

**Pasqua TLE Holdings Inc.**  
**Financial Statements**  
*December 31, 2017*

**Pasqua TLE Holdings Inc.**  
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*For the year ended December 31, 2017*

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**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**

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To the Shareholders of Pasqua TLE Holdings Inc.

We have audited the accompanying financial statements of Pasqua TLE Holdings Inc., which comprise the statement of financial position as at December 31, 2017, and the statements of income, comprehensive income and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the 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 company'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 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 financial statements present fairly, in all material respects, the financial position of Pasqua TLE Holdings Inc. as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Regina, Saskatchewan  
September 17, 2018


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Chalupiak & Associates

**Pasqua TLE Holdings Inc.**  
**Statement of Financial Position**  
*December 31, 2017*

	2017	2016
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 182,010	\$ 66
Due from Pasqua First Nation TLE Revenue account - note 5	-	14,638
	\$ 182,010	\$ 14,704
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 12,984	\$ 14,704
Due to Pasqua First Nation TLE Revenue account - note 5	169,026	-
	\$ 182,010	\$ 14,704

Approved on behalf of the Board:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

**Pasqua TLE Holdings Inc.**  
**Statement of Income, Comprehensive Income**  
**and Retained Earnings**  
*For the year ended December 31, 2017*

	2017	2016
<b>Revenue</b>		
TLE land rental revenue	\$ 220,649	\$ 196,032
Interest income	69	-
Other revenue	2,492	84
	<u>223,210</u>	<u>196,116</u>
<b>Expenses</b>		
Bank charges	255	891
Bad debts	-	494
Consultants and contractors	-	26,658
Land taxes	35,611	32,432
Professional fees	8,861	5,000
	<u>44,727</u>	<u>65,475</u>
<b>Income before undernoted item</b>	178,483	130,641
<b>Other expense</b>		
Pasqua First Nation TLE Revenue account - note 3.c	178,483	130,641
<b>Net and comprehensive income</b>	-	-
<b>Retained earnings, beginning of year</b>	-	-
<b>Retained earnings, end of year</b>	<u>\$ -</u>	<u>\$ -</u>

**Pasqua TLE Holdings Inc.**  
**Statement of Cash Flows**  
*For the year ended December 31, 2017*

	2017	2016
<b>Cash flows from (used in) operating activities</b>		
Net income	\$ -	\$ -
Changes in non-cash operating items		
Accounts receivable	-	8,022
Accounts payable and accrued liabilities	(1,720)	(2,617)
	(1,720)	5,405
<b>Cash flows from (used in) financing activity</b>		
Due to (from) related parties	183,664	(8,968)
<b>Increase (decrease) in cash</b>	181,944	(3,563)
<b>Cash, beginning of year</b>	66	3,629
<b>Cash, end of year</b>	\$ 182,010	\$ 66

**1. Nature of operations**

Pasqua TLE Holdings Inc. is wholly owned by Pasqua First Nation. The purpose of establishing the company was to provide a vehicle to hold title to properties purchased by the Pasqua First Nation Treaty Land Entitlement Trust Fund until such time as the properties become reserve status and ownership is transferred to Pasqua First Nation. The company will collect rental revenue and pay expenses related to the land until it is converted to reserve status.

**2. Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors on behalf of the partners and authorized for issue on August 9, 2016.

**3. Significant accounting policies**

These financial statements are prepared in accordance with International Financial Reporting Standards. The significant policies are detailed as follows:

**(a) Basis of presentation**

These financial statements reflect only the assets, liabilities, revenues and expenses of the company.


**(b) Land value**

No amount has been recorded on the balance sheet for land held in trust for the Pasqua First Nation.

**(c) Net revenue disbursement**

The excess of revenue over expenses is reported as due to Pasqua First Nation TLE Revenue account.

**(d) Measurement uncertainty**

The preparation of financial statements in conformity with  requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

**4. Land leases**

The company has signed leases from individuals related to the lease of the land that it owns.

**Pasqua TLE Holdings Inc.**  
**Notes to Financial Statements**  
*For the year ended December 31, 2017*

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**5. Due to (from) related parties**

Amounts due to (from) related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

	2017	2016
<u>Due to (from) Pasqua First Nation TLE Revenue account</u>	<u>\$ 169,026</u>	<u>\$ (14,638)</u>

**6. Related party transactions**

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

**7. Share capital**

The company has issued one Class "A" share which is held in trust for the Pasqua First Nation by the Chief, or other authorized representative of the Band Council.

**8. Land held in trust for the Pasqua First Nation**

The company holds 8,991 acres of land in trust for the Pasqua First Nation. The land was purchased at a cost of \$8,209,300.