

# **Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

## **Financial Statements**

**March 31, 2019**

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## Independent Auditor's Report

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To the Members of  
Métis Nation - Saskatchewan Secretariat Inc.

### *Opinion*

We have audited the non-consolidated financial statements of Métis Nation - Saskatchewan Secretariat Inc., which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations (ASNPO).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information presented in the attached schedules 1-14 are unaudited and are presented for the purpose of additional analysis. Such supplemental information has only been subjected to audit procedures applied in the audit of the financial statements, taken as a whole.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

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## Independent Auditor's Report

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In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

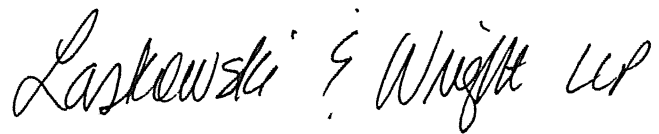
- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit 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 organization's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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## Independent Auditor's Report

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Laskowski & Wright LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Warman, Saskatchewan

November 8, 2019

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Statement of Financial Position

As at March 31

2019

2018

Restated -  
See Note 2

### Assets

#### Current

Cash	\$ 55,636	\$ 1,049,079
Accounts receivable	1,450,606	33,000
Prepaid expenses	62,787	31,500
GST receivable	82,235	54,427
	<u>1,651,264</u>	<u>1,168,006</u>
Investments (Note 4)	2,506,170	1
Property, plant and equipment (Note 5)	<u>440,113</u>	<u>335,766</u>
	<u>\$ 4,597,547</u>	<u>\$ 1,503,773</u>

### Liabilities

#### Current

Accounts payable and accrued liabilities	\$ 1,563,460	\$ 708,701
Deferred contributions (Note 6)	<u>11,000</u>	<u>-</u>
	<u>1,574,460</u>	<u>708,701</u>

Contingent liabilities (Note 7)  
Commitments (Note 8)

### Fund balances

Unrestricted net assets	563,529	207,946
Invested in capital assets	440,113	335,766
Restricted funds	(486,724)	251,360
Endowment fund	<u>2,506,169</u>	<u>-</u>
	<u>3,023,087</u>	<u>795,072</u>
	<u>\$ 4,597,547</u>	<u>\$ 1,503,773</u>

Approved by the Board



Director



Director

See accompanying notes

# Metis Nation - Saskatchewan Secretariat Inc.

## Statement of Fund Activities

For the year ended March 31	General	Restricted	Investment in Capital Assets	Endowment	Total 2019	2018 Restated - See Note 2
<b>Revenues</b>						
Federal funding (INAC)	\$ -	\$ 7,420,172	-	\$ 2,500,000	\$ 9,920,172	\$ 4,560,207
Federal holdbacks recovered (INAC)	244,947	-	-	-	244,947	-
Back to Batoche	192,801	-	-	-	192,801	219,699
Provincial funding	125,000	-	-	-	125,000	-
Other revenue	102,110	-	-	-	102,110	77,747
Canadian Partnership Against Cancer	-	65,765	-	-	65,765	-
Interest income	-	-	-	6,169	6,169	-
	<u>664,858</u>	<u>7,485,937</u>	<u>-</u>	<u>2,506,169</u>	<u>10,656,964</u>	<u>4,857,653</u>
<b>Expenditures</b>						
Amortization	-	-	34,820	-	34,820	12,439
Hospitality	-	35,572	-	-	35,572	-
Interest and bank charges	-	-	-	-	-	11,850
Meeting costs	-	174,226	-	-	174,226	-
Office	259,856	566,117	-	-	825,973	717,334
Professional fees	80,225	1,711,309	-	-	1,791,534	1,196,958
Regional capacity	-	773,462	-	-	773,462	227,503
Rent	-	340,212	-	-	340,212	226,903
Sponsorship	87,169	-	-	-	87,169	35,767
Travel	29,018	856,604	-	-	885,622	549,153
Wages	-	3,480,359	-	-	3,480,359	1,392,357
	<u>456,268</u>	<u>7,937,861</u>	<u>34,820</u>	<u>-</u>	<u>8,428,949</u>	<u>4,370,264</u>
<b>Excess of revenues over expenditures before transfers</b>	208,590	(451,924)	(34,820)	2,506,169	2,228,015	487,389
<b>Transfer from (to) other funds</b>						
Administration fee	146,993	(146,993)	-	-	-	-
<b>Excess of revenues over expenditures after transfers</b>	<u>\$ 355,583</u>	<u>\$ (598,917)</u>	<u>\$ (34,820)</u>	<u>\$ 2,506,169</u>	<u>\$ 2,228,015</u>	<u>\$ 487,389</u>

See accompanying notes

# Metis Nation - Saskatchewan Secretariat Inc. Statement of Changes in Fund Balances

For the year ended March 31

2018  
(Restated - See Note 2)

2019

Schedule #	Fund Balance, Beginning of Year	Surplus (Deficit), Current Year	Transfer	Fund Balance, End of Year	Fund Balance, Beginning of Year	Surplus (Deficit), Current Year	Fund Balance, End of Year
11/12/13	207,946	355,583	-	563,529	194,625	13,321	207,946
General							
Restricted funds							
INAC Funding							
Governance capacity	456,503	(631,819)	-	(175,316)	-	456,503	456,503
Women's affairs	-	4,387	-	4,387	-	-	-
Self governance	-	-	-	-	-	-	-
Duty to consult	-	99,889	-	99,889	-	-	-
Basic organizational capacity	(361,006)	(158,784)	(139,167)	(658,957)	(279,127)	(81,879)	(361,006)
Climate monitoring initiative	-	41,733	-	41,733	-	-	-
Metis Nation on Climate Table	-	28,909	-	28,909	-	-	-
MNLA, Meetings, and Election	(27,010)	-	-	(27,010)	(56,020)	29,010	(27,010)
Registry	82,873	-	-	82,873	-	82,873	82,873
Metis Economic Development Strategy	100,000	-	-	100,000	100,000	-	100,000
Canadian Partnership Against Cancer	-	16,768	-	16,768	-	-	-
Total restricted funds	251,360	(598,917)	(139,167)	(486,724)	(235,147)	486,507	251,360
Investment in capital assets	335,766	(34,820)	139,167	440,113	348,205	(12,439)	335,766
Endowment fund	-	2,506,169	-	2,506,169	-	-	-
Total	795,072	2,228,015	-	3,023,087	307,683	487,389	795,072

See accompanying notes

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Statement of Cash Flows

For the year ended March 31

2019

2018

### Operating activities

Excess of revenues over expenditures	\$ 2,228,015	\$ 487,389
Adjustment for		
Amortization	34,820	12,439
	2,262,835	499,828
Change in non-cash working capital items		
Accounts receivable	(1,417,606)	128,646
Prepaid expenses	(31,287)	(22,500)
GST receivable	(27,808)	(15,190)
Accounts payable and accrued liabilities	854,759	151,308
Deferred contributions	11,000	-
	1,651,893	742,092

### Investing activities

Purchase of property, plant and equipment	(139,167)	-
Endowment fund held by GDI	(2,506,169)	-
	(2,645,336)	-

### Financing activities

Repayment of debt	-	(200,000)
Proceeds from debt	-	200,000
	-	-

(Decrease) increase in cash

(993,443) 742,092

Cash, beginning of year

1,049,079 306,987

Cash, end of year

\$ 55,636 \$ 1,049,079

See accompanying notes



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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 1. Nature of operations

Métis Nation - Saskatchewan Secretariat Inc. was incorporated under the Metis Act of Saskatchewan as a body corporate without share capital as is deemed to have status of a member within the meaning of The Non-profit Corporations Act, 1995. and is thus exempt from income taxes. The Metis Nation's purpose is to undertake activities that strive to recognize the political, legal and constitutional rights of the Metis people in Saskatchewan.

Metis Nation - Saskatchewan (MN-S) represents the province's Metis citizens. The Metis Nation Legislative Assembly is the governing authority of the MN-S and has the authority to enact legislation, regulation, rules and resolutions governing the affairs and conduct of the Metis in Saskatchewan.

### 2. Change in accounting policies

Certain comparative amounts in the statement of operations and statement of changes in net assets have been restated, reclassified or re-presented, as a result of a change in accounting policy.

Under accounting standards for not for profit organizations, the organization has an accounting policy choice for revenue recognition of deferral method of revenue recognition or restricted fund method of revenue recognition.

Previously, the organization followed the deferral method of revenue recognition. Under the deferral method of revenue recognition, restricted contributions and sponsorships are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized in the year in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

During the year, the organization made a choice to change to restricted fund method of revenue recognition to better reflect the needs of the main users of the financial statements under multi-year funding agreements. Under restricted fund method of revenue recognition, restricted contributions for which a corresponding restricted fund is presented should be recognized as revenue of that fund in the current period.

The effect of applying the accounting policy change from deferral method of revenue recognition to restricted fund method of revenue recognition results in earlier recognition of revenue.

The effect of the change from the deferral method of revenue recognition to restricted fund method of revenue recognition with retroactive restatement is to increase fund balances as at March 31, 2018 by \$100,000 and to decrease deferred contributions as at March 31, 2018 by \$100,000.

### 3. Accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

#### (a) Basis of presentation

MN-S is the sole shareholder of SaskMetis Economic Development Corporation and this investment is held at cost. The organization has not consolidated SaskMetis Economic Development Corporation.

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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 3. Accounting policies, continued

#### (b) Fund accounting

##### a) General fund:

The purpose of the general fund is to record the administrative and operating activities of the organization, including the activities of Back to Batoche.

##### b) Endowment fund:

The purpose of the Endowment Fund is to record the principal amounts of externally restricted endowment contributions which are to be maintained in perpetuity.

##### c) Investment in capital assets:

The purpose of the investment in capital asset fund is to record all transactions related to the acquisition and improvement of tangible capital assets, as well as the related amortization of such assets.

##### d) Restricted funds:

The restricted funds records receipt and use of funds that are externally restricted which include receipt of funds from Indigenous and Northern Affairs Canada (INAC) for various program initiatives as well as receipt of funds from the Canadian Partnership Against Cancer.

#### (c) Cash

Cash consists of funds on deposit with financial institutions, some of which are interest bearing accounts.

#### (d) Property, plant and equipment

Property, plant and equipment are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Building	5%
Computer equipment	50%
Furniture and fixtures	20%

Amortization of leasehold improvements is recorded on a straight line basis over the remaining term of the lease plus one renewal option.

#### (e) Impairment of long-lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 3. Accounting policies, continued

#### (f) Revenue recognition

The organization follows the restricted fund method of accounting for contributions.

Under the restricted fund method, endowment contributions are recognized as revenue of the endowment fund.

Externally restricted contributions and externally restricted investment income for which there is a corresponding restricted fund is recognized as revenue of that fund when received or receivable.

Externally restricted contributions and externally restricted investment income for which there is no corresponding restricted fund is recognized in the general fund in accordance with the deferral method. Under the deferral method, restricted contributions are recognized as revenue in the year in which the related expenses are made. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions and unrestricted investment income is recognized as revenue of the general fund when received or receivable.

Interest earned from cash is recognized as revenue when earned.

Certain contributions specify that unexpended amounts remaining at completion of the projects must be returned and accordingly are recorded as reduction in funding and as a payable.

#### (g) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments, equity instruments that are quoted in an active market and pooled funds are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Métis Nation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Métis Nation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Métis Nation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

MN-S, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments:

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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 3. Accounting policies, continued

#### (g) Financial instruments, continued

##### *Credit risk*

MN-S's principal financial assets subject to credit risk are cash and accounts receivable. The carrying amounts of these financial assets on the statement of financial position represent MN-S's maximum credit exposure as at March 31, 2019. The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated by management of the MN-S based on previous experience and its assessment of the current economic environment.

The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies. The credit risk related to accounts receivable is minimized as these receivables are from government agencies.

##### *Liquidity risk*

MN-S's objective is to have sufficient liquidity to meet its liabilities when due. MN-S monitors its cash balances and cash flows generated from operations to meet its requirements. As of March 31, 2019, the most significant financial liabilities are accounts payable and accrued liabilities.

##### *Fair values*

The fair values of cash, accounts receivable and accounts payable and accrued liabilities approximate their carrying value due to their short-term period to maturity.

#### (h) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are estimated useful life of property and plant, the collectibility of accounts receivable, the estimates of deferred revenue and contingent liabilities. Actual results could differ from these estimates.

### 4. Investments

During the year, MN-S received endowments in the amount of \$2,500,000 from the Government of Canada to support Metis students to pursue post-secondary education. Under the terms of the agreement with the Government of Canada, MN-S is solely responsible for any costs or damages resulting from loans, leases and any other financial arrangements entered into by MN-S or an agent of MN-S.

MN-S entered into an agency agreement with Gabriel Dumont Scholarship Foundation II Inc. (the agent) Under the agreement, MN-S remains the beneficial owner of the funds. Under the terms of the agreement, the agent will manage, administer, and invest the funds in accordance with the federal grant agreement.

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

### 4. Investments, continued

	2019	2018
Endowment fund	\$ 2,506,169	\$ -
Investment in SaskMetis Economic Development Corporation	1	1
	<u>\$ 2,506,170</u>	<u>\$ 1</u>

### 5. Property, plant and equipment

	2019		2018	
			Restated - See Note 2	
	Cost	Accumulated amortization	Net	Net
Building	\$ 379,774	\$ 155,231	\$ 224,543	\$ 236,361
Computer equipment	67,685	16,480	51,205	-
Furniture and fixtures	50,021	4,734	45,287	-
Leasehold improvements	21,462	1,789	19,673	-
Land	99,405	-	99,405	99,405
	<u>\$ 618,347</u>	<u>\$ 178,234</u>	<u>\$ 440,113</u>	<u>\$ 335,766</u>

### 6. Deferred contributions

	Balance, beginning of year	Received	Balance, end of year
Trans Canada for Michif Language	\$ -	\$ 11,000	\$ 11,000
	<u>\$ -</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>

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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 7. Contingent liabilities

In 2017, MN-S was served with a statement of claim for legal fees incurred between April 2011 - March 2016. The amount of the claim against MN-S is \$198,830. The likelihood of payment for the full amount of the claim is remote, however, it is likely that an amount will be settled on. The amount that will be settled on is not determinable as it is subject to negotiations. No amount has been accrued as accounts payable and accrued liabilities in the financial statements for the year ended March 31, 2019.

Various other lawsuits (and claims) are pending against the organization. It is the opinion of management that final determination of these proceedings will not materially affect the financial position or the results of the organization.

Under the requirements of the funding arrangements with the federal government, any amount of flex funding set out in the payment plan is an overpayment that must be paid back to the federal government when the recipient has not spent the funds, as permitted by this agreement, by the expiry or termination of the agreement. Any amount that MN-S is required to pay back is a debt due to the Government of Canada which becomes payable when the Government of Canada notifies the recipient of the debt. Under the current terms of the funding agreement, MN-S has flex funding for basic organizational capacity which expires March 31, 2022, governance capacity which expires March 31, 2022, Metis Nation on Climate Change which expires March 31, 2022 and building sustainability for women which expires March 31, 2020, and Metis Nation Housing Strategy Implementation Plan which expires March 31, 2021. It is management's assessment that the full amount of the funding will be spent by the expiry or termination of each of the flex funding agreements.

Under the requirements of the funding arrangements with the federal government, any amount of fixed funding set out in the payment plan is an overpayment that must be paid back to the federal government when the recipient has not provided the required reports concerning the funds, the amount is spent on an expense that is not an eligible cost of the specified initiative or, the amount is not spent in the fiscal year for which it was provided. The recipient is released from the obligation to repay an unexpended fixed amount when the recipient has fulfilled all of the delivery requirements of the agreement for the specified initiative for which the amount was provided; the amount is spent in the next fiscal year either on an activity that is similar to and has the same purpose as the specified initiative, or in accordance with a plan for spending the amount that is submitted by the recipient to the federal government within 120 days of the end of the fiscal year in which the amount was to have been spent and the recipient reports on the use of the amount as required by the reporting guide. Under the current terms of the funding agreement, MN-S has fixed funding for Climate Monitoring Initiative, Duty to Consult, Engagement and policy on child and family services, Recognition of Indigenous rights and self-determination discussion table, early learning and child care implementation plan, health project, and Urban programming for indigenous peoples. Program approval for carry forward has been granted by the federal government for all fixed funding agreements of the fiscal year 2018-2019.

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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 8. Commitments

MN-S is committed pursuant to various operating lease agreements for office space as follows:

2020	\$	250,857
2021		184,025
2022		176,006
2023		176,006
2024		176,006
Subsequent years		<u>113,336</u>
	\$	<u>1,076,236</u>

### 9. Interest in SaskMetis Economic Development Corporation

Metis Nation - Saskatchewan Secretariat Inc. is the sole shareholder of SaskMetis Economic Development Corporation. SaskMetis Economic Development Corporation was incorporated under The Business Corporations Act of Saskatchewan on March 11, 1987. The Company was beneficially owned by the Metis Society of Saskatchewan Inc. through the Saskatchewan Native Economic Development Trust. The Trust has been dissolved and the Corporation is now owned by the Metis Nation - Saskatchewan Secretariat Inc. The Corporation amended its articles under The Business Corporations Act effective February 17, 2009 and changed its name from SaskNative Economic Development Corporation. The Corporation is an Aboriginal Capital Corporation that finances the start-up, acquisition and expansion of Metis controlled small businesses in Saskatchewan. In addition, the Corporation provides general business information and consulting services, and offers business development workshops.

The Corporation is a tax exempt organization under Section 149(1)(l) of the Income Tax Act.

The accounting policy for revenue recognition differs between SaskMetis Economic Development Corporation and Metis Nation - Saskatchewan Secretariat Inc. The revenue recognition policy for SaskMetis Economic Development Corporation is that restricted contributions are recognized as revenue in the year the related expense is incurred, or deferred to future periods to offset related expenses. This differs from the revenue recognition policy of Metis Nation - Saskatchewan Secretariat Inc. whereby externally restricted contributions and externally restricted investment income for which there is a corresponding restricted fund is recognized as revenue of that fund when received or receivable.

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

### 9. Interest in SaskMetis Economic Development Corporation, continued

	2019	2018
Total assets	\$ 6,987,692	\$ 6,279,284
Total liabilities	\$ 1,110,617	\$ 973,994
Shareholder's equity	5,877,075	5,305,290
	<u>\$ 6,987,692</u>	<u>\$ 6,279,284</u>
<b>Operations</b>		
Revenue	\$ 2,033,368	\$ 1,993,461
Expenses	2,161,583	2,085,415
Deficiency of revenues over expenditures	(128,215)	(91,954)
Deficit, end of year	<u>\$ (128,215)</u>	<u>\$ (91,954)</u>
<b>Cash flows from</b>		
Operating activities	\$ 28,157	\$ 148,567
Investing activities	<u>\$ (558,883)</u>	<u>\$ (841,354)</u>
Financing activities	<u>\$ 700,000</u>	<u>\$ 700,000</u>

### 10. Related party transactions

During the year, the organization entered into the following transactions with related parties:

MN-S and Gabriel Dumont Institute are related by virtue of shared economic interest. On January 22, 2019, MN-S received funding in the form of a grant of \$2,500,000 for the purpose of providing MN-S endowment funds to support Metis students to pursue post-secondary education. On February 6, 2019 MN-S (the principal) and Gabriel Dumont Scholarship Foundation II (the agent) entered into an agreement whereby the agent agreed to carry out and discharge the principal's obligations under the federal grant agreement, including management, administration, and investment of the Funds. The Principal remains the beneficial owner of the Funds.

During the year, MN-S expensed \$nil (2018 - \$25,862) for consulting provided by Gabriel Dumont Institute and \$19,783 (2018 - \$2,762) for office expenses provided by Gabriel Dumont Institute. Included in accounts payable at year end is a payable in the amount of \$3,926 (2018 - \$2,911) to Gabriel Dumont Institute.



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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 10. Related party transactions, continued

MN-S provides regional capacity funding to each of the 12 regions and they are related by virtue of shared economic interest. During the year, MN-S expensed \$773,662 (2018 - \$227,503) to each of the various regions. Included in accounts payable at year end is a payable in the amount of \$55,000 (2018 - \$6,304) to various regions.

MN-S and Clearwater Clearlake Economic Development are related by virtue of shared economic interest. During the year, MN-S expensed \$100,000 (2018 - \$nil) for services related to strategic engagement on framework (self-government).

During the year donations were received for Back to Batoche sponsorships from each of the following related parties which are related by virtue of shared economic interest:

- 1) Gabriel Dumont Institute of Native Studies and Applied Research \$25,000 (2018 - \$25,000)
- 2) SaskMetis Economic Development Corp. \$10,000 (2018 - \$10,000)

During the prior year, receipts from Gabriel Dumont Institute of Native Studies and Applied Research, Inc. provided funding for regional capacity which was included in other revenue in the amount of \$18,500.

During the prior year, MN-S expensed \$18,298 for salaries and vacation pay of employees of Metis Family & Community Justice Services Saskatchewan Inc. The corporation was dissolved during the current year.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

### 11. Economic dependence

Approximately 94% (2018 - 94%) of revenue was derived from The Government of Canada through their Indigenous and Northern Affairs Canada agency. The organizations ability to continue operations is dependent upon following the criteria within the funding agreements.

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# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Notes to the Financial Statements

March 31, 2019

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### 12. Subsequent events

Subsequent to year end the organization received fixed contribution funding in the following 2018-2019 funding amounts:

- a) Early Learning and Child Care Implementation Plan - \$9,575,000
- b) Urban Programming for Indigenous Peoples - \$1,817,500
- c) Metis Nation Housing Strategy Implementation Plan - \$11,250,000

As there was no program delivery provided up to March 31, 2019 and funding was not authorized to be issued from INAC prior to or on March 31, 2019, no amount was recorded as accounts receivable as of March 31, 2019. Metis Nation - Saskatchewan Secretariat Inc. has engaged certain service agreements for other organizations to carry out program deliveries for the above funding agreements with INAC on behalf of Metis Nation - Saskatchewan Secretariat Inc.

In June 2019, MN-S advanced \$940,000 to SaskMetis Economic Development Corporation to act as an agent to administer the Metis Economic Development Strategy agreement including management, administration, investment and expenditure of the funds. The Corporation also signed an agreement for MN-S to advance \$100,000 to SaskMetis Economic Development Corporation to perform services to determine the feasibility of establishing a subsidiary of the Corporation whose prime purpose would be to lead economic development for MN-S. In August 2019, MN-S advanced \$2,617,946 to SaskMetis Economic Development Corporation for a service agreement for the first time home buyers' program.

### 13. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 1 - Governance capacity**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 5,400,000	\$ 2,428,836
<b>Expenditures</b>		
Hospitality	35,572	-
Meeting costs	148,433	-
Office	543,571	16,723
Professional fees	869,398	379,127
Regional capacity	722,441	227,503
Rent	198,012	-
Travel	742,487	533,270
Wages and benefits	2,771,905	815,710
	<u>6,031,819</u>	<u>1,972,333</u>
<b>(Deficiency) excess of revenues over expenditures</b>	<u>\$ (631,819)</u>	<u>\$ 456,503</u>

Unaudited

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 2 - Women's affairs**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 60,000	\$ -
<b>Expenditures</b>		
Administration fee	4,592	-
Regional capacity	51,021	-
	55,613	-
<b>Excess of revenues over expenditures</b>	<b>\$ 4,387</b>	<b>\$ -</b>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 3 - Self governance**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 800,000	\$ -
<b>Expenditures</b>		
Administration fee	80,000	-
Professional fees	570,000	-
Travel	50,000	-
Wages	100,000	-
	800,000	-
<b>Excess of revenues over expenditures</b>	<b>\$ -</b>	<b>\$ -</b>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 4 - Duty to consult**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 250,000	\$ -
<b>Expenditures</b>		
Administration fee	19,580	-
Professional fees	1,112	-
Travel	9,856	-
Wages	119,563	-
	150,111	-
<b>Excess of revenues over expenditures</b>	<b>\$ 99,889</b>	<b>\$ -</b>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 5 - Basic organizational capacity**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 510,207	\$ 510,207
<b>Expenditures</b>		
Interest and bank charges	-	11,850
Meeting costs	935	-
Office	13,208	210,093
Professional fees	139,654	254,582
Rent	136,200	79,844
Travel	12,137	-
Wages	366,857	35,717
	668,991	592,086
<b>Deficiency of revenues over expenditures</b>	<b>\$ (158,784)</b>	<b>\$ (81,879)</b>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 6 - Climate monitoring initiative**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 274,965	\$ -
<b>Expenditures</b>		
Administration fee	30,422	-
Meeting costs	20,291	-
Office	4,399	-
Professional fees	129,496	-
Travel	25,141	-
Wages	23,483	-
	<u>233,232</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	<u>\$ 41,733</u>	<u>\$ -</u>



**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 7 - Metis Nation on Climate Table**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ 125,000	\$ -
<b>Expenditures</b>		
Administration fee	12,399	-
Office	315	-
Travel	5,841	-
Rent	6,000	-
Wages	71,536	-
	96,091	-
<b>Excess of revenues over expenditures</b>	<b>\$ 28,909</b>	<b>\$ -</b>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 8 - MNLA, Meetings, and Election**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ -	\$ 689,214
Election nomination deposits	-	4,700
	-	693,914
<b>Expenditures</b>		
Advertising	-	30,416
Office	-	34,473
Professional fees	-	327,137
Rent	-	38,929
Travel	-	7,111
Wages	-	226,838
	-	664,904
<b>Excess of revenues over expenditures</b>	<b>\$ -</b>	<b>\$ 29,010</b>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 9 - Registry**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Federal funding (INAC)	\$ -	\$ 931,950
<b>Expenditures</b>		
Advertising	-	5,351
Office	-	210,913
Professional fees	-	201,819
Rent	-	108,130
Travel	-	8,772
Wages	-	314,092
	-	849,077
<b>Excess of revenues over expenditures</b>	\$ -	\$ 82,873

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Schedule 10 - Canadian Partnership Against Cancer

Unaudited

For the year ended March 31	March 31 2019	March 31 2018
<b>Revenue</b>		
Canadian Partnership Against Cancer	\$ 67,000	\$ -
Revenue that must be repaid	(1,235)	-
	<u>65,765</u>	<u>-</u>
<b>Expenditures</b>		
Meeting costs	4,567	-
Office	4,624	-
Professional fees	1,649	-
Travel	11,142	-
Wages	27,015	-
	<u>48,997</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	<u>\$ 16,768</u>	<u>\$ -</u>

Unaudited

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 11 - Back to Batoche**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Back to Batoche	\$ 192,801	\$ 219,699
<b>Expenditures</b>		
Office	240,642	245,132
Professional fees	52,550	34,293
Travel	27,781	-
	<u>320,973</u>	<u>279,425</u>
<b>Deficiency of revenues over expenditures</b>	<u>\$ (128,172)</u>	<u>\$ (59,726)</u>

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Schedule 12 - Other

Unaudited

For the year ended March 31	March 31 2019	March 31 2018
<b>Revenue</b>		
Federal holdbacks recovered (INAC)	\$ 244,947	\$ -
Other	92,110	73,047
	<u>337,057</u>	<u>73,047</u>
<b>Expenditures</b>		
Administration fee recovery	(146,993)	-
Amortization	34,820	12,439
Office	19,214	-
Sponsorship	87,169	-
Travel	1,237	-
	<u>(4,553)</u>	<u>12,439</u>
<b>Excess of revenues over expenditures</b>	<u>\$ 341,610</u>	<u>\$ 60,608</u>

# Métis Nation - Saskatchewan Secretariat Inc.

(Non consolidated)

## Schedule 13 - Climate monitoring initiative

Unaudited

For the year ended March 31	March 31 2019	March 31 2018
<b>Revenue</b>		
Provincial funding	\$ 125,000	\$ -
Other	10,000	-
	<u>135,000</u>	<u>-</u>
<b>Expenditures</b>		
Professional fees	27,675	-
	<u>27,675</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	<u>\$ 107,325</u>	<u>\$ -</u>

**Métis Nation - Saskatchewan Secretariat Inc.**

(Non consolidated)

**Schedule 14 - Endowment fund**

Unaudited

<b>For the year ended March 31</b>	<b>March 31 2019</b>	<b>March 31 2018</b>
<b>Revenue</b>		
Endowment fund	\$ 2,500,000	\$ -
Interest on endowment fund	6,169	-
	<u>2,506,169</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	<u><u>\$ 2,506,169</u></u>	<u><u>\$ -</u></u>