

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

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

|   | <i>Page</i> |
|---|-------------|
| <b>Management's Responsibility for Financial Reporting.....</b> | 1           |
| <b>Independent Auditors' Report.....</b>                        | 2           |
| <br><b>Financial Statements</b>                                 |             |
| Consolidated Statement of Financial Position.....               | 3           |
| Consolidated Statement of Operations.....                       | 4 - 5       |
| Consolidated Statement of Accumulated Surplus.....              | 6           |
| Consolidated Statement of Change in Net Debt.....               | 7           |
| Consolidated Statement of Cash Flows.....                       | 8           |
| Notes to Consolidated Financial Statements.....                 | 9 - 32      |
| <br><b>Program schedules</b>                                    |             |
| Claims and Indian Government - Schedule #1.....                 | 33          |
| Community Infrastructure - Schedule #2.....                     | 34          |
| Economic Development - Schedule #3.....                         | 35          |
| Education - Schedule #4.....                                    | 36          |
| Indian Government Support - Schedule #5.....                    | 37          |
| Land Management - Schedule #6.....                              | 38          |
| Social Development - Schedule #7.....                           | 39          |
| Indian Registry - Schedule #8.....                              | 40          |
| Health Canada - Schedule #9.....                                | 41          |
| CMHC Operations - Schedule #10.....                             | 42          |
| Band Projects - Schedule #11.....                               | 43          |
| Amortization - Schedule #12.....                                | 45          |

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**Pasqua First Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2018*

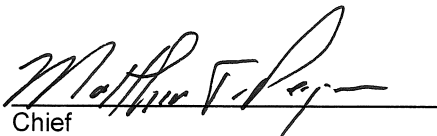
The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) and the reporting requirements of the funding agreement with Indigenous Services Canada (ISC). Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative 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.

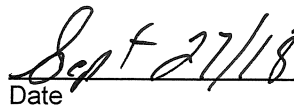
Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation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

  
Chief

  
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  
**Pasqua First Nation**

We have audited the accompanying consolidated financial statements of Pasqua 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 Pasqua 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 27, 2018**

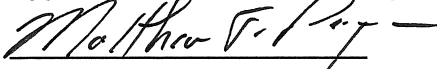
*Chalupiak & Associates*


**Chartered Professional Accountants**

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

|  | 2018          | 2017<br>Restated |
|--|---------------|------------------|
| <b>Financial Assets</b>  |               |                  |
| Cash (Note 3)  | \$ 336,429    | \$ 1,465,715     |
| Restricted cash - capital projects (Note 3)                    | 347,080       | 491,101          |
| Restricted cash - CMHC reserves (Note 3)                       | 835,539       | 817,385          |
| Trust funds held by federal government (Note 3 and 4)          | 42,369        | 37,513           |
| Accounts receivable (Notes 5 and 6)                            | 425,925       | 804,955          |
| Due from/to related parties (Note 7)                           | 272,583       | -                |
| Portfolio investments (Note 8)                                 | 71,319        | 71,319           |
| Investment in government business enterprises (Notes 9 and 10) | 2,200,754     | 3,983,212        |
|  | 4,531,998     | 7,671,200        |
| <b>Liabilities</b>   |               |                  |
| Accounts payable (Note 12)                                     | 866,731       | 633,664          |
| Deferred revenue - unexpended funds (Note 13)                  | 506,886       | 7,900            |
| Deferred revenue (Note 14)                                     | 2,244,478     | 2,651,355        |
| Due from/to related parties (Note 7)                           | -             | 88,043           |
| Current portion of long-term debt (Note 15)                    | 1,940,929     | 1,101,208        |
| Current portion of CMHC mortgages (Note 16)                    | 569,675       | 502,675          |
| Long-term debt (Note 15)                                       | 2,398,684     | 1,573,020        |
| CMHC mortgages (Note 16)                                       | 8,250,154     | 7,443,587        |
|  | 16,777,537    | 14,001,452       |
| <b>Net debt</b>  | (12,245,539)  | (6,330,252)      |
| <b>Non-financial Assets</b>                                    |               |                  |
| Capital assets (Note 17)                                       | 30,990,931    | 28,307,793       |
| Prepaid expenses (Note 18)                                     | 172,744       | 19,696           |
| Inventory (Note 19)  | 83,982        | 70,854           |
|  | 31,247,657    | 28,398,343       |
| <b>Accumulated Surplus</b> (Note 20)                           | \$ 19,002,118 | \$ 22,068,091    |

Approved on behalf of the Pasqua First Nation:





The accompanying notes are an integral part of the financial statements

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

|   | 2018<br>Budget    | 2018<br>Actual    | 2017<br>Restated  |
|---|-------------------|-------------------|-------------------|
| <b>Revenue</b>                                      |                   |                   |                   |
| Indigenous Services Canada                          | \$ -              | \$ -              | \$ 80,000         |
| Indigenous Services Canada - grant                  | 638,050           | 638,050           | 475,706           |
| Indigenous Services Canada - fixed                  | 3,917,529         | 3,915,332         | 4,073,291         |
| Indigenous Services Canada - set                    | 678,146           | 475,509           | 450,165           |
| Indigenous Services Canada - flexible               | 2,429,810         | 1,409,418         | 4,150,409         |
| ISC - prior period revenue (recovery)               | -                 | -                 | (28,059)          |
| ISC - current year receivable (payable)             | (32,672)          | (12,165)          | 26,484            |
| Funds earned & held in trust by federal government  | 128,000           | 136,656           | 137,483           |
| Health Canada                                       | 517,581           | 517,581           | 496,576           |
| CMHC  | 162,571           | 752,136           | 1,011,468         |
| First Nations Trust                                 | 697,479           | 697,479           | 687,523           |
| Loan proceeds - Pasqua First Nation Legacy Trust    | -                 | 891,076           | -                 |
| Pasqua Legacy Trust - annual income                 | -                 | 682,226           | 674,929           |
| Pasqua Treaty Land Entitlement - annual income      | -                 | -                 | 430               |
| Pasqua TLE Holdings Inc - annual income             | -                 | 178,483           | 130,641           |
| Pasqua TLE - annual income                          | -                 | 48,097            | 62,677            |
| PFN Group of Companies - annual income              | -                 | 216,803           | 641,879           |
| Government of Canada - native claims loan agreement | -                 | 214,533           | -                 |
| FHQ Tribal Council                                  | 421,796           | 350,576           | 371,750           |
| FSIN  | -                 | 135,500           | -                 |
| Government of Saskatchewan                          | 6,057             | 6,057             | -                 |
| Paskwa Pit Stop (sales less cost of sales)          | 1,229             | 458,182           | 401,769           |
| Equity gain (loss) in related business entities     | -                 | (1,422,448)       | 3,891,296         |
| Gain on disposal of investments                     | -                 | -                 | 141,144           |
| CDC revenue   | 11,217            | 11,217            | -                 |
| Interest revenue                                    | 152               | 18,651            | 6,778             |
| Rental income                                       | 49,680            | 279,403           | 361,084           |
| Keseechiwan Holdings LP                             | -                 | 60,000            | 60,000            |
| Enbridge  | -                 | 401,406           | -                 |
| Athabasca Basin Security LP                         | -                 | 52,767            | -                 |
| Other revenue                                       | 3,042,390         | 744,694           | 412,344           |
| Administration fees                                 | 142,864           | 233,159           | 177,036           |
| Unexpended funds transferred - prior year           | -                 | 402,695           | 737,661           |
| Deferred revenue - prior year                       | -                 | 2,732,691         | 27,282            |
| Deferred revenue - current year                     | -                 | (2,244,478)       | (2,651,355)       |
|   | <b>12,811,879</b> | <b>12,981,286</b> | <b>17,008,391</b> |
| <b>Expenses</b>                                     |                   |                   |                   |
| Claims and Indian Government (Schedule 1)           | 351,788           | 447,045           | 131,679           |
| Community Infrastructure (Schedule 2)               | 2,416,905         | 1,825,002         | 1,661,494         |
| Economic Development (Schedule 3)                   | 99,511            | 88,973            | 121,962           |
| Education (Schedule 4)                              | 3,493,961         | 3,467,314         | 2,865,583         |
| Indian Government Support (Schedule 5)              | 1,639,637         | 1,749,380         | 1,236,941         |
| Land Management (Schedule 6)                        | 111,434           | 115,970           | 110,542           |
| Social Development (Schedule 7)                     | 1,161,004         | 1,098,437         | 1,123,977         |
| Indian Registry (Schedule 8)                        | 16,906            | 16,906            | 16,024            |
| Health Canada (Schedule 9)                          | 533,187           | 540,103           | 510,676           |

The accompanying notes are an integral part of the financial statements

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

|   | 2018<br>Budget | 2018<br>Actual | 2017<br>Restated |
|---|----------------|----------------|------------------|
| CMHC Operations (Schedule 10)                       | 58,610         | 614,259        | 525,191          |
| Band Projects (Schedule 11)                         | 3,722,921      | 4,337,297      | 3,109,270        |
| Amortization (Schedule 12)                          | -              | 1,239,687      | 1,529,635        |
|   | 13,605,864     | 15,540,373     | 12,942,974       |
| <b>Current surplus (deficit) before other items</b> | (793,985)      | (2,559,087)    | 4,065,413        |
| <b>Other items</b>                                  |                |                |                  |
| Unexpended funds transferred to deferred revenue    | -              | (506,886)      | (7,900)          |
| <b>Current surplus (deficit)</b>                    | \$ (793,985)   | \$ (3,065,973) | \$ 4,057,513     |

The accompanying notes are an integral part of the financial statements

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

|                                     | 2018          | 2017<br>Restated |
|-------------------------------------|---------------|------------------|
| <b>Surplus at beginning of year</b> | \$ 22,068,091 | \$ 18,010,578    |
| <b>Current surplus (deficit)</b>    | (3,065,973)   | 4,057,513        |
| <b>Surplus at end of year</b>       | \$ 19,002,118 | \$ 22,068,091    |

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The accompanying notes are an integral part of the financial statements

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

|   | 2018<br>Budget        | 2018<br>Actual         | 2017<br>Actual        |
|---|-----------------------|------------------------|-----------------------|
| <b>Current surplus (deficit)</b>            | \$ (793,985)          | \$ (3,065,973)         | \$ 4,057,513          |
| Acquisition of tangible capital assets      | -                     | (3,947,764)            | (2,575,755)           |
| Amortization of tangible capital assets     | -                     | 1,264,626              | 1,552,858             |
|   | -                     | (2,683,138)            | (1,022,897)           |
| Acquisition of prepaid asset                | (172,744)             | (172,744)              | (19,696)              |
| Use of prepaid asset                        | 19,696                | 19,696                 | 18,548                |
|   | (153,048)             | (153,048)              | (1,148)               |
| Acquisition of inventory                    | (83,983)              | (83,983)               | (70,855)              |
| Use of inventory                            | 70,855                | 70,855                 | 93,197                |
|   | (13,128)              | (13,128)               | 22,342                |
| Increase (decrease) in net financial assets | (960,161)             | (5,915,287)            | 3,055,810             |
| Net debt at beginning of year               | (6,330,252)           | (6,330,252)            | (9,386,062)           |
| <b>Net debt at end of year</b>              | <b>\$ (7,290,413)</b> | <b>\$ (12,245,539)</b> | <b>\$ (6,330,252)</b> |

The accompanying notes are an integral part of the financial statements

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

|  | 2018           | 2017<br>Restated |
|--|----------------|------------------|
| <b>Cash flows from</b>                                   |                |                  |
| <b>Operating activities</b>                              |                |                  |
| Current surplus (deficit)                                | \$ (3,065,973) | \$ 4,057,513     |
| Items not affecting cash                                 |                |                  |
| Amortization   | 1,264,625      | 1,552,858        |
| Loss in investment in government business enterprises    | 1,422,448      | 275,251          |
| Gain on sale of portfolio investments                    | -              | (141,144)        |
|  | (378,900)      | 5,744,478        |
| Change in non-cash operating working capital             |                |                  |
| Accounts receivable                                      | 379,030        | (541,194)        |
| Inventory  | (13,128)       | 22,342           |
| Prepaid expenses   | (153,048)      | (1,148)          |
| Accounts payable   | 233,068        | 174,046          |
| Deferred revenue - unexpended funds                      | 498,986        | (54,582)         |
| Deferred revenue   | (406,877)      | 1,948,894        |
|  | 159,131        | 7,292,836        |
| <b>Capital activities</b>                                |                |                  |
| Purchase of capital assets                               | (3,947,764)    | (2,575,756)      |
| <b>Financing activities</b>                              |                |                  |
| Due from related entities                                | (360,626)      | (365,530)        |
| Repayment of long-term debt                              | (3,547,109)    | (1,079,454)      |
| Advances of long-term debt                               | 5,212,494      | 1,970,311        |
| Repayment of CMHC mortgages                              | (504,213)      | -                |
| Mortgage proceeds  | 1,377,779      | -                |
|  | 2,178,325      | 525,327          |
| <b>Investing activities</b>                              |                |                  |
| Restricted cash - trust funds held by federal government | (4,856)        | (10,733)         |
| Restricted cash - CMHC                                   | (18,154)       | (19,189)         |
| Restricted cash - capital projects                       | 144,021        | 254,619          |
| Proceeds on disposal of portfolio investments            | -              | 151,344          |
| Contributions to government business enterprises         | (50,000)       | (4,759,547)      |
| Contributions from government business enterprises       | 410,011        | 501,084          |
|  | 481,022        | (3,882,422)      |
| <b>Increase (decrease) in cash and cash equivalents</b>  | (1,129,286)    | 1,359,985        |
| <b>Cash and cash equivalents, beginning of year</b>      | 1,465,715      | 105,730          |
| <b>Cash and cash equivalents, end of year</b>            | \$ 336,429     | \$ 1,465,715     |
| <b>Represented by</b>                                    |                |                  |
| Cash   | \$ 336,429     | \$ 1,465,715     |

The accompanying notes are an integral part of the financial statements

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

**1. General**

The Pasqua First Nation ("the First Nation") is an Indian Band subject to the provisions of the Indian Act. These financial statements include the Pasqua First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements do not include the Treaty Land Entitlement (TLE) Trust or the Pasqua First Nation Legacy Trust; separate audited financial statements are prepared for these Trusts.

**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.

**(a) Reporting entity**

The Pasqua First Nation reporting entity includes the Pasqua 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 Pasqua 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 Pasqua First Nation.

Organizations consolidated in Pasqua First Nation's financial statements include:

Paskwa Pit Stop

Organizations accounted for on a modified equity basis include:

TLE Holdings Ltd.

PFN Group of Companies Inc. (includes the consolidation of Pro Metal Industries Ltd.)

**(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 asset 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.

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

**(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. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

**(f) Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits 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, 2018.

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

**(g) 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 Pasqua First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

|                 |                          |
|-----------------|--------------------------|
| Buildings       | 25 years Straight line   |
| Equipment       | 5 years Straight line    |
| Vehicles        | 3 years Straight line    |
| CMHC - houses   | 25 years Straight line   |
| Roads           | 40 years Straight line   |
| Infrastructure  | 40 years Straight line   |
| Band houses     | 20 years Straight line   |
| Paskwa Pit Stop | 2-25 years Straight line |

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

**(g) Tangible capital assets, continued**

Tangible capital assets are written down when conditions indicate that they no longer contribute to Pasqua 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.

**(h) Portfolio investments**

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

**(i) Trust funds**

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

- Capital Trust moneys derived from non-renewable resources transactions on the sale of land or other First Nation 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 on by the Government of Canada.

**(j) 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.

**(k) 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.

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

**(l) 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."

**(m) 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 being performed is deferred and recognized when the fee is earned or the service is performed.

**(n) Expense recognition**

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

**(o) Comparative figures**

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

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

**3. Cash and cash equivalents**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Pasqua 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. Cash and cash equivalents is comprised of the following:

Cash received to complete capital projects is held in separate bank accounts or guaranteed investment certificates.

Funds held in trust are held by the federal government in trust for the First Nation.

|  | 2018         | 2017         |
|--|--------------|--------------|
| Unrestricted cash  |              |              |
| General operations   | \$ 336,429   | \$ 1,465,715 |
| <hr/>  |              |              |
| Restricted cash - capital projects                           |              |              |
| Capital projects   | 347,080      | 491,101      |
| <hr/>  |              |              |
| Restricted cash - CMHC                                       |              |              |
| CMHC Replacement Reserve                                     | 823,074      | 807,716      |
| CMHC Operating Reserve                                       | 12,465       | 9,669        |
| <hr/>  |              |              |
|  | 835,539      | 817,385      |
| <hr/>  |              |              |
| Restricted cash - trust funds held by the federal government |              |              |
| Capital funds  | 11,545       | 11,545       |
| Revenue funds  | 30,824       | 25,968       |
| <hr/>  |              |              |
|  | 42,369       | 37,513       |
| <hr/>  |              |              |
|  | \$ 1,561,417 | \$ 2,811,714 |
| <hr/>  |              |              |

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

|                            | 2018      |    | 2018    |    | 2018      |    | 2017      |
|----------------------------|-----------|----|---------|----|-----------|----|-----------|
|                            | Revenue   |    | Capital |    | Total     |    | Total     |
| Surplus, beginning of year | \$ 25,968 | \$ | 11,545  | \$ | 37,513    | \$ | 26,780    |
| Withdrawals                | (131,800) |    | -       |    | (131,800) |    | (126,750) |
| Interest earnings          | 1,267     |    | -       |    | 1,267     |    | 2,221     |
| Land leases                | 135,389   |    | -       |    | 135,389   |    | 135,262   |
| <hr/>                      |           |    |         |    |           |    |           |
| Surplus, end of year       | \$ 30,824 | \$ | 11,545  | \$ | 42,369    | \$ | 37,513    |
| <hr/>                      |           |    |         |    |           |    |           |

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

**5. Accounts receivable**

|   | 2018              | 2017              |
|---|-------------------|-------------------|
| <b>Due from members</b>                                       |                   |                   |
| Staff and member advances and loans                           | \$ 79,092         | \$ 80,625         |
| <b>Due from others</b>  |                   |                   |
| FHQ Tribal Council  | 129,700           | 130,559           |
| Other   | 41,918            | 173,261           |
| Paskwa Pit Stop   | 17,023            | 44,920            |
|   | 188,641           | 348,740           |
| <b>Due from government and other government organizations</b> |                   |                   |
| ISC (Note 6)  | 161,082           | 286,268           |
| CMHC - subsidy  | 60,992            | 50,483            |
| CMHC - other  | 34,094            | 135,240           |
|   | 256,168           | 471,991           |
|   | 523,901           | 901,356           |
| Allowance for doubtful accounts                               | (97,976)          | (96,401)          |
|   | 425,925           | 804,955           |
| <b>Total accounts receivable</b>                              | <b>\$ 425,925</b> | <b>\$ 804,955</b> |

**6. Accounts receivable - ISC**

|                        | 2018              | 2017              |
|------------------------|-------------------|-------------------|
| Basic needs            | \$ -              | \$ 35,042         |
| Band employee benefits | 24,082            | 9,115             |
| IR80A claim            | 87,200            | -                 |
| Railway claim          | 49,800            | -                 |
| Institutional care     | -                 | 485               |
| Lagoon                 | -                 | 200,000           |
| Other                  | -                 | 41,626            |
|                        | \$ 161,082        | \$ 286,268        |
|                        | <b>\$ 161,082</b> | <b>\$ 286,268</b> |

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

**7. Due from/to related parties**

|  | 2018       | 2017        |
|--|------------|-------------|
| Due from (to) Pasqua TLE Holdings Inc. | \$ 169,026 | \$ (14,638) |
| Due to PFN Group of Companies Inc.     | 52,460     | (73,405)    |
| Due from TLE Trust                     | 48,097     | -           |
| Due from TLE                           | 3,000      | -           |
|  | \$ 272,583 | \$ (88,043) |

**8. Portfolio investments**

|   | 2018      | 2017      |
|---|-----------|-----------|
| Kinookimaw Beach Association                | \$ 579    | \$ 579    |
| IMI Brokerage Company Ltd. (4.5% ownership) | 9,800     | 9,800     |
| First Nations Bank                          | 940       | 940       |
| Keseechiwan Holdings LP (8.3% ownership)    | 60,000    | 60,000    |
|   | \$ 71,319 | \$ 71,319 |

**9. 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. 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.

The First Nation has investments in the following entities:

|                                    | Investment,<br>beginning of<br>the year<br>Restated | Contributions | Withdrawals  | Share of<br>Earnings<br>(Loss) | 2018<br>Investment,<br>end of the<br>year |
|------------------------------------|---|---------------|--------------|--------------------------------|---|
| Pasqua TLE Holdings Inc. (100%)    | \$ -  | \$ -          | \$ -         | \$ -                           | \$ -                                      |
| PFN Group of Companies Inc. (100%) | 3,983,212   | 50,000        | (410,010)    | (1,422,448)                    | 2,200,754                                 |
|                                    | \$ 3,983,212  | \$ 50,000     | \$ (410,010) | \$ (1,422,448)                 | \$ 2,200,754                              |

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

**10. Investment in government business enterprises - summary of activity**

The financial summary of the activities of the investments is as follows:

|                                     | Pasqua TLE<br>Holdings Inc.<br>As at<br>December 31,<br>2017 | PFN Group of<br>Companies Inc.<br>As at<br>December 31,<br>2017    | 2018 Total            | 2017 Total          |
|-------------------------------------|--|--|-----------------------|---------------------|
| Cash                                | \$ 182,010   | \$ 55,278  | \$ 237,288            | \$ 1,103,949        |
| Accounts receivable                 | -  | 1,318,119  | 1,318,119             | 1,038,136           |
| Prepaid                             | -  | 89,778   | 89,778                | 57,216              |
| Inventory                           | -  | 507,796  | 507,796               | 352,062             |
| Tangible capital assets             | -  | 3,385,065  | 3,385,065             | 2,744,962           |
| <b>Total assets</b>                 | <b>\$ 182,010</b>  | <b>\$ 5,356,036</b>  | <b>\$ 5,538,046</b>   | <b>\$ 5,296,325</b> |
| Bank indebtedness                   | \$ -   | \$ 1,148,629   | \$ 1,148,629          | \$ 541,562          |
| Accounts payable                    | 12,984   | 904,499  | 917,483               | 636,239             |
| Due to related parties              | 169,026  | 363,493  | 532,519               | 135,311             |
| Long term debt                      | -  | 738,663  | 738,663               | -                   |
| <b>Total liabilities</b>            | <b>182,010</b>   | <b>3,155,284</b>   | <b>3,337,294</b>      | <b>1,313,112</b>    |
| Contributed surplus                 | -  | 3,898,453  | 3,898,453             | 4,258,464           |
| Operating deficit                   | -  | (1,697,701)  | (1,697,701)           | (275,251)           |
| <b>Total equity</b>                 | <b>-</b>   | <b>2,200,752</b>   | <b>2,200,752</b>      | <b>3,983,213</b>    |
| <b>Total liabilities and equity</b> | <b>\$ 182,010</b>  | <b>\$ 5,356,036</b>  | <b>\$ 5,538,046</b>   | <b>\$ 5,296,325</b> |
|                                     | Pasqua TLE<br>Holdings Inc.<br>As at<br>December 31,<br>2017 | PFN Group of<br>Companies<br>Inc.<br>As at<br>December 31,<br>2017 | 2018 Total            | 2017 Total          |
| Revenue                             | \$ 223,210   | \$ 3,256,376   | \$ 3,479,586          | \$ 3,987,111        |
| Cost of sales                       | -  | 2,779,331  | 2,779,331             | 2,051,900           |
| Expenses                            | 223,210  | 1,899,493  | 2,122,703             | 2,210,462           |
| <b>Total expenses</b>               | <b>223,210</b>   | <b>4,678,824</b>   | <b>4,902,034</b>      | <b>4,262,362</b>    |
| <b>Net income</b>                   | <b>\$ -</b>  | <b>\$ (1,422,448)</b>  | <b>\$ (1,422,448)</b> | <b>\$ (275,251)</b> |

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

**11. Line of credit**

On March 31, 2018 the First Nation had an approved overdraft limits with Peace Hills Trust as follows:  
 General operation - \$100,000 at a rate of prime plus 2% - balance March 31, 2018 nil (2017 - nil) however there were issued cheques still outstanding at year end which makes the general ledger balance \$(55,762).

Housing - \$400,000 at a rate of prime plus 2% - balance March 31, 2018 \$400,000 (2017 - \$117,952).

Payroll - \$20,000 at 8% - balance March 31, 2018 \$17,961 (2017 - \$8,665).

**12. Accounts payable**

|   | 2018       | 2017       |
|---|------------|------------|
| <b>Due to members</b>                                       |            |            |
| Accrued wages   | \$ 127,221 | \$ -       |
| <hr/>   |            |            |
| <b>Due to others</b>  |            |            |
| General suppliers   | 650,366    | 615,899    |
| Accrued interest - long term debt                           | 31,239     | -          |
| Paskwa Pit Stop - trade payables                            | 25,968     | 17,765     |
| <hr/>   |            |            |
|   | 707,573    | 633,664    |
| <hr/>   |            |            |
| <b>Due to government and other government organizations</b> |            |            |
| ISC   | 21,247     | -          |
| Receiver General  | 10,690     | -          |
| <hr/>   |            |            |
|   | 31,937     | -          |
| <hr/>   |            |            |
|   | \$ 866,731 | \$ 633,664 |
| <hr/> <hr/>   |            |            |

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2018

**13. 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     |
|-----------------------------|------------|----------|
| Youth Work Experience       | \$ 7,711   | \$ -     |
| Asham's Beach Project       | 7,900      | 7,900    |
| High Cost Special Education | 290,502    | -        |
| Instructional Services      | 49,455     | -        |
| P&SD Community Development  | 35,614     | -        |
| RLEMP                       | 24,542     | -        |
| Special Needs               | 3,006      | -        |
| Last Mountain IR#80A Claim  | 43,318     | -        |
| Jordan's Principle          | 19,784     | -        |
| Railway Claim               | 25,054     | -        |
|                             | \$ 506,886 | \$ 7,900 |

**14. Deferred revenue**

|                                     | March 31,<br>2017 | Funding<br>received,<br>2018 | Revenue<br>recognized,<br>2018 | March 31,<br>2018 |
|-------------------------------------|-------------------|------------------------------|--------------------------------|-------------------|
| <b>Federal government</b>           |                   |                              |                                |                   |
| ISC - Lagoon expansion              | \$ 2,006,611      | \$ 154                       | \$ (305,804)                   | \$ 1,700,961      |
| ISC - High school addition          | 80,000            | -                            | (68,270)                       | 11,730            |
| ISC - Subdivision                   | 47,869            | -                            | (47,869)                       | -                 |
| ISC - Lot servicing                 | 88,903            | -                            | -                              | 88,903            |
| ISC - Capacity Development          | 101,766           | -                            | (2,838)                        | 98,928            |
| ISC - Band Based Capital            | 107,933           | 385,216                      | (344,364)                      | 148,785           |
| ISC - Renovations Immediate Needs   | -                 | 263,861                      | (71,690)                       | 192,171           |
| ISC - Solid Waste Feasibility Study | -                 | 23,250                       | (20,250)                       | 3,000             |
| CMHC - other programs               | 218,273           | 137,074                      | (355,347)                      | -                 |
|                                     | \$ 2,651,355      | \$ 809,555                   | \$ (1,216,432)                 | \$ 2,244,478      |

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

**15. Long-term debt**

|   | 2018       | 2017    |
|---|------------|---------|
| PHT Loan #41 - TLE litigation, Child & Family Welfare Services and Fort Qu'Appelle Hospital Lands Term Loan - bearing interest at 5.00%, monthly interest payments, principle due upon maturity, maturing April 1, 2019, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.         | \$ 423,076 | \$ -    |
| PHT Loan #42 - Post Secondary Term Loan - bearing interest at 5.00%, monthly interest payments, principle due upon maturity, maturing April 1, 2019, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.   | 300,000    | 300,000 |
| PHT Loan #43 - Vehicle purchases Term Loan - bearing interest at 5.00%, monthly blended payments of \$1,770 maturing April 1, 2020, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.  | 38,955     | 56,198  |
| RBC demand loan bearing interest at 5.99% per annum, repayable in monthly blended payments of \$530, matures on September 30, 2021.   | 20,032     | 25,026  |
| PHT Loan #30 - CMHC Replacement Reserve Term Loan - bearing interest at 4.50%, quarterly blended payments of \$11,150 maturing July 1, 2018, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.   | 22,361     | 54,274  |
| PHT Loan #32 - Premium Gas Tank Term Loan - bearing interest at 6.00%, monthly blended payments of \$1,933 maturing December 1, 2017, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.  | -          | 15,103  |
| PHT Loan #36 - Railway Claim and Debt Consolidation Term Loan - approved facility agreement \$300,000, partially disbursed, bearing interest at 3.75%, monthly interest only payments, maturing September 1, 2017, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.               | -          | 44,567  |
| PHT Loan #37 - Surrender Claim and Debt Consolidation Term Loan - bearing interest at 3.75%, monthly interest only payments, annual payment \$675,000 from Pasqua First Nation Legacy Trust Revenue, maturing September 1, 2018, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop. | 658,980    | 520,869 |
| PHT Loan #39 - Bridge legal costs regarding TLE litigation - bearing interest at prime plus 1.0%, monthly interest payments and annual principle payment of \$30,000 maturing May 1, 2020, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.                                       | 276,209    | 307,107 |

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

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

|  | 2018         | 2017         |
|--|--------------|--------------|
| PHT Loan #40 - to fund CMHC account and payables - bearing interest at 6.00%, quarterly blended payments of \$108,750, maturing October 1, 2020, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.  | -            | 1,351,084    |
| PHT Loan #45 - Rewrite loan #40 and Trust Settlement negotiation legal fees bearing interest at 6.00%, quarterly blended payments of \$150,046 maturing January 1, 2023, secured by assignment of First Nations Trust, ISC, assets of Paskwa Pit Stop, Seniors and Cultural buildings, Elder homes and Economic development funds. | 2,600,000    | -            |
|  | 4,339,613    | 2,674,228    |
| Current portion  | 1,940,929    | 1,101,208    |
|  | \$ 2,398,684 | \$ 1,573,020 |

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

|                     |              |
|---------------------|--------------|
| 2019                | \$ 1,940,929 |
| 2020                | 538,670      |
| 2021                | 549,491      |
| 2022                | 578,145      |
| 2023 and thereafter | 732,378      |
|                     | \$ 4,339,613 |

|   | 2018       | 2017       |
|---|------------|------------|
| Interest expense for the year on long-term debt | \$ 172,544 | \$ 123,490 |

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

**16. CMHC mortgages**

|                             | Phase<br>number | Maturity<br>date | Interest<br>rate | Blended<br>monthly<br>payments | 2018                | 2017                |
|-----------------------------|-----------------|------------------|------------------|--------------------------------|---------------------|---------------------|
| Peace Hills Trust           | 1               | 01-Oct-2018      | 5.34%            | \$ 2,948                       | \$ 20,380           | \$ 53,872           |
| Peace Hills Trust           | 3               | 01-Apr-2018      | 5.14%            | 1,530                          | 1,460               | 19,326              |
| CMHC                        | 4               | 01-Mar-<br>2020  | 1.39%            | 646                            | 15,277              | 22,758              |
| CMHC                        | 5               | 01-Mar-<br>2020  | 1.39%            | 684                            | 16,181              | 24,105              |
| CMHC                        | 6               | 01-Jun-2025      | 1.08%            | 1,612                          | 134,861             | 152,649             |
| CMHC                        | 7               | 01-Aug-<br>2027  | 1.84%            | 1,003                          | 103,998             | 114,061             |
| CMHC                        | 8               | 01-Apr-2023      | 2.41%            | 1,115                          | 118,063             | 128,953             |
| CMHC                        | 9               | 01-Jan-2030      | 1.12%            | 1,249                          | 166,088             | 179,144             |
| CMHC                        | 10              | 01-Mar-<br>2026  | 1.14%            | 3,687                          | 338,122             | 378,267             |
| CMHC                        | 11              | 01-Jul-2031      | 1.14%            | 5,336                          | 791,755             | 846,440             |
| CMHC                        | 12              | 01-Jun-2032      | 1.30%            | 1,787                          | 278,872             | 296,460             |
| CMHC                        | 13              | 01-Jun-2032      | 1.30%            | 3,575                          | 557,845             | 593,025             |
| CMHC                        | 14              | 01-Dec-<br>2038  | 2.11%            | 8,576                          | 1,727,228           | 1,793,091           |
| CMHC                        | 15              | 01-Aug-<br>2039  | 1.85%            | 1,041                          | 220,576             | 228,914             |
| CMHC                        | 16              | 01-May-<br>2031  | 1.21%            | 9,312                          | 1,359,692           | 1,454,402           |
| CMHC                        | 17              | 01-May-<br>2031  | 1.21%            | 5,401                          | 788,683             | 843,619             |
| CMHC                        | 18              | 01-Jun-2031      | 1.14%            | 1,385                          | 204,321             | 218,528             |
| CMHC                        | 19              | 01-Mar-<br>2033  | 2.39%            | 10,571                         | 1,599,000           | 598,648             |
| CMHC advances               | 20              |                  |                  | -                              | 377,427             | -                   |
|                             |                 |                  |                  |                                | 8,819,829           | 7,946,262           |
| <u>Less current portion</u> |                 |                  |                  |                                | <u>569,675</u>      | <u>502,675</u>      |
|                             |                 |                  |                  |                                | <u>\$ 8,250,154</u> | <u>\$ 7,443,587</u> |

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

**17. Tangible capital assets**

|                              | Cost                 | Additions           | Disposals           | Accumulated<br>amortization | 2018<br>Net book<br>value |
|------------------------------|----------------------|---------------------|---------------------|-----------------------------|---------------------------|
| Land                         | \$ 8,209,300         | \$ -                | \$ -                | \$ -                        | \$ 8,209,300              |
| Buildings                    | 10,024,525           | 1,606,225           | -                   | 6,084,512                   | 5,546,238                 |
| Equipment                    | 692,043              | 66,010              | -                   | 675,791                     | 82,262                    |
| Vehicles                     | 464,243              | -                   | -                   | 409,856                     | 54,387                    |
| CMHC - houses                | 11,968,977           | 1,591,061           | -                   | 4,327,479                   | 9,232,559                 |
| Roads                        | 1,639,635            | -                   | -                   | 319,006                     | 1,320,629                 |
| Infrastructure               | 3,625,922            | -                   | -                   | 1,339,416                   | 2,286,505                 |
| Band houses                  | 10,224,556           | -                   | -                   | 9,344,243                   | 880,313                   |
| Paskwa Pit Stop              | 583,975              | 1,243               | -                   | 451,827                     | 133,391                   |
| Assets Under<br>Construction | 2,562,121            | 2,171,922           | 1,488,697           | -                           | 3,245,346                 |
|                              | <b>\$ 49,995,297</b> | <b>\$ 5,436,461</b> | <b>\$ 1,488,697</b> | <b>\$ 22,952,130</b>        | <b>\$ 30,990,930</b>      |

|                              | Cost                 | Additions           | Disposals         | Accumulated<br>amortization | 2017<br>Net book<br>value |
|------------------------------|----------------------|---------------------|-------------------|-----------------------------|---------------------------|
| Land                         | \$ 8,209,300         | \$ -                | \$ -              | \$ -                        | \$ 8,209,300              |
| Buildings                    | 10,024,525           | -                   | -                 | 5,656,485                   | 4,368,040                 |
| Equipment                    | 678,043              | 14,000              | -                 | 644,175                     | 47,868                    |
| Vehicles                     | 380,625              | 83,619              | -                 | 380,061                     | 84,182                    |
| CMHC - houses                | 11,329,887           | 639,090             | -                 | 3,781,174                   | 8,187,803                 |
| Roads                        | 1,639,635            | -                   | -                 | 278,015                     | 1,361,620                 |
| Infrastructure               | 4,348,996            | -                   | 723,074           | 1,256,492                   | 2,369,429                 |
| Band houses                  | 10,224,556           | -                   | -                 | 9,264,214                   | 960,342                   |
| Paskwa Pit Stop              | 585,324              | -                   | 1,349             | 426,888                     | 157,087                   |
| Assets Under<br>Construction | -                    | 2,562,121           | -                 | -                           | 2,562,121                 |
|                              | <b>\$ 47,420,891</b> | <b>\$ 3,298,830</b> | <b>\$ 724,423</b> | <b>\$ 21,687,504</b>        | <b>\$ 28,307,792</b>      |

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

**18. Prepaid expenses**

|                                 | 2018              | 2017             |
|---------------------------------|-------------------|------------------|
| Insurance                       | \$ 16,841         | \$ 13,327        |
| Post Secondary living allowance | 3,290             | -                |
| Social development              | 30,433            | -                |
| Software support                | 8,300             | -                |
| Paskwa Pit Stop insurance       | 5,374             | 6,369            |
| Playstructure                   | 108,506           | -                |
|                                 | <u>\$ 172,744</u> | <u>\$ 19,696</u> |

**19. Inventory**

|                 | 2018      | 2017      |
|-----------------|-----------|-----------|
| Paskwa Pit Stop | \$ 83,982 | \$ 70,854 |

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

**20. Accumulated surplus**

|   | 2018                 | 2017<br>Restated     |
|---|----------------------|----------------------|
| Restricted                                |                      |                      |
| Invested in tangible capital assets       | \$ 22,112,115        | \$ 20,265,203        |
| Funds held in trust by federal government | 42,369               | 37,513               |
| Portfolio investments                     | 71,319               | 71,319               |
| Invested in business ventures             | 2,200,754            | 3,983,212            |
| CMHC reserves                             | 737,500              | 773,837              |
| Unrestricted                              |                      |                      |
| Operating surplus (deficit)               | (6,161,939)          | (3,062,993)          |
|   | <b>\$ 19,002,118</b> | <b>\$ 22,068,091</b> |

Capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services.

Investments in related entities represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

Trust funds held by federal government are monies held by the federal government for use by the First Nation for specific purposes.

Operating surplus (deficit) represents future revenue required for past operational activities.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**

*March 31, 2018*

**21. Prior period restatement**

The comparative figures have been retroactively restated to reflect the investment in PFN Group of Companies. Pasqua First Nation received money from the Legacy Trust to purchase Pro Metal Industries Inc. The company was purchased by PFN Group of Companies Inc.

|  | As previously<br>stated in 2017 | Adjustments<br>Increase<br>(Decrease) | Restated<br>2017 |
|--|---------------------------------|---------------------------------------|------------------|
| <b>Consolidated Statement of Financial Position</b>  |                                 |                                       |                  |
| Financial assets                                     |                                 |                                       |                  |
| Investment in government business enterprises        | \$ -                            | \$ 3,983,212                          | \$ 3,983,212     |
| Liabilities  |                                 |                                       |                  |
| liabilities of controlled business entities          | 275,251                         | (275,251)                             | -                |
| Net debt   | (10,588,713)                    | 4,269,054                             | (6,319,659)      |
| Accumulated surplus                                  | 17,809,628                      | 4,269,054                             | 22,078,682       |
| <b>Consolidated Statement of Operations</b>          |                                 |                                       |                  |
| Revenue  |                                 |                                       |                  |
| Earnings (loss) on investment in GBE                 | (275,251)                       | 4,177,138                             | 3,901,887        |
| Expenses   |                                 |                                       |                  |
| Contribution to PFN Group of Companies Inc.          | 593,000                         | (593,000)                             | -                |
| Annual loan payment - Legacy Trust                   | -                               | 501,084                               | 501,084          |
| Current year surplus (deficit)                       | (200,952)                       | 4,258,465                             | 4,057,513        |
| <b>Consolidated Statement of Accumulated surplus</b> |                                 |                                       |                  |
| Accumulated surplus                                  | 17,809,628                      | 4,269,054                             | 22,078,682       |
| <b>Consolidated Statement of Net Debt</b>            |                                 |                                       |                  |
| Annual deficit                                       | (200,952)                       | 4,258,465                             | 4,057,513        |
| Net debt, end of year                                | (10,588,713)                    | 4,269,054                             | (6,319,659)      |
| <b>Consolidated Statement of Cash Flows</b>          |                                 |                                       |                  |
| Operating activities                                 |                                 |                                       |                  |
| Annual deficit                                       | (200,952)                       | 4,258,465                             | 4,057,513        |
| Investing activities                                 |                                 |                                       |                  |
| Contributions to government business enterprises     | -                               | 4,759,547                             | 4,759,547        |
| Contributions from government business enterprises   | \$ -                            | \$ 501,084                            | \$ 501,084       |

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

**22. Indigenous Services Canada (ISC) reconciliation**

|                                     | 2018         | 2017         |
|-------------------------------------|--------------|--------------|
| ISC revenue per agreement           | \$ 6,447,424 | \$ 9,210,176 |
| Prior period revenue (recovery)     |              |              |
| P&ID                                | (15,000)     | -            |
| Business development                | -            | (23,664)     |
| Prior period receivable (payable)   |              |              |
| Basic needs                         | -            | (7,935)      |
| Band employee benefits              | (9,115)      | (1,657)      |
| Current year receivable (payable)   |              |              |
| Basic needs                         | -            | 54,212       |
| Band employee benefits              | 24,082       | 1,566        |
| Special needs                       | -            | 1,753        |
| Special needs (PAYE)                | -            | (6,000)      |
| Institutional care                  | (21,247)     | -            |
| National child benefit reinvestment | -            | (455)        |
|                                     | \$ 6,426,144 | \$ 9,227,996 |

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

**23. Government Transfers**

| 2018                                    |                     |                   |                     |
|---|---------------------|-------------------|---------------------|
|   | Operating           | Capital           | Total               |
| <b>Federal government transfers</b>     |                     |                   |                     |
| Indigenous Services Canada (ISC)        | \$ 5,858,401        | \$ 567,743        | \$ 6,426,144        |
| Health Canada                           | 517,581             | -                 | 517,581             |
| Canada Mortgage and Housing Corporation | 635,388             | 116,748           | 752,136             |
| <b>Total</b>                            | <b>7,011,370</b>    | <b>684,491</b>    | <b>7,695,861</b>    |
| <b>Provincial government transfers</b>  |                     |                   |                     |
|   | -                   | -                 | -                   |
| <b>Total</b>                            | <b>\$ 7,011,370</b> | <b>\$ 684,491</b> | <b>\$ 7,695,861</b> |

| 2017                                    |                     |                     |                      |
|---|---------------------|---------------------|----------------------|
|   | Operating           | Capital             | Total                |
| <b>Federal government transfers</b>     |                     |                     |                      |
| Indigenous Services Canada (ISC)        | \$ 6,270,303        | \$ 2,957,693        | \$ 9,227,996         |
| Health Canada                           | 553,163             | -                   | 553,163              |
| Canada Mortgage and Housing Corporation | 660,357             | 500,407             | 1,160,764            |
| <b>Total</b>                            | <b>7,483,823</b>    | <b>3,458,100</b>    | <b>10,941,923</b>    |
| <b>Provincial government transfers</b>  |                     |                     |                      |
|   | -                   | -                   | -                    |
| <b>Total</b>                            | <b>\$ 7,483,823</b> | <b>\$ 3,458,100</b> | <b>\$ 10,941,923</b> |

**24. Contingent liabilities**

Pasqua 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, Pasqua 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 Pasqua First Nation's financial statements.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**

*March 31, 2018*

**25. Contractual Obligations**

The nature of Pasqua First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments when the goods or services are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

|                                   | 2018<br>Monthly<br>payments |
|-----------------------------------|-----------------------------|
| Finning CAT - Caterpillar 160M BR | \$ 4,424                    |
| RCAP Leasing                      | 180                         |
| Sasktel                           | 464                         |
| Sasktel                           | 425                         |
| Wells Fargo                       | 1,585                       |
| Xerox                             | 559                         |
| <hr/>                             |                             |
| Total                             | \$ 7,637                    |

**26. CMHC reserves and restricted cash**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts; as of March 31, 2018 the reserves were fully funded (2017 - fully funded).

**27. Related party transactions**

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

**28. Subsequent events**

Pasqua First Nation has been negotiating a 1906 Surrender Claim with Canada which has been settled subsequent to year end for \$145,000,000.

**29. Employee benefit obligations**

**Vacation and overtime**

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year. There is no liability recorded in these statements for vacation or overtime.

**Post-employment benefits**

Pasqua First Nation does not provide extended health, dental and life insurance benefits to retired employees and therefore has no obligations with regards to post employment benefits.

**Pension plan**

Pasqua First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 3% of their salary up to a maximum of 10% of their basic salary. Pasqua First Nation contributes a matching portion which is directed to the member's contribution account. Pasqua First Nation does not have any other obligations with regards to the pension plan as at March 31, 2018.

**30. Fair value**

The fair value of the financial assets (except the investments), and current liabilities approximates their carrying value due to their short term nature. It is not practical to determine fair value for the investments with sufficient reliability because of the limited market for them. The fair value of the First Nation's long-term debt approximates cost due to either the short-term nature (either to term or to renewal) or has interest floating at market rates.

**31. Interest rate risk**

The First Nation is not exposed to significant interest rate risk on its monetary assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long term debt that has a fixed interest rate.

**32. Budgeted figures**

Budgeted figures are unaudited and have been provided for comparison purposes and derived from the estimates approved by the Pasqua First Nation.

**33. Economic dependence**

The First Nation receives a substantial amount of its funding from Indigenous Services Canada ("ISC") as a result of treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

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

**34. Expenses by object**

|  | 2018<br>Budget       | 2018<br>Actual       | 2017<br>Restated     |
|--|----------------------|----------------------|----------------------|
| Administration                             | \$ 177,007           | \$ 290,097           | \$ 212,530           |
| Amortization                               | -                    | 1,239,687            | 1,529,635            |
| Annual loan payment - Legacy Trust         | -                    | 517,822              | 501,084              |
| Assistance - social development            | 696,825              | 658,824              | 679,618              |
| Assistance - band members                  | 345,824              | 337,662              | 237,150              |
| Bad debts (recovery)                       | -                    | 1,576                | 24,569               |
| Band development                           | -                    | 1,500                | 64,538               |
| Bank charges and supplier interest         | 76,050               | 100,954              | 36,756               |
| Consultants and contractors                | 2,535,283            | 5,802,703            | 1,695,217            |
| Cost share - allocated from other programs | 735,740              | 154,050              | 120,749              |
| Cultural programs                          | 620,620              | 617,156              | 334,950              |
| Equipment purchases                        | 5,829                | 5,829                | 4,395                |
| First Nations Trust                        | 216,379              | -                    | 109,996              |
| Fuel                                       | 67,978               | 67,977               | 69,066               |
| Graduation, awards, prizes                 | 61,686               | 63,316               | 31,786               |
| Honorariums                                | 307,200              | 307,200              | 354,224              |
| Insurance                                  | 123,350              | 171,131              | 184,673              |
| Janitorial supplies                        | 6,302                | 6,302                | 5,043                |
| Last Mountain IR#80A claim expenses        | 45,000               | 57,010               | 60,505               |
| Long term debt - interest paid             | 989,512              | 327,717              | 233,884              |
| Other expenses                             | 3,816                | 7,571                | 20,471               |
| Paskwa Pit Stop                            | 1,229                | 411,075              | 350,585              |
| Prior year unexpended funds                | -                    | 476,131              | -                    |
| Professional fees                          | 336,103              | 997,657              | 233,341              |
| Program expenses                           | 79,097               | 79,206               | 102,809              |
| Recreational activities                    | 21,321               | 253,235              | 91,608               |
| Registration fees                          | -                    | -                    | 105                  |
| Repairs and maintenance                    | 458,576              | 703,676              | 666,756              |
| Student allowance                          | 550,491              | 550,491              | 653,668              |
| Supplies                                   | 298,395              | 289,715              | 342,836              |
| Telephone                                  | 32,470               | 32,409               | 25,716               |
| Training                                   | 56,046               | 55,131               | 44,035               |
| Travel - medical transportation            | 24,075               | 24,075               | 28,723               |
| Travel, meetings, per diems                | 508,411              | 519,649              | 581,939              |
| Tuition                                    | 483,018              | 483,618              | 380,504              |
| Utilities                                  | 178,613              | 178,615              | 142,393              |
| Wages and benefits                         | 3,558,233            | 3,685,642            | 2,787,117            |
| Winter/summer games                        | 5,385                | 5,385                | -                    |
| Youth                                      | -                    | 5,100                | -                    |
| Transfer to capital assets                 | -                    | (3,946,521)          | -                    |
|  | <b>\$ 13,605,864</b> | <b>\$ 15,540,373</b> | <b>\$ 12,942,974</b> |

**35. Segmented information**

As previously discussed in note 2 (k) 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 labor 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.

**35. 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**  
**Pasqua First Nation**  
**Claims and Indian Government**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

|   | 2018<br>Budget | 2018<br>Actual      | 2017<br>Actual     |
|---|----------------|---------------------|--------------------|
| <b>Revenue</b>                                      |                |                     |                    |
| Government of Canada - native claims loan agreement | \$ -           | \$ 214,533          | \$ -               |
| Indigenous Services Canada - set                    | 306,788        | 137,000             | 113,783            |
| Other revenue                                       | 45,000         | -                   | -                  |
|   | <b>351,788</b> | <b>351,533</b>      | <b>113,783</b>     |
| <b>Expenses</b>                                     |                |                     |                    |
| Administration                                      | -              | 5,000               | 3,750              |
| Last Mountain IR#80A claim expenses                 | 45,000         | 57,010              | 60,505             |
| Long term debt - interest paid                      | -              | 752                 | -                  |
| Professional fees                                   | 277,644        | 355,139             | 31,400             |
| Supplies  | -              | -                   | 6,780              |
| Travel, meetings, per diems                         | 29,144         | 29,144              | 29,244             |
|   | <b>351,788</b> | <b>447,045</b>      | <b>131,679</b>     |
| <b>Current deficit before other items</b>           | <b>-</b>       | <b>(95,512)</b>     | <b>(17,896)</b>    |
| <b>Other items</b>                                  |                |                     |                    |
| Unexpended funds transferred to deferred revenue    | -              | (68,372)            | -                  |
| <b>Current deficit</b>                              | <b>\$ -</b>    | <b>\$ (163,884)</b> | <b>\$ (17,896)</b> |

The accompanying notes are an integral part of the financial statements

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

|   | 2018<br>Budget      | 2018<br>Actual      | 2017<br>Restated    |
|---|---------------------|---------------------|---------------------|
| <b>Revenue</b>                                    |                     |                     |                     |
| Indigenous Services Canada                        | \$ -                | \$ -                | \$ 80,000           |
| Indigenous Services Canada - fixed                | 425,355             | 425,355             | 416,687             |
| Indigenous Services Canada - set                  | 23,250              | -                   | 41,354              |
| Indigenous Services Canada - flexible             | 1,553,091           | 567,741             | 3,326,214           |
| CMHC  | 125,408             | 137,074             | 164,819             |
| Interest revenue                                  | 152                 | 154                 | 6,596               |
| Other revenue                                     | 185,067             | 106,028             | 15,523              |
| Unexpended funds transferred - prior year         | -                   | -                   | 702,461             |
| Deferred revenue - prior year                     | -                   | 2,732,691           | -                   |
| Deferred revenue - current year                   | -                   | (2,244,478)         | (2,651,355)         |
|   | <b>2,312,323</b>    | <b>1,724,565</b>    | <b>2,102,299</b>    |
| <b>Expenses</b>                                   |                     |                     |                     |
| Administration                                    | 31,744              | 31,744              | 32,145              |
| Bank charges and supplier interest                | 35,355              | 35,928              | 67                  |
| Consultants and contractors                       | 1,181,044           | 2,957,440           | 461,268             |
| Equipment purchases                               | 5,829               | 5,829               | 4,395               |
| Fuel  | 66,495              | 66,496              | 67,981              |
| Insurance   | 23,028              | 23,027              | 17,247              |
| Other expenses                                    | 939                 | 939                 | -                   |
| Repairs and maintenance                           | 369,215             | 361,113             | 388,994             |
| Supplies  | 29,793              | 27,501              | 42,898              |
| Telephone   | 3,100               | 3,100               | 3,050               |
| Training  | 10,258              | 10,008              | 33,067              |
| Travel, meetings, per diems                       | 43,556              | 43,556              | 48,344              |
| Utilities   | 72,945              | 72,946              | 78,471              |
| Wages and benefits                                | 543,604             | 555,296             | 483,566             |
| Transfer to capital assets                        | -                   | (2,369,923)         | -                   |
|   | <b>2,416,905</b>    | <b>1,825,000</b>    | <b>1,661,493</b>    |
| <b>Current surplus (deficit) before transfers</b> | <b>(104,582)</b>    | <b>(100,435)</b>    | <b>440,806</b>      |
| <b>Transfers</b>                                  |                     |                     |                     |
| Transfer - Other Band Programs                    | -                   | 317,694             | -                   |
| Transfer - Amortization                           | -                   | (397,152)           | (753,412)           |
| <b>Current deficit</b>                            | <b>\$ (104,582)</b> | <b>\$ (179,893)</b> | <b>\$ (312,606)</b> |

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Pasqua First Nation**  
**Economic Development**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|   | 2018<br>Budget     | 2018<br>Actual    | 2017<br>Restated  |
|---|--------------------|-------------------|-------------------|
| <b>Revenue</b>                                    |                    |                   |                   |
| Indigenous Services Canada - fixed                | \$ -               | \$ -              | \$ 593,000        |
| FHQ Tribal Council                                | 86,411             | 86,411            | 86,411            |
| Other revenue                                     | 20                 | 20                | -                 |
| Unexpended funds transferred - prior year         | -                  | 7,900             | 35,200            |
|   | <b>86,431</b>      | <b>94,331</b>     | <b>714,611</b>    |
| <b>Expenses</b>                                   |                    |                   |                   |
| Administration                                    | 8,641              | 8,641             | 8,641             |
| Assistance to band members                        | 11,238             | 11,239            | 41,370            |
| Consultants and contractors                       | 60,730             | 58,811            | 66,179            |
| Program expenses                                  | 1,074              | -                 | 750               |
| Registration fees                                 | -                  | -                 | 105               |
| Repairs and maintenance                           | 7,656              | 7,656             | -                 |
| Supplies  | 1,109              | 1,013             | 356               |
| Travel, meetings, per diems                       | 9,063              | 1,613             | 4,561             |
|   | <b>99,511</b>      | <b>88,973</b>     | <b>121,962</b>    |
| <b>Current surplus before other items</b>         | <b>(13,080)</b>    | <b>5,358</b>      | <b>592,649</b>    |
| <b>Other items</b>                                |                    |                   |                   |
| Unexpended funds transferred to deferred revenue  | -                  | (7,900)           | (7,900)           |
| <b>Current surplus (deficit) before transfers</b> | <b>(13,080)</b>    | <b>(2,542)</b>    | <b>584,749</b>    |
| <b>Transfers</b>                                  |                    |                   |                   |
| Transfer - Amortization                           | -                  | (2,830)           | -                 |
| <b>Current surplus (deficit)</b>                  | <b>\$ (13,080)</b> | <b>\$ (5,372)</b> | <b>\$ 584,749</b> |

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Pasqua First Nation**  
**Education**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|   | 2018<br>Budget      | 2018<br>Actual      | 2017<br>Actual      |
|---|---------------------|---------------------|---------------------|
| <b>Revenue</b>                                      |                     |                     |                     |
| Indigenous Services Canada - fixed                  | \$ 3,140,449        | \$ 3,140,449        | \$ 2,769,634        |
| Indigenous Services Canada - set                    | 29,835              | 29,835              | 3,500               |
| ISC - prior period revenue (recovery)               | -                   | -                   | (16,766)            |
| FHQ Tribal Council                                  | 27,128              | 38,548              | -                   |
| Unexpended funds transferred - prior year           | -                   | 354,668             | -                   |
|   | <b>3,197,412</b>    | <b>3,563,500</b>    | <b>2,756,368</b>    |
| <b>Expenses</b>                                     |                     |                     |                     |
| Administration                                      | 59,118              | 118,127             | 88,078              |
| Assistance to band members                          | -                   | -                   | 400                 |
| Consultants and contractors                         | 343,072             | 237,767             | 207,919             |
| Cultural programs                                   | 1,147               | 1,147               | 1,388               |
| Fuel  | 1,483               | 1,482               | 1,085               |
| Graduation, awards, prizes                          | 26,303              | 27,933              | 29,290              |
| Insurance   | 4,483               | 4,378               | 5,668               |
| Janitorial supplies                                 | 6,302               | 6,302               | 5,043               |
| Other expenses                                      | -                   | -                   | 1,400               |
| Program expenses                                    | 33,629              | 33,629              | -                   |
| Recreational activities                             | 1,744               | 1,744               | -                   |
| Repairs and maintenance                             | 39,110              | 39,111              | 41,338              |
| Student allowance                                   | 550,491             | 550,491             | 653,668             |
| Supplies  | 200,030             | 181,244             | 189,224             |
| Telephone   | 1,601               | 1,601               | 1,950               |
| Training  | 300                 | 300                 | 201                 |
| Travel, meetings, per diems                         | 50,698              | 50,698              | 51,402              |
| Tuition   | 483,018             | 483,018             | 379,454             |
| Utilities   | 45,501              | 45,501              | 42,768              |
| Wages and benefits                                  | 1,645,931           | 1,700,341           | 1,165,309           |
| Transfer to capital assets                          | -                   | (17,500)            | -                   |
|   | <b>3,493,961</b>    | <b>3,467,314</b>    | <b>2,865,585</b>    |
| <b>Current surplus (deficit) before other items</b> | <b>(296,549)</b>    | <b>96,186</b>       | <b>(109,217)</b>    |
| <b>Other items</b>                                  |                     |                     |                     |
| Unexpended funds transferred to deferred revenue    | -                   | (367,452)           | -                   |
| <b>Current deficit before transfers</b>             | <b>(296,549)</b>    | <b>(271,266)</b>    | <b>(109,217)</b>    |
| <b>Transfers</b>                                    |                     |                     |                     |
| Transfer - Other Band Programs                      | -                   | 266,010             | -                   |
| Transfer - Amortization                             | -                   | (234,153)           | (223,629)           |
| <b>Current deficit</b>                              | <b>\$ (296,549)</b> | <b>\$ (239,409)</b> | <b>\$ (332,846)</b> |

The accompanying notes are an integral part of the financial statements

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

|  | 2018<br>Budget      | 2018<br>Actual      | 2017<br>Actual      |
|--|---------------------|---------------------|---------------------|
| <b>Revenue</b>                                   |                     |                     |                     |
| Indigenous Services Canada - grant               | \$ 638,050          | \$ 638,050          | \$ 475,706          |
| Indigenous Services Canada - fixed               | 166,361             | 166,361             | 111,685             |
| Indigenous Services Canada - set                 | 92,054              | 82,939              | 84,684              |
| ISC - current year receivable (payable)          | -                   | 9,082               | 9,115               |
| Other revenue                                    | 617,092             | 28,916              | 39,469              |
| Administration fees                              | 120                 | 120                 | -                   |
| Unexpended funds transferred - prior year        | -                   | 12,495              | -                   |
|  | <b>1,513,677</b>    | <b>937,963</b>      | <b>720,659</b>      |
| <b>Expenses</b>                                  |                     |                     |                     |
| Administration                                   | 1,219               | 1,219               | 8,500               |
| Bad debts (recovery)                             | -                   | 1,576               | 24,569              |
| Bank charges and supplier interest               | 39,495              | 49,728              | 29,252              |
| Consultants and contractors                      | 38,305              | 29,283              | 16,972              |
| Cultural programs                                | 21,997              | 18,707              | -                   |
| Honorariums                                      | 307,200             | 307,200             | 291,891             |
| Insurance  | 82,386              | 25,971              | 37,340              |
| Other expenses                                   | 1,853               | 1,853               | 215                 |
| Professional fees                                | 26,342              | 147,909             | -                   |
| Program expenses                                 | 3,000               | 2,450               | 3,011               |
| Repairs and maintenance                          | 32,325              | 32,325              | 29,825              |
| Supplies   | 35,338              | 47,838              | 29,381              |
| Telephone  | 19,575              | 19,514              | 12,213              |
| Training   | 37,769              | 37,104              | 5,000               |
| Travel, meetings, per diems                      | 309,976             | 301,261             | 348,092             |
| Tuition  | -                   | -                   | 450                 |
| Wages and benefits                               | 682,857             | 725,442             | 400,229             |
|  | <b>1,639,637</b>    | <b>1,749,380</b>    | <b>1,236,940</b>    |
| <b>Current deficit before other items</b>        | <b>(125,960)</b>    | <b>(811,417)</b>    | <b>(516,281)</b>    |
| <b>Other items</b>                               |                     |                     |                     |
| Unexpended funds transferred to deferred revenue | -                   | (35,614)            | -                   |
| <b>Current deficit before transfers</b>          | <b>(125,960)</b>    | <b>(847,031)</b>    | <b>(516,281)</b>    |
| <b>Transfers</b>                                 |                     |                     |                     |
| Transfer - Other Band Programs                   | -                   | 17,609              | -                   |
| Transfer - Amortization                          | -                   | -                   | (14,588)            |
| <b>Current deficit</b>                           | <b>\$ (125,960)</b> | <b>\$ (829,422)</b> | <b>\$ (530,869)</b> |

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Pasqua First Nation**  
**Land Management**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|  | 2018<br>Budget | 2018<br>Actual | 2017<br>Actual |
|--|----------------|----------------|----------------|
| <b>Revenue</b>                                   |                |                |                |
| Indigenous Services Canada - fixed               | \$ 110,893     | \$ 110,893     | \$ 110,893     |
| Other revenue                                    | -              | 7,500          | -              |
| Deferred revenue - prior year                    | -              | -              | 27,282         |
| Unexpended funds transferred - prior year        | -              | 27,632         | -              |
|  | 110,893        | 146,025        | 138,175        |
| <b>Expenses</b>                                  |                |                |                |
| Bank charges and supplier interest               | 1,200          | 1,200          | -              |
| Consultants and contractors                      | 7,091          | 9,078          | 21,842         |
| Professional fees                                | 3,000          | 3,000          | -              |
| Telephone  | 1,964          | 1,964          | 2,203          |
| Training   | 417            | 417            | -              |
| Travel, meetings, per diems                      | 400            | 400            | 9,774          |
| Wages and benefits                               | 97,362         | 99,912         | 76,723         |
|  | 111,434        | 115,971        | 110,542        |
| <b>Current surplus before other items</b>        | (541)          | 30,054         | 27,633         |
| <b>Other items</b>                               |                |                |                |
| Unexpended funds transferred to deferred revenue | -              | (24,542)       | -              |
| <b>Current surplus</b>                           | \$ (541)       | \$ 5,512       | \$ 27,633      |

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Pasqua First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

|   | 2018<br>Budget    | 2018<br>Actual   | 2017<br>Restated   |
|---|-------------------|------------------|--------------------|
| <b>Revenue</b>                                      |                   |                  |                    |
| Indigenous Services Canada - fixed                  | \$ 55,368         | \$ 55,368        | \$ 55,368          |
| Indigenous Services Canada - set                    | 226,219           | 225,735          | 206,844            |
| Indigenous Services Canada - flexible               | 876,719           | 841,677          | 824,195            |
| ISC - prior period revenue (recovery)               | -                 | -                | (11,293)           |
| ISC - current year receivable (payable)             | -                 | (21,247)         | 17,369             |
|   | <b>1,158,306</b>  | <b>1,101,533</b> | <b>1,092,483</b>   |
| <b>Expenses</b>                                     |                   |                  |                    |
| Administration                                      | 15,996            | 15,996           | 17,822             |
| Assistance - social development                     | 696,825           | 658,824          | 679,618            |
| Consultants and contractors                         | 235,332           | 208,686          | 220,437            |
| Cultural programs                                   | 52,836            | 52,836           | 23,712             |
| Graduation, awards, prizes                          | 35,383            | 35,383           | 2,496              |
| Program expenses                                    | 41,176            | 41,175           | 97,822             |
| Supplies  | 9,347             | 9,347            | 4,544              |
| Telephone   | 1,200             | 1,200            | 1,350              |
| Training  | -                 | -                | 3,574              |
| Travel, meetings, per diems                         | 1,853             | 1,853            | 6,401              |
| Wages and benefits                                  | 71,056            | 73,137           | 66,201             |
|   | <b>1,161,004</b>  | <b>1,098,437</b> | <b>1,123,977</b>   |
| <b>Current surplus (deficit) before other items</b> | <b>(2,698)</b>    | <b>3,096</b>     | <b>(31,494)</b>    |
| <b>Other items</b>                                  |                   |                  |                    |
| Unexpended funds transferred to deferred revenue    | -                 | (3,006)          | -                  |
| <b>Current surplus (deficit)</b>                    | <b>\$ (2,698)</b> | <b>\$ 90</b>     | <b>\$ (31,494)</b> |

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Pasqua First Nation**  
**Indian Registry**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|                                    | 2018      | 2018      | 2017      |
|------------------------------------|-----------|-----------|-----------|
|                                    | Budget    | Actual    | Actual    |
| <hr/>                              |           |           |           |
| <b>Revenue</b>                     |           |           |           |
| Indigenous Services Canada - fixed | \$ 16,906 | \$ 16,906 | \$ 16,024 |
| <hr/>                              |           |           |           |
| <b>Expenses</b>                    |           |           |           |
| Administration                     | -         | -         | 1,602     |
| Consultants and contractors        | 6,756     | 6,756     | 3,600     |
| Supplies                           | 3,616     | 3,616     | 10,096    |
| Training                           | 484       | 484       | -         |
| Travel, meetings, per diems        | 800       | 800       | 726       |
| Wages and benefits                 | 5,250     | 5,250     | -         |
| <hr/>                              |           |           |           |
|                                    | 16,906    | 16,906    | 16,024    |
| <hr/>                              |           |           |           |
| <b>Current surplus</b>             | \$ -      | \$ -      | \$ -      |
| <hr/>                              |           |           |           |

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Pasqua First Nation**  
**Health Canada**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|   | 2018<br>Budget | 2018<br>Actual | 2017<br>Actual |
|---|----------------|----------------|----------------|
| <b>Revenue</b>                          |                |                |                |
| Health Canada                           | \$ 517,581     | \$ 517,581     | \$ 496,576     |
| <b>Expenses</b>                         |                |                |                |
| Administration                          | 39,795         | 39,795         | 40,827         |
| Consultants and contractors             | 6,039          | 6,039          | 10,420         |
| Cultural programs                       | 134,781        | 134,607        | 127,731        |
| Other expenses                          | -              | -              | 406            |
| Repairs and maintenance                 | 765            | 765            | -              |
| Supplies                                | 3,540          | 3,539          | 18,714         |
| Telephone                               | 2,750          | 2,750          | 3,150          |
| Training                                | 250            | 250            | -              |
| Travel - medical transportation         | 24,075         | 24,075         | 28,723         |
| Travel, meetings, per diems             | 20,713         | 20,714         | 24,176         |
| Utilities                               | 23,057         | 23,059         | 13,000         |
| Wages and benefits                      | 277,422        | 284,510        | 243,529        |
|   | 533,187        | 540,103        | 510,676        |
| <b>Current deficit before transfers</b> | (15,606)       | (22,522)       | (14,100)       |
| <b>Transfers</b>                        |                |                |                |
| Transfer - Amortization                 | -              | (43,579)       | (43,579)       |
| <b>Current deficit</b>                  | \$ (15,606)    | \$ (66,101)    | \$ (57,679)    |

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Pasqua First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

|   | 2018<br>Budget   | 2018<br>Actual      | 2017<br>Restated  |
|---|------------------|---------------------|-------------------|
| <b>Revenue</b>                          |                  |                     |                   |
| Other revenue                           | \$ -             | \$ -                | \$ 12,461         |
| Interest revenue                        | -                | 18,115              | -                 |
| CMHC                                    | 37,163           | 615,062             | 846,649           |
| Rental income                           | 49,680           | 279,403             | 361,084           |
|   | <b>86,843</b>    | <b>912,580</b>      | <b>1,220,194</b>  |
| <b>Expenses</b>                         |                  |                     |                   |
| Administration                          | 2,520            | 51,600              | -                 |
| Bank charges and supplier interest      | -                | 5,942               | 5,345             |
| Consultants and contractors             | 4,100            | 1,448,953           | 74,426            |
| Insurance                               | 8,772            | 113,188             | 120,543           |
| Long term debt - interest paid          | 36,078           | 156,065             | 110,394           |
| Professional fees                       | 840              | 18,212              | 15,177            |
| Repairs and maintenance                 | 6,300            | 259,502             | 199,359           |
| Supplies                                | -                | -                   | (52)              |
| Transfer to capital assets              | -                | (1,439,203)         | -                 |
|   | <b>58,610</b>    | <b>614,259</b>      | <b>525,192</b>    |
| <b>Current surplus before transfers</b> | <b>28,233</b>    | <b>298,321</b>      | <b>695,002</b>    |
| <b>Transfers</b>                        |                  |                     |                   |
| Transfer - Amortization                 | -                | (546,305)           | (478,759)         |
| <b>Current surplus (deficit)</b>        | <b>\$ 28,233</b> | <b>\$ (247,984)</b> | <b>\$ 216,243</b> |

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Pasqua First Nation**  
**Band Projects**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|  | 2018<br>Budget   | 2018<br>Actual   | 2017<br>Restated |
|--|------------------|------------------|------------------|
| <b>Revenue</b>                                     |                  |                  |                  |
| Indigenous Services Canada - fixed                 | \$ 2,197         | \$ -             | \$ -             |
| ISC - current year receivable (payable)            | (32,672)         | -                | -                |
| Funds earned & held in trust by federal government | 128,000          | 136,656          | 137,483          |
| First Nations Trust                                | 697,479          | 697,479          | 687,523          |
| FHQ Tribal Council                                 | 308,257          | 225,617          | 285,340          |
| CDC revenue  | 11,217           | 11,217           | -                |
| FSIN   | -                | 135,500          | -                |
| Keseechiwan Holdings LP                            | -                | 60,000           | 60,000           |
| Pasqua Treaty Land Entitlement - annual income     | -                | -                | 430              |
| Pasqua Legacy Trust - annual income                | -                | 682,226          | 674,929          |
| PFN Group of Companies - annual income             | -                | 216,803          | 641,879          |
| Loan proceeds - Pasqua First Nation Legacy Trust   | -                | 891,076          | -                |
| Pasqua TLE Holdings Inc - annual income            | -                | 178,483          | 130,641          |
| Pasqua TLE - annual income                         | -                | 48,097           | 62,677           |
| Equity gain (loss) in related business entities    | -                | (1,422,448)      | 3,891,296        |
| Gain on disposal of investments                    | -                | -                | 141,144          |
| Paskwa Pit Stop (sales less cost of sales)         | 1,229            | 458,182          | 401,769          |
| Government of Saskatchewan                         | 6,057            | 6,057            | -                |
| Interest revenue                                   | -                | 383              | 182              |
| Other revenue                                      | 2,195,211        | 1,056,401        | 344,889          |
| Administration fees                                | 142,744          | 233,039          | 177,036          |
|  | <b>3,459,719</b> | <b>3,614,768</b> | <b>7,637,218</b> |
| <b>Expenses</b>                                    |                  |                  |                  |
| Administration                                     | 17,974           | 17,974           | 11,165           |
| Assistance to band members                         | 334,586          | 326,424          | 195,380          |
| Band development                                   | -                | 1,500            | 64,538           |
| Bank charges and supplier interest                 | -                | 8,155            | 2,091            |
| Capital construction                               | 216,379          | -                | 109,996          |
| Consultants and contractors                        | 652,814          | 839,889          | 612,154          |
| Cost share - allocated from other programs         | 735,740          | 154,050          | 120,749          |
| Cultural programs                                  | 409,859          | 409,858          | 182,119          |
| Honorariums  | -                | -                | 62,333           |
| Insurance  | 4,681            | 4,566            | 3,874            |
| Long term debt - interest paid                     | 953,434          | 170,900          | 123,490          |
| Other expenses                                     | 1,024            | 4,779            | 18,450           |
| Paskwa Pit Stop                                    | 1,229            | 411,075          | 350,585          |
| Professional fees                                  | 28,277           | 473,397          | 186,764          |
| Program expenses                                   | 218              | 1,952            | 1,227            |
| Recreational activities                            | 19,577           | 251,491          | 91,608           |
| Repairs and maintenance                            | 3,205            | 3,205            | 7,240            |
| Supplies   | 15,622           | 15,616           | 40,898           |
| Telephone  | 2,280            | 2,280            | 1,800            |
| Training   | 6,568            | 6,568            | 2,193            |

The accompanying notes are an integral part of the financial statements

**Schedule #11, continued**  
**Pasqua First Nation**  
**Band Projects**  
**Schedule of Operations**

*For the year ended March 31, 2018*

|   | 2018<br>Budget      | 2018<br>Actual        | 2017<br>Restated    |
|---|---------------------|-----------------------|---------------------|
| Travel, meetings, per diems                       | 42,208              | 69,610                | 59,219              |
| Tuition   | -                   | 600                   | 600                 |
| Utilities   | 37,110              | 37,110                | 8,154               |
| Wages and benefits                                | 234,751             | 241,754               | 351,559             |
| Winter/summer games                               | 5,385               | 5,385                 | -                   |
| Transfer to capital assets                        | -                   | (119,895)             | -                   |
| Youth   | -                   | 5,100                 | -                   |
| Prior year unexpended funds                       | -                   | 476,131               | -                   |
| Annual loan payment - Legacy Trust                | -                   | 517,822               | 501,084             |
|   | <b>3,722,921</b>    | <b>4,337,296</b>      | <b>3,109,270</b>    |
| <b>Current surplus (deficit) before transfers</b> | <b>(263,202)</b>    | <b>(722,528)</b>      | <b>4,527,948</b>    |
| <b>Transfers</b>                                  |                     |                       |                     |
| Transfer - Community Development                  | -                   | (317,694)             | -                   |
| Transfer - Education                              | -                   | (266,010)             | -                   |
| Transfer - Indian Government Support              | -                   | (17,609)              | -                   |
| Transfer - Amortization                           | -                   | (15,668)              | (15,668)            |
| <b>Current surplus (deficit)</b>                  | <b>\$ (263,202)</b> | <b>\$ (1,339,509)</b> | <b>\$ 4,512,280</b> |

The accompanying notes are an integral part of the financial statements

**Schedule #12**  
**Pasqua First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2018*

|   | 2018<br>Budget | 2018<br>Actual | 2017<br>Actual |
|---|----------------|----------------|----------------|
| <b>Revenue</b>                          | \$ -           | \$ -           | \$ -           |
| <b>Expenses</b>                         |                |                |                |
| Community Infrastructure                | -              | 397,152        | 753,412        |
| Education                               | -              | 234,153        | 223,629        |
| Indian Government Support               | -              | -              | 14,588         |
| Health                                  | -              | 43,579         | 43,579         |
| CMHC                                    | -              | 546,305        | 478,759        |
| Band Projects                           | -              | 15,668         | 15,668         |
| Economic Development                    | -              | 2,830          | -              |
|   | -              | 1,239,687      | 1,529,635      |
| <b>Current deficit before transfers</b> | -              | (1,239,687)    | (1,529,635)    |
| <b>Transfers</b>                        |                |                |                |
| Transfer - Amortization                 | -              | 1,239,687      | 1,529,635      |
| <b>Current surplus</b>                  | \$ -           | \$ -           | \$ -           |

The accompanying notes are an integral part of the financial statements