | 20,502,385 | 24,001,720 | 19,889,129 |

The accompanying notes are an integral part of these financial statements

Montreal Lake Cree Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2017

| | <i>2017 Budget (Note18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|-------------------------------------|------------------------|------------------------|
| Surplus | 613,256 | 4,112,591 | 1,779,895 |
| Purchases of tangible capital assets | - | (13,972,326) | (2,971,051) |
| Amortization of tangible capital assets | - | 1,788,817 | 1,822,668 |
| Loss on disposal of tangible capital assets | - | - | 358,064 |
| Use of prepaid expenses | - | 23,450 | 17,185 |
| Change in net debt | 613,256 | (8,047,468) | 1,006,761 |
| Net debt, beginning of year | (3,392,505) | (3,392,505) | (4,399,266) |
| Net debt, end of year | (2,779,249) | (11,439,973) | (3,392,505) |

The accompanying notes are an integral part of these financial statements

Montreal Lake Cree Nation Consolidated Statement of Cash Flows

For the year ended March 31, 2017

| | 2017 | 2016 |
|---|----------------|----------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Surplus | 4,112,591 | 1,779,895 |
| Non-cash items | | |
| Amortization | 1,788,817 | 1,822,669 |
| Loss on disposal of tangible capital assets | - | 358,064 |
| Investment income | (363,264) | (594,212) |
| | 5,538,144 | 3,366,416 |
| Changes in working capital accounts | | |
| Accounts receivable | (986,678) | 297,187 |
| Inventory for resale | (4,537) | (96,077) |
| Prepaid expenses | 23,450 | 17,185 |
| Accounts payable and accruals | 2,812,688 | 99,679 |
| Deferred revenue | 4,759,456 | 461,843 |
| | 12,142,523 | 4,146,233 |
| Financing activities | | |
| Increase in bank indebtedness | 834,557 | 527,535 |
| Advances of long-term debt | 5,188,722 | - |
| Repayment of long-term debt | (1,190,249) | (1,010,258) |
| Repayment of advances from related parties | - | (5,255) |
| | 4,833,030 | (487,978) |
| Capital activities | | |
| Purchases of tangible capital assets | (13,972,326) | (2,971,051) |
| Investing activities | | |
| Cash distributions from investments | 157,832 | 134,607 |
| Increase in restricted cash | (2,999,634) | (742,465) |
| Increase in funds held in trust | (1,241) | (1,235) |
| | (2,843,043) | (609,093) |
| Decrease in cash and cash equivalents | 160,184 | 78,111 |
| Cash and cash equivalents, beginning of year | 363,286 | 285,175 |
| Cash and cash equivalents, end of year | 523,470 | 363,286 |

The accompanying notes are an integral part of these financial statements

Montreal Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

1. Operations

The Montreal Lake Cree Nation (the "Cree Nation") is located in the Province of Saskatchewan, and provides various services to its members. Montreal Lake Cree Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are controlled by the Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards as set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the Cree Nation reporting entity, except for Cree Nation business entities.

The Cree Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Montreal Lake Cree Nation
- Little Red River Reserve
- William Charles Health Centre
- Paskwawaskihk Health Centre
- Montreal Lake CMHC Housing Program
- Paskwawaskihk Community Store
- Montreal Lake Development Corporation

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

The Nation has proportionately consolidated the assets, liabilities, revenues and expenses of the following government partnership:

- Woodland Cree Enterprises Incorporated

Investments in government partnerships are accounted for using the proportionate consolidation method. The Cree Nation's pro-rata share of the assets, liabilities, revenues and expenses of the government partnerships have been combined on a line-by-line basis with similar items of the Cree Nation.

Montreal Lake Cree Nation business entities controlled by the Cree Nation and are not dependent on the Cree Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. 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 to those of the Cree Nation. Thus, the Cree Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Montreal Lake Business Ventures Limited Partnership
- Montreal Lake Business Ventures Ltd.

Portfolio investments which are owned by Montreal Lake Cree Nation but not controlled or influenced by the Cree Nation are accounted for using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported at. The Cree Nation has the following portfolio investments:

- La Ronge Wild Rice Corp. - 5.3% ownership interest

2. **Significant accounting policies** (Continued from previous page)

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash resources

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

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Cost of inventories of items that are segregated for specific projects is assigned by using specific identification of their individual costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2017, the Cree Nation has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the Cree Nation can reasonably be expected within one year.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Cree Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust Moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Cree Nation tangible capital assets; and,
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Revenues from Trust Moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are reported by the Government of Canada.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

| | <i>Method</i> | <i>Rate</i> |
|-------------------------------------|----------------------|--------------------|
| Buildings | straight-line | 20-25 years |
| Housing | straight-line | 15 years |
| Equipment, computers, and furniture | straight-line | 3-5 years |
| Infrastructure | straight-line | 40 years |
| Roads | straight-line | 40 years |
| Automotive | straight-line | 10 years |

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Non-government funding received under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the statement of financial position in the year of receipt.

Government transfers

The Cree Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Cree Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Rental income

Income associated with the rental of homes to members is recorded monthly when rental amounts are measurable and collection is reasonably assured.

Retail sales

Income from retail sales is recognized when the sale is made and the customer takes possession of the merchandise.

Investment income

Investment income is recognized when earned.

Segments

The Cree Nation conducts its business through 11 reportable segments:

- Administration - includes the administration and governance activities.
- Band activities - includes all other band activities of the Cree Nation.
- Capital - includes the operation and maintenance of the Cree Nation's capital construction projects.
- Community infrastructure - includes the operations and maintenance of the Cree Nation's buildings and infrastructure.
- Economic development - includes the activities of the Cree Nation's economic development initiatives and its business entities.
- Education - includes the operations of education programs.
- Housing - includes the operations and maintenance of all on reserve housing.
- Other Programs - includes all internal activities of the Cree Nation for member development.
- Post secondary - includes the activities of the post secondary program.
- Social development - includes the activities relating to income assistance for membership.
- Social support services - includes the operations of health and community wellness programming.

For each reported segment, revenue and expenses represent both amounts that are directly attributable 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. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

2. **Significant accounting policies** *(Continued from previous page)*

Net financial assets (net debt)

The Cree Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the Cree Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus (deficit).

Asset classification

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

Employee future benefits

The Cree Nation's employee future benefit programs consist of defined contribution pension plan. Contributions to the plan by the Cree Nation are expensed as incurred.

Use of estimates

The preparation of consolidated 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 disclosure 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.

Accounts receivable are stated after an assessment as to their collectability has been made.

Amortization is based on the estimated useful lives of the assets.

Legal provisions are recorded when the likelihood of loss and amount of settlement can be determined.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Cree Nation is responsible for.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus of the period in which they become known.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Cree Nation is either directly responsible or accepts responsibility, it is expected that future economic benefit will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2017.

At each financial reporting date, the Cree Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. The Cree Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

No liability has been recorded at March 31, 2017.

2. **Significant accounting policies** (Continued from previous page)

Recent accounting pronouncements

Financial instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. A related standard, PS 1201, was issued to address changes to financial statement presentation related to financial instruments. In 2015 the effective date has been deferred to fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

The Cree Nation has not yet determined the effect of these new standards on its consolidated financial statements.

Related Party Disclosures and Inter-Entity Transactions

In March 2015, the Public Sector Accounting Board (PSAB) issued PS 2200 *Related Party Disclosures* and PS 3420 *Inter-Entity Transactions*. These new Sections define related parties and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

The Cree Nation has not yet determined the effect of these new standards on its consolidated financial statements.

Assets, Contingent Assets and Contractual Rights

In June 2015, PSAB issued the following new standards: PS 3210 *Assets*, PS 3320 *Contingent Assets* and PS 3380 *Contractual Rights*.

PS 3210 *Assets* provides additional guidance to clarify the definition of assets set out in PS 1000 *Financial Statement Concepts*.

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets.

PS 3380 *Contractual Rights* establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

The standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

The Cree Nation has not yet determined the effect of these new standards on its consolidated financial statements.

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

3. Accounts receivable

| | 2017 | 2016 |
|---|-----------|-----------|
| Indigenous and Northern Affairs Canada | 532,469 | 179,162 |
| Prince Albert Grand Council | 583,869 | 321,950 |
| Health Canada | 355,071 | - |
| Member receivables | 156,342 | 132,823 |
| Trust deposit receivable | 144,263 | 144,263 |
| Government partnerships | 100,881 | 132,269 |
| Northern Lights Community Development Corporation | 93,315 | 66,622 |
| Other accounts receivable | 52,819 | 51,275 |
| CMHC subsidy assistance receivable | 49,166 | 53,153 |
| | 2,068,195 | 1,081,517 |
| Less: Allowance for doubtful accounts | 100,000 | 100,000 |
| | 1,968,195 | 981,517 |

4. Investments in Nation business enterprises

The Cree Nation has the following investments:

| | 2017 | 2016 |
|---|-----------|-----------|
| Modified Equity Method | | |
| Montreal Lake Business Ventures Limited Partnership | 3,365,889 | 3,160,457 |
| - 99.99% ownership interest, March 31 year end | | |
| Montreal Lake Business Ventures Limited | - | - |
| - 100% ownership interest, March 31 year end | | |
| Portfolio Investment - Cost Method | | |
| La Ronge Wild Rice Corporation | 7,500 | 7,500 |
| - 5.3% ownership interest, December 31 year end | | |
| | 3,373,389 | 3,167,957 |

The condensed consolidated financial information of Montreal Lake Business Ventures Limited Partnership, for the years ended March 31, 2017 and March 31, 2016:

| | Assets | Liabilities | Equity | Revenues | Cost of Sales | Expenses | Net Earnings |
|------|-----------|-------------|-----------|-----------|---------------|-----------|--------------|
| 2017 | 5,908,204 | 148,489 | 5,759,715 | 5,329,355 | 3,140,804 | 1,824,780 | 363,771 |
| 2016 | 5,701,575 | 147,799 | 5,553,776 | 5,475,387 | 3,092,044 | 1,787,765 | 595,578 |

The Cree Nation's investment in Montreal Lake Business Ventures Limited Partnership reported in the financial statements differs from the related partner's capital account of the Limited Partnership by assets transferred at cost from the Cree Nation to the Limited Partnership where they were reported at fair value in a previous year.

The Cree Nation's share of the above results is as follows:

| | 2017 | 2016 |
|---------------------------|-----------|-----------|
| Equity, beginning of year | 3,167,957 | 2,700,852 |
| Share of earnings | 363,264 | 594,212 |
| Drawings | (157,832) | (127,107) |
| | 3,373,389 | 3,167,957 |

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

5. Funds held in trust

Capital and revenue trust monies are transferred to the Cree Nation on the authorization of the Cree Nation's Chief and Council, with the consent of the Minister of Indigenous and Northern Affairs Canada.

| | <i>2017</i> | <i>2016</i> |
|----------------------------|-------------|-------------|
| Revenue Trust | | |
| Balance, beginning of year | 10,376 | 9,141 |
| Interest | 214 | 208 |
| Subsurface leases | 1,027 | 1,027 |
| <hr/> | | |
| Balance, end of year | 11,617 | 10,376 |

6. Restricted cash

| | <i>2017</i> | <i>2016</i> |
|--|-------------|-------------|
| Capital Projects | | |
| INAC funded capital projects - various | 7,449,387 | 2,362,094 |
| William Charles Health Centre upgrade | 18,054 | 1,585,583 |
| <hr/> | | |
| | 7,467,441 | 3,947,677 |
| <hr/> | | |
| Housing | | |
| CMHC Replacement Reserve | 913,002 | 1,318,741 |
| CMHC Operating Reserve | 105,000 | - |
| Self-insurance bank account (Note 14) | 834 | 220,225 |
| <hr/> | | |
| | 1,018,836 | 1,538,966 |
| <hr/> | | |
| | 8,486,277 | 5,486,643 |

7. Bank indebtedness

Bank indebtedness includes draws against lines of credit and bank balances less outstanding cheques. At March 31, 2017 the Cree Nation had three lines of credit available:

- Montreal Lake Administration - approved limit of \$300,000; of which \$732,280 (2016 - \$302,843) has been drawn.
- Paskwawaskihk Administration - approved limit of \$50,000; of which \$75,152 (2016 - \$76,240) has been drawn.
- William Charles Health Centre - approved limit of \$75,000; of which \$76,341 (2016 - \$nil) has been drawn.

The lines of credit charge interest at bank prime plus 1.50% per annum and are secured by a General Security Agreement and First Nations Bank being the 1st loss payee on the Cree Nation's fire insurance policy.

The lines of credit are also secured by an assignment of Indigenous and Northern Affairs Canada funding for Montreal Lake Administration and Paskwawaskihk Administration lines of credit and Health Canada Funding for the William Charles Health Centre line of credit.

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

8. Deferred revenue

Deferred revenue represent the amount of funds received by the Nation that relate to future fiscal periods or to certain projects that are incomplete at year-end.

As of March 31, 2017, deferred revenue consists of amounts received and unexpended for the following projects:

| | <i>Balance, beginning of year</i> | <i>Amounts received</i> | <i>Amount expended in current year</i> | <i>Balance, end of year</i> |
|---|---|-----------------------------|--|---------------------------------|
| Health Canada - William Charles Health Centre | 1,585,655 | - | 1,585,655 | - |
| INAC - Wildfire Housing Project | 1,000,000 | 1,321,020 | 1,437,345 | 883,675 |
| INAC - Water Treatment Plant | 559,349 | 6,959,831 | 4,274,641 | 3,244,539 |
| INAC - Wildfire Landfill Project | 261,743 | 220,000 | 282,413 | 199,330 |
| INAC - School Roof | 221,509 | - | 81,296 | 140,213 |
| INAC - Well Project | 107,690 | - | 90,463 | 17,227 |
| INAC - Flooding Project | 46,491 | 4,123,250 | 111,334 | 4,058,407 |
| INAC - Lagoon Project | 6,022 | - | - | 6,022 |
| Woodland Cree Enterprises Inc. | 65,884 | 64,385 | 65,884 | 64,385 |
| | 3,854,343 | 12,688,486 | 7,929,031 | 8,613,798 |

9. Long-term debt

| | <i>2017</i> | <i>2016</i> |
|--|-------------|-------------|
| First Nations Bank loan, proceeds of which are for the construction of a new health centre, bearing interest at prime plus 1.25%, monthly interest payments with no principal payments until completion; expected September 2017. Secured by a general security agreement and redirection of First Nation's Trust funding. | 4,655,322 | - |
| CMHC mortgage - Phase XX, interest at 1.53%, maturity date of October 2027, and repayable in blended monthly principal and interest payments of \$21,697. Secured by a ministerial guarantee. | 2,543,028 | 2,762,872 |
| CMHC mortgage - Phase XXI, bearing interest at 1.37%, maturity date of June 2030, and repayable in blended monthly principal and interest payments of \$13,392. Secured by a ministerial guarantee. | 1,946,768 | 2,079,951 |
| First Nations Bank operating loan, bearing interest at prime plus 1.85% per annum, maturity date of August 2019 and repayable in quarterly principal only payments of \$73,000 plus interest paid monthly. Secured by a general security agreement. | 496,998 | 789,000 |
| CMHC mortgage - Phase XIX, interest at 1.98%, maturity date of November 2028, and repayable in blended monthly principal and interest payments of \$3,681. Secured by a ministerial guarantee. | 460,007 | 494,754 |
| CMHC mortgage - Phase XVII, interest at 1.05%, maturity date of June 2026, and repayable in blended monthly principal and interest payments of \$3,274. Secured by a ministerial guarantee. | 346,253 | 380,818 |
| CMHC mortgage - Phase XVIII, interest at 1.53%, maturity date of November 2027, and repayable in blended monthly principal and interest payments of \$2,703. Secured by a ministerial guarantee. | 319,057 | 346,407 |

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

9. Long-term debt *(Continued from previous page)*

| | 2017 | 2016 |
|---|-------------------|-------------|
| First Nations Bank loan, proceeds of which were used to acquire automotive assets, bearing interest at prime plus 1.50% per annum, maturity date of August 2019 and repayable in blended monthly principal and interest payments of \$8,786. Secured by a general security agreement. | 256,794 | - |
| CMHC mortgage - Phase XVI, interest at 1.12%, maturity date of August 2024, and repayable in blended monthly principal and interest payments of \$1,974. Secured by a ministerial guarantee. | 168,484 | 190,158 |
| CMHC mortgage - Phase XV, interest at 1.98%, maturity date of January 2019, and repayable in blended monthly principal and interest payments of \$3,418. Secured by a ministerial guarantee. | 73,784 | 112,919 |
| CMHC mortgage - Phase X, interest at 1.98%, maturity date of April 2019, and repayable in blended monthly principal and interest payments of \$2,147. Secured by a ministerial guarantee. | 52,545 | 77,010 |
| First Nations Bank loan, repaid during the year. | - | 51,462 |
| CMHC mortgage - Phase XIV, repaid during the year | - | 14,336 |
| CMHC mortgage - Phase XIII, repaid during the year | - | 11,130 |
| CMHC mortgage - Phase 1, repaid during the year | - | 7,179 |
| CMHC mortgage - Phase VII, repaid during the year | - | 2,571 |
| | 11,319,040 | 7,320,567 |
| Less: current portion | 932,000 | 911,000 |
| | 10,387,040 | 6,409,567 |

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

| | |
|------|---------|
| 2018 | 932,000 |
| 2019 | 851,000 |
| 2020 | 555,000 |
| 2021 | 500,000 |
| 2022 | 508,000 |

Long-term debt is subject to certain covenants with respect to timely submission of the annual audited financial statements to their lender as well as restrictions that may be in place. As at March 31, 2017 the Cree Nation is in compliance with all such covenants. It is management's opinion that the Cree Nation is likely to remain in compliance with all long-term debt covenants throughout the next twelve months from the date of the financial statements.

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

10. Contingent liabilities

The Cree Nation has been named a defendant in three separate legal proceedings alleging breach of contract. Preliminary settlement of \$500,000 accrued for one of the proceedings. The likelihood of loss can not be determined, nor can the amount of settlement be determined, if any for the other two proceedings as at the date of the financial statements. Any liability stemming from these actions will be recorded in the period it is determined.

These consolidated financial statements are subject to review by Indigenous and Northern Affairs Canada, Health Canada, Prince Albert Grand Council and other funding agencies. It is possible that adjustments could be made based on the results of their review.

11. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1. Details of amounts included in assets under construction are as follows:

| Project | Budget | Cumulative costs to March 31, 2017 |
|---------------------------------------|------------------|---------------------------------------|
| William Charles Health Centre upgrade | 8,000,000 | 8,335,791 |
| Water Treatment Plant upgrade | 9,425,000 | 5,343,692 |
| Lagoon project | 30,000 | 23,978 |
| Flooding project | 4,114,900 | 1,959,745 |
| Well project | 470,000 | 322,773 |
| Wildfire Landfill project | 1,500,000 | 520,670 |
| Wildfire Housing project | <u>1,650,000</u> | <u>1,437,346</u> |
| Total | 25,189,900 | 17,943,995 |

Assets under construction are financed by Indigenous and Northern Affairs Canada and Health Canada, and are managed by a third party contractor, with the exception of the William Charles Health Centre, which is debt financed managed by the Cree Nation.

12. Accumulated surplus

Accumulated surplus consists of the following:

| | 2017 | 2016 |
|--|--------------------|-------------|
| Equity in investments (Note 4) | 3,373,389 | 3,167,957 |
| Equity in funds held in trust (Note 5) | 11,617 | 10,376 |
| CMHC reserves (Note 19) | 2,092,538 | 2,001,816 |
| Equity in tangible capital assets | 23,429,930 | 16,661,171 |
| Government partnership | 24,497 | 21,083 |
| Movable Asset Reserve (Note 13) | 21,301 | 19,035 |
| Self insurance program (Note 14) | 440,197 | 220,197 |
| Operating deficit | (5,391,749) | (2,212,506) |
| | 24,001,720 | 19,889,129 |

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

13. Movable Asset Reserve

Included in the accumulated surplus of the Cree Nation is the movable asset reserve (MAR). The MAR is required as part of the Cree Nation's funding agreement with Cree Nations and Inuit Health Branch of Canada.

| | 2017 | <i>2016</i> |
|----------------------------|---------------|-------------|
| Balance, beginning of year | 19,035 | 16,769 |
| Current year allocation | 2,266 | 2,266 |
| | 21,301 | 19,035 |

14. Self insurance program

The Cree Nation does not carry third party insurance on their housing units. The Cree Nation allocates a portion of its Band Based Capital Funding from INAC to pay construction costs relating to the program. The terms of the self-insurance agreement require a minimum contribution of \$220,000 per year until housing units destroyed by fires have been replaced.

At March 31, 2017, there are 10 units requiring to be rebuilt with the costs being funded through the self-insurance program per the terms of the agreement with CMHC.

| | 2017 | <i>2016</i> |
|---------------------------------|----------------|-------------|
| Balance, beginning of year | 220,197 | 197 |
| Allocation to insurance program | 220,000 | 220,000 |
| Balance, end of year | 440,197 | 220,197 |

At March 31, 2017 the self-insurance program is funded to \$834 (2016- \$220,225). There were no construction costs incurred in the current year.

15. Economic dependence

Montreal Lake Cree Nation receives substantially all of its revenue from Indigenous and Northern Affairs Canada (INAC) and Health Canada as a result of Treaties entered into with the Government of Canada. The ability of the Cree Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

16. Reconciliation of Indigenous and Northern Affairs Canada Funding

| | <i>2017</i> | <i>2016</i> |
|---|--------------------|-------------|
| Funding per confirmation | 17,269,734 | 22,709,796 |
| Recovery (NTR3) 2016 funding received in 2017 | 2,720,000 | (2,720,000) |
| Water Treatment Plant 2016 funding received in 2017 | 4,820,184 | (4,820,184) |
| Water Treatment Plant Project funding not expended | (2,685,190) | (153,161) |
| Flooding Project funding not expended | (4,011,915) | - |
| Wildfire Housing funding not expended | - | (1,000,000) |
| Little Red Well Project funding not expended | - | (59,760) |
| Wildfire Landfill funding not expended | - | (261,743) |
| Prior year Flooding Project funding expended | - | 500,368 |
| Prior year School Roof Project funding expended | 81,296 | 53,491 |
| Prior year Little Red Will Project funding expended | 90,464 | - |
| Prior year Wildfire Landfill Project funding expended | 62,413 | - |
| Prior year Wildfire Housing Project funding expended | 116,326 | - |
| Employee Benefits funding receivable | - | 26,587 |
| Basic Needs funding recovered | (6,646) | (86,417) |
| Basic Needs funding receivable | 386,521 | 179,162 |
| Special Needs funding recovered | (78,032) | (1,239) |
| | 18,765,155 | 14,366,900 |

17. Reconciliation of Health Canada Funding

| | <i>2017</i> | <i>2016</i> |
|--|------------------|-------------|
| Funding received per agreement 1516-SK-000052 | 4,334,612 | 4,050,232 |
| Prior year Capital Health Centre Project funding, expended in current year | 1,585,652 | 945,110 |
| Recovery of funding | (4,847) | (24,833) |
| | 5,915,417 | 4,970,509 |

18. Budget information

The disclosed budget information has been approved by the Chief and Council of the Montreal Lake Cree Nation at the meeting held on February 10, 2014.

The Cree Nation prepares budgets for programming delivered with funding received from various funding agencies and does not include budgets for economic development activities. Additionally the Cree Nation includes loan principal repayments with its budget for interest expense. No provision is made in the budget for amortization of tangible capital assets. As such, the budget figures in the Statement of Operations and Accumulated Surplus are not for the same scope of activities as the actual results.

Montreal Lake Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

19. Canada Mortgage and Housing reserves

Under agreements with CMHC, the Cree Nation has established the following:

A replacement reserve, to ensure replacement of capital equipment and for major repairs to housing units, which requires an annual cash allocation to the reserve. At March 31, 2017, the replacement reserve is required to be funded to a level of \$1,433,084 (2016 - \$1,377,458). At March 31, 2017 the cash balance in the reserve is \$913,002 (2016 - \$1,318,766).

An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program which requires surpluses to be funded with cash. Future operating losses are able to draw on the reserve funds to sustain operations. At March 31, 2017 the operating reserve is required to be funded to a level of \$659,654 (2016 - \$624,358). At March 31, 2017 the cash balance in the reserve is \$105,000 (2016 - \$nil).

20. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Montreal Lake Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2017

| | <i>Buildings</i> | <i>Housing</i> | <i>Roads</i> | <i>Equipment, computers and furniture</i> | <i>Automotive</i> | <i>Infrastructure</i> | <i>Subtotal</i> |
|--|------------------|------------------|----------------|---|-------------------|-----------------------|-------------------|
| Cost | | | | | | | |
| Balance, beginning of year | 18,038,623 | 20,038,310 | 1,367,426 | 253,868 | 3,264,726 | 13,105,545 | 56,068,498 |
| Acquisition of tangible capital assets | - | - | - | 42,444 | 343,000 | - | 385,444 |
| Disposal of tangible capital assets | - | - | - | - | - | - | - |
| Balance, end of year | 18,038,623 | 20,038,310 | 1,367,426 | 296,312 | 3,607,726 | 13,105,545 | 56,453,942 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | 13,667,183 | 15,673,384 | 656,684 | 114,980 | 2,306,492 | 4,839,838 | 37,258,561 |
| Annual amortization | 671,446 | 552,931 | 34,126 | 7,522 | 192,919 | 329,873 | 1,788,817 |
| Accumulated amortization on disposals | - | - | - | - | - | - | - |
| Balance, end of year | 14,338,629 | 16,226,315 | 690,810 | 122,502 | 2,499,411 | 5,169,711 | 39,047,378 |
| Net book value of tangible capital assets | 3,699,994 | 3,811,995 | 676,616 | 173,810 | 1,108,315 | 7,935,834 | 17,406,564 |
| 2016 Net book value of tangible capital assets | 4,371,440 | 4,364,926 | 710,742 | 138,888 | 958,234 | 8,265,707 | 18,809,937 |

Montreal Lake Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2017

| | <i>Subtotal</i> | <i>Other</i> | <i>Assets under construction</i> | <i>2017</i> | <i>2016</i> |
|--|-------------------|---------------|--------------------------------------|-------------------|-------------------|
| Cost | | | | | |
| Balance, beginning of year | 56,068,498 | 25,586 | 4,357,113 | 60,451,197 | 58,156,472 |
| Acquisition of tangible capital assets | 385,444 | - | 13,586,882 | 13,972,326 | 2,971,051 |
| Disposal of tangible capital assets | - | - | - | - | (676,326) |
| Balance, end of year | 56,453,942 | 25,586 | 17,943,995 | 74,423,523 | 60,451,197 |
| Accumulated amortization | | | | | |
| Balance, beginning of year | 37,258,561 | - | - | 37,258,561 | 35,754,155 |
| Annual amortization | 1,788,817 | - | - | 1,788,817 | 1,822,669 |
| Accumulated amortization on disposals | - | - | - | - | (318,263) |
| Balance, end of year | 39,047,378 | - | - | 39,047,378 | 37,258,561 |
| Net book value of tangible capital assets | 17,406,564 | 25,586 | 17,943,995 | 35,376,145 | 23,192,636 |
| 2016 Net book value of tangible capital assets | 18,809,937 | 25,586 | 4,357,113 | 23,192,636 | |

Montreal Lake Cree Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Consolidated expenses by object | | | |
| Administration | 225,931 | - | - |
| Amortization | - | 1,788,817 | 1,822,668 |
| Assistance | 4,144,004 | 5,686,948 | 5,449,392 |
| Automotive | 211,138 | 564,820 | 419,925 |
| Bank charges and interest | 18,746 | 139,434 | 50,756 |
| Community donations | 21,548 | 138,307 | 103,569 |
| Consulting | 156,463 | 576,777 | 408,200 |
| Contracted services | 438,648 | 663,006 | 729,594 |
| Fencing | - | 78,337 | - |
| Elders support | 5,729 | - | - |
| Election | - | 140,220 | 34,604 |
| Retail cost of sales | - | 775,223 | 14,935 |
| Funeral | - | 59,368 | 56,602 |
| Furniture and equipment | 59,334 | 100,225 | 68,762 |
| Housing relocation costs | - | 97,241 | - |
| Honouraria | 177,478 | 478,409 | 396,757 |
| Insurance | 113,074 | 108,565 | 118,600 |
| Interest on long-term debt | 1,032,822 | 93,765 | 167,238 |
| Janitorial | 9,548 | 31,538 | 32,601 |
| Meeting | 15,237 | 58,675 | 50,093 |
| Miscellaneous | 16,994 | 4,407 | 3,316 |
| Office supplies | 70,597 | 84,625 | 128,001 |
| Operating expenses - government partnership | - | 912,201 | 836,770 |
| Pharmacy | 113,898 | 125,247 | 68,939 |
| Professional fees | 86,996 | 211,711 | 181,852 |
| Program expense | 109,267 | 635,870 | 446,989 |
| Renovations | - | 872,143 | 462,888 |
| Rent | 21,126 | 19,633 | 207,565 |
| Repairs and maintenance | 496,471 | 1,092,250 | 954,614 |
| Salaries and benefits | 6,591,810 | 8,621,522 | 7,504,886 |
| Septic waste hauling | - | 37,846 | 8,515 |
| Settlement (Note 10) | - | 500,000 | - |
| Student expenses | 620,629 | 1,013,204 | 739,826 |
| Supplies | 220,742 | 1,907,651 | 1,611,081 |
| Telephone | 118,129 | 136,609 | 117,981 |
| Training | 152,952 | 215,169 | 138,168 |
| Travel | 320,902 | 838,199 | 736,478 |
| Tuition | 216,400 | 418,184 | 353,634 |
| Utilities | 409,317 | 386,642 | 375,387 |
| | 16,195,930 | 29,612,788 | 24,801,186 |

Montreal Lake Cree Nation
Administration

Schedule 3 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|--|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Indigenous and Northern Affairs Canada | 870,812 | 1,033,847 | 975,658 |
| Prince Albert Grand Council | - | - | 15,659 |
| Other revenue | - | 442,478 | 211,473 |
| Province of Saskatchewan | - | - | 124,085 |
| User fees | 56,841 | - | 6,279 |
| Interest income | - | 14,151 | - |
| | 927,653 | 1,490,476 | 1,333,154 |
| Expenses | | | |
| Administration (recovery) | - | (53,993) | (470,096) |
| Amortization | - | 6,620 | 6,620 |
| Assistance | - | - | 117,573 |
| Automotive | - | 116,399 | 56,963 |
| Bank charges and interest | 12,000 | 131,435 | 32,985 |
| Community donations | - | 47,638 | 7,152 |
| Consulting | 120,000 | 329,453 | (20,017) |
| Contracted services | 10,000 | 66,867 | 23,075 |
| Election | - | 140,220 | 34,469 |
| Furniture and equipment | - | 37,700 | 27,577 |
| Honouraria | 84,000 | 310,320 | 256,400 |
| Insurance | 74,292 | 96,370 | 91,621 |
| Interest on long-term debt | - | - | 45,476 |
| Janitorial | - | 3,604 | 5,316 |
| Meeting | - | 36,041 | 23,100 |
| Miscellaneous | - | 3,885 | 895 |
| Office supplies | - | 28,489 | 43,079 |
| Professional fees | 55,000 | 120,029 | 98,576 |
| Program expense | - | 141 | 1,260 |
| Renovations | - | 2,879 | 2,500 |
| Rent | - | 3,433 | 10,728 |
| Repairs and maintenance | - | 28,399 | 30,025 |
| Salaries and benefits | 746,315 | 730,690 | 829,151 |
| Settlement | - | 500,000 | - |
| Supplies | - | 100,608 | 71,313 |
| Telephone | 52,992 | 72,195 | 59,734 |
| Training | - | 47,623 | 25,502 |
| Travel | 108,000 | 449,895 | 288,415 |
| Utilities | 5,592 | 7,398 | 23,565 |
| | 1,268,191 | 3,364,338 | 1,722,957 |
| Deficit before transfers | (340,538) | (1,873,862) | (389,803) |
| Transfers between programs | (70,215) | 1,213,595 | 915,583 |
| Surplus (deficit) | (410,753) | (660,267) | 525,780 |

Montreal Lake Cree Nation
Band Activities
Schedule 4 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Operating revenues - government partnership | - | 915,615 | 835,366 |
| Investment income | - | 363,264 | 594,212 |
| Other revenue | 113,000 | 134,401 | 152,325 |
| | 113,000 | 1,413,280 | 1,581,903 |
| Expenses | | | |
| Amortization | - | 25,820 | 36,430 |
| Assistance | - | - | 150 |
| Automotive | - | 11,431 | 66,102 |
| Bank charges and interest | - | 700 | 219 |
| Consulting | - | 2,393 | 1,673 |
| Contracted services | - | 34,697 | 40,918 |
| Honouraria | - | 3,892 | 6,639 |
| Janitorial | - | 1,490 | 2,996 |
| Meeting | - | - | 699 |
| Office supplies | - | 1,860 | 2,378 |
| Operating expenses - government partnership | - | 912,201 | 836,770 |
| Program expense | - | 31,917 | 182,734 |
| Repairs and maintenance | - | 1,191 | 13,548 |
| Salaries and benefits | 52,676 | 212,164 | 205,214 |
| Supplies | - | 91,153 | 45,203 |
| Telephone | - | 915 | 3,641 |
| Training | - | 12,820 | 7,706 |
| Travel | - | 14,621 | 9,149 |
| Utilities | - | 100 | 2,631 |
| | 52,676 | 1,359,365 | 1,464,800 |
| Surplus before transfers | 60,324 | 53,915 | 117,103 |
| Transfers between programs | - | (363,264) | (68,492) |
| Surplus (deficit) | 60,324 | (309,349) | 48,611 |

Montreal Lake Cree Nation
Capital

Schedule 5 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|--|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Indigenous and Northern Affairs Canada | - | 6,277,495 | 1,769,195 |
| Health Canada | - | 1,585,653 | 945,110 |
| Other revenue | - | - | 84 |
| | - | 7,863,148 | 2,714,389 |
| Expenses | | | |
| Bank charges and interest | - | - | 7 |
| Contracted services | - | 81,296 | 53,491 |
| | - | 81,296 | 53,498 |
| Surplus | - | 7,781,852 | 2,660,891 |

Montreal Lake Cree Nation
Community Infrastructure
Schedule 6 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Indigenous and Northern Affairs Canada | 970,777 | 1,283,503 | 1,908,295 |
| Prince Albert Grand Council | - | 246,029 | 397,752 |
| Rental income | - | 11,480 | 53,265 |
| Other revenue | - | 191,934 | 862,439 |
| User fees | - | 43,143 | 38,392 |
| Northern Lights Community Development Corporation | - | - | 16,165 |
| | 970,777 | 1,776,089 | 3,276,308 |
| Expenses | | | |
| Administration | - | - | 37,093 |
| Amortization | - | 1,105,692 | 1,081,096 |
| Assistance | - | - | 109,737 |
| Automotive | 129,960 | 120,251 | 133,395 |
| Bank charges and interest | - | 803 | - |
| Consulting | - | 4,900 | 32,747 |
| Contracted services | 250,664 | 225,521 | 271,299 |
| Furniture and equipment | - | 18,161 | 13,468 |
| Honouraria | - | 3,700 | 3,250 |
| Insurance | 27,360 | - | 10,887 |
| Janitorial | - | 5,968 | 3,014 |
| Meeting | - | - | 1,191 |
| Office supplies | - | 4,458 | 4,624 |
| Renovations | - | 13,500 | 321,485 |
| Rent | 14,400 | 15,500 | 169,813 |
| Repairs and maintenance | 129,200 | 132,826 | 263,556 |
| Salaries and benefits | 239,896 | 819,223 | 873,986 |
| Septic waste hauling | - | 37,846 | 8,515 |
| Supplies | 60,000 | 219,841 | 407,608 |
| Telephone | 25,088 | 1,706 | 3,473 |
| Training | 24,000 | 2,713 | 6,181 |
| Travel | 9,600 | 22,293 | 216,412 |
| Utilities | 246,544 | 142,283 | 176,662 |
| Fencing | - | 78,337 | - |
| Housing relocation costs | - | 97,241 | - |
| | 1,156,712 | 3,072,763 | 4,149,492 |
| Deficit before transfers | (185,935) | (1,296,674) | (873,184) |
| Transfers between programs | 49,838 | (120,572) | - |
| Deficit | (136,097) | (1,417,246) | (873,184) |

Montreal Lake Cree Nation
Economic Development
Schedule 7 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Prince Albert Grand Council | - | 145,500 | - |
| Retail sales | - | 1,098,851 | 44,852 |
| Other revenue | - | 40,000 | - |
| | - | 1,284,351 | 44,852 |
| Expenses | | | |
| Amortization | - | 6,524 | 5,557 |
| Bank charges and interest | - | (2,619) | - |
| Contracted services | - | - | 30,000 |
| Retail cost of sales | - | 775,223 | 14,935 |
| Office supplies | - | 10,990 | 5,235 |
| Professional fees | - | 8,359 | - |
| Repairs and maintenance | - | 12,381 | 3,974 |
| Salaries and benefits | - | 187,449 | 4,007 |
| Supplies | - | 47,752 | - |
| Telephone | - | 236 | - |
| Travel | - | 12,498 | 1,958 |
| Utilities | - | 1,800 | - |
| | - | 1,060,593 | 65,666 |
| Surplus (deficit) before other items | - | 223,758 | (20,814) |
| Other expense | | | |
| Loss on disposal of tangible capital assets | - | - | (3,218) |
| Surplus (deficit) before transfers | - | 223,758 | (24,032) |
| Transfers between programs | - | (105,500) | - |
| Surplus (deficit) | - | 118,258 | (24,032) |

Montreal Lake Cree Nation
Education

Schedule 8 - Consolidated Schedule of Revenues and Expenses

For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|--|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Indigenous and Northern Affairs Canada | 2,674,460 | 3,384,751 | 3,000,711 |
| Prince Albert Grand Council | 362,110 | 1,183,396 | 539,042 |
| Other revenue | 6,240 | 94,616 | 12,300 |
| | 3,042,810 | 4,662,763 | 3,552,053 |
| Expenses | | | |
| Amortization | - | 8,758 | 8,758 |
| Assistance | - | - | 500 |
| Automotive | 3,964 | 133,469 | 62,840 |
| Community donations | - | - | 250 |
| Consulting | 5,762 | 118,985 | 200,917 |
| Contracted services | 12,054 | 42,976 | 96,420 |
| Furniture and equipment | 3,176 | 6,958 | 7,490 |
| Honouraria | 22,778 | 12,540 | 12,552 |
| Insurance | 1,722 | - | 100 |
| Interest on long-term debt | 91,020 | - | 4,224 |
| Janitorial | - | 15,380 | 16,103 |
| Meeting | 15,237 | 1,773 | 4,636 |
| Miscellaneous | 16,994 | - | - |
| Office supplies | 6,813 | 9,379 | 36,170 |
| Professional fees | - | - | 4,376 |
| Program expense | - | 75,960 | 43,445 |
| Renovations | - | 117,376 | 4,200 |
| Rent | 6,726 | - | - |
| Repairs and maintenance | 28,752 | 160,277 | 40,900 |
| Salaries and benefits | 2,671,332 | 3,381,159 | 2,576,147 |
| Student expenses | 45,993 | 111,139 | 46,271 |
| Supplies | 68,026 | 209,078 | 199,729 |
| Telephone | 7,920 | 10,261 | 10,792 |
| Training | 7,760 | 35,975 | 9,253 |
| Travel | 18,329 | 28,194 | 13,670 |
| Tuition | 400 | 17,131 | 2,917 |
| Utilities | 111,864 | 97,847 | 94,494 |
| | 3,146,622 | 4,594,615 | 3,497,154 |
| Surplus before transfers | (103,812) | 68,148 | 54,899 |
| Transfers between programs | 179,997 | - | - |
| Surplus (deficit) | 76,185 | 68,148 | 54,899 |

Montreal Lake Cree Nation
Housing

Schedule 9 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Canada Mortgage and Housing Corporation | 706,163 | 1,152,574 | 733,404 |
| Rental income | 749,731 | 620,821 | 707,687 |
| Other revenue | 80,000 | 17,989 | 68,180 |
| | 1,535,894 | 1,791,384 | 1,509,271 |
| Expenses | | | |
| Amortization | - | 552,931 | 602,732 |
| Automotive | 20,400 | 18,915 | 11,969 |
| Bank charges and interest | 1,441 | 1,114 | (27) |
| Consulting | - | 6,174 | - |
| Contracted services | - | 17,808 | 26,908 |
| Furniture and equipment | - | 1,678 | - |
| Honouraria | - | 9,271 | 17,607 |
| Interest on long-term debt | 941,802 | 93,765 | 117,537 |
| Meeting | - | 1,149 | 2,008 |
| Miscellaneous | - | - | 400 |
| Office supplies | - | 16,971 | 17,453 |
| Professional fees | 16,082 | 19,388 | 18,147 |
| Renovations | - | 700,639 | 52,682 |
| Repairs and maintenance | 323,483 | 694,450 | 539,522 |
| Salaries and benefits | 148,010 | 246,104 | 242,581 |
| Supplies | - | 7,880 | 3,161 |
| Telephone | - | 3,767 | 10,394 |
| Training | - | 1,525 | 1,150 |
| Travel | 4,800 | 9,987 | 6,433 |
| Utilities | 6,000 | 12,805 | 18,946 |
| | 1,462,018 | 2,416,321 | 1,689,603 |
| Deficit before other items | 73,876 | (624,937) | (180,332) |
| Other expense | | | |
| Loss on disposal of tangible capital assets | - | - | (354,846) |
| Transfers between programs | - | 219,073 | - |
| Surplus (deficit) | 73,876 | (405,864) | (535,178) |

Montreal Lake Cree Nation
Other Programs
Schedule 10 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Prince Albert Grand Council | - | 11,179 | 154,242 |
| First Nations Trust | 1,200,000 | 1,261,762 | 1,327,413 |
| Other revenue | - | 140,590 | 156,655 |
| Northern Lights Community Development Corporation | - | 268,593 | 134,502 |
| Province of Saskatchewan | - | 93,750 | - |
| | 1,200,000 | 1,775,874 | 1,772,812 |
| Expenses | | | |
| Assistance | 72,960 | 762,256 | 350,062 |
| Automotive | - | 34,493 | 17,074 |
| Bank charges and interest | - | 50 | - |
| Community donations | 12,000 | 89,109 | 91,098 |
| Consulting | - | 5,500 | 13,900 |
| Contracted services | - | 109,951 | 92,845 |
| Funeral | - | 59,368 | 56,602 |
| Furniture and equipment | - | - | 2,500 |
| Honouraria | - | 7,357 | 7,826 |
| Janitorial | - | 10 | - |
| Meeting | - | 957 | - |
| Professional fees | - | - | 3,518 |
| Program expense | - | 155,345 | 14,735 |
| Renovations | - | - | 13,361 |
| Rent | - | - | 25,345 |
| Repairs and maintenance | - | 34,546 | 34,319 |
| Salaries and benefits | 27,377 | 28,646 | - |
| Student expenses | - | 2,065 | - |
| Supplies | - | 371,510 | 226,584 |
| Telephone | - | 5,109 | 34 |
| Training | - | 25,548 | 15,170 |
| Travel | - | 11,328 | 36,308 |
| Utilities | - | 37,979 | 8,121 |
| | 112,337 | 1,741,127 | 1,009,402 |
| Surplus before transfers | 1,087,663 | 34,747 | 763,410 |
| Transfers between programs | 200,000 | (819,506) | (937,549) |
| Deficit | 1,287,663 | (784,759) | (174,139) |

Montreal Lake Cree Nation
Ottawa Trust
Schedule 11 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|-------------------------|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Interest on trust funds | - | 1,241 | 1,234 |
| Surplus | - | 1,241 | 1,234 |

Montreal Lake Cree Nation
Post Secondary
Schedule 12 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|--|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Indigenous and Northern Affairs Canada | 1,294,565 | 1,309,694 | 1,294,565 |
| Expenses | | | |
| Automotive | - | 280 | 466 |
| Consulting | 1,246 | - | - |
| Contracted services | - | 3,008 | 1,319 |
| Furniture and equipment | - | 643 | - |
| Honouraria | 21,640 | 12,123 | 8,020 |
| Meeting | - | 872 | 119 |
| Office supplies | - | 2,424 | 488 |
| Repairs and maintenance | - | 456 | 2,446 |
| Salaries and benefits | 109,218 | 49,210 | 97,477 |
| Student expenses | 574,636 | 895,191 | 689,174 |
| Supplies | - | 3,059 | 3,403 |
| Telephone | 5,172 | 5,642 | 4,623 |
| Travel | 24,524 | 26,735 | 23,335 |
| Tuition | 216,000 | 401,053 | 350,716 |
| Utilities | 1,440 | 2,062 | 1,804 |
| | 953,876 | 1,402,758 | 1,183,390 |
| Surplus (deficit) | 470,145 | (93,064) | 111,175 |

Montreal Lake Cree Nation
Social Development
Schedule 13 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|---|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Indigenous and Northern Affairs Canada | 4,483,177 | 4,926,179 | 4,868,574 |
| Expenses | | | |
| Assistance | 4,071,044 | 4,820,048 | 4,843,757 |
| Automotive | - | 357 | 160 |
| Bank charges and interest | - | - | 15,733 |
| Consulting | - | 13,000 | 1,200 |
| Contracted services | - | 6,034 | 6,447 |
| Honouraria | - | 2,400 | 5,350 |
| Office supplies | 80,158 | 4,044 | 111 |
| Salaries and benefits | 47,294 | 185,699 | 259,128 |
| Supplies | - | 8,132 | 5,566 |
| Telephone | - | 2,405 | 1,106 |
| Training | - | 1,000 | 1,700 |
| Travel | 4,800 | 4,269 | 6,827 |
| Utilities | - | 24,453 | - |
| | 4,203,296 | 5,071,841 | 5,147,085 |
| Surplus (deficit) before transfers | 279,881 | (145,662) | (278,511) |
| Transfers between programs | - | (81,023) | - |
| Surplus (deficit) | 279,881 | (226,685) | (278,511) |

Montreal Lake Cree Nation
Social Support Services
Schedule 14 - Consolidated Schedule of Revenues and Expenses
For the year ended March 31, 2017

| | <i>2017 Budget (Note 18)</i> | <i>2017 Actual</i> | <i>2016 Actual</i> |
|--|--------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Health Canada | 2,962,130 | 4,329,765 | 4,025,399 |
| Indigenous and Northern Affairs Canada | 109,780 | 549,686 | 549,902 |
| Prince Albert Grand Council | 164,000 | 497,907 | 409,293 |
| Other revenue | 5,400 | 53,543 | 5,436 |
| | 3,241,310 | 5,430,901 | 4,990,030 |
| Expenses | | | |
| Administration | - | 53,993 | 433,003 |
| Amortization | - | 82,473 | 81,475 |
| Assistance | - | 104,644 | 27,614 |
| Automotive | 56,814 | 129,226 | 70,955 |
| Bank charges and interest | 5,305 | 7,951 | 1,839 |
| Community donations | 9,548 | 1,560 | 5,069 |
| Consulting | 29,455 | 96,372 | 177,779 |
| Contracted services | 165,930 | 74,848 | 86,872 |
| Elders support | 5,729 | - | - |
| Election | - | - | 135 |
| Furniture and equipment | - | 35,085 | 17,728 |
| Honouraria | 49,060 | 116,807 | 79,113 |
| Insurance | 9,700 | 12,195 | 15,992 |
| Janitorial | 9,548 | 5,086 | 5,172 |
| Meeting | - | 17,883 | 18,341 |
| Miscellaneous | - | 522 | 2,020 |
| Office supplies | 265,715 | 6,009 | 18,463 |
| Pharmacy | 113,898 | 125,247 | 68,939 |
| Professional fees | 15,914 | 63,935 | 57,236 |
| Program expense | 109,267 | 372,507 | 204,815 |
| Renovations | - | 37,749 | 68,660 |
| Rent | - | 700 | 1,680 |
| Repairs and maintenance | 15,036 | 27,725 | 26,324 |
| Salaries and benefits | 2,549,692 | 2,781,176 | 2,417,195 |
| Student expenses | - | 4,810 | 4,380 |
| Supplies | 92,716 | 848,638 | 648,514 |
| Telephone | 26,957 | 34,372 | 24,184 |
| Training | 121,192 | 87,965 | 71,506 |
| Travel | 150,849 | 258,379 | 133,972 |
| Utilities | 37,877 | 59,914 | 49,164 |
| | 3,840,202 | 5,447,771 | 4,818,139 |
| Surplus before transfers | (598,892) | (16,870) | 171,891 |
| Transfers between programs | (489,076) | 57,199 | 90,458 |
| Surplus | (1,087,968) | 40,329 | 262,349 |