

**Big Grassy River First Nation  
Consolidated Financial Statements  
For the year ended March 31, 2024**

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Consolidated Financial Statements  
For the year ended March 31, 2024**

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## Management's Responsibility for Financial Reporting

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The accompanying consolidated financial statements of Big Grassy River First Nation and all the information in this annual report are the responsibility of management and have been approved by Chief and Council of Big Grassy River First Nation.

The consolidated financial statements have been prepared by management in accordance with Public Sector Accounting Principles. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The First Nation maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

Big Grassy River First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council reviews the First Nation's consolidated financial statements and meets periodically with management, as well as the 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 annual report, the consolidated financial statements and the external auditor's report.

The consolidated financial statements have been audited by MNP LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. MNP LLP have full and free access to the Council.



Chief



Councilor



Councilor

To the Chief and Council of Big Grassy River First Nation:

## Opinion

We have audited the consolidated financial statements of Big Grassy River First Nation and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated operating surplus, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2024, the consolidated statements of operations and accumulated operating surplus, remeasurement gains and losses, changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## 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 Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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

The consolidated financial statements of the Big Grassy River First Nation for the year ended March 31, 2023 were audited by BDO Canada LLP of Fort Frances, Ontario, Canada, prior to its merger with MNP LLP. BDO Canada LLP expressed a qualified opinion on those statements on October 7, 2024 for the reasons described in the Basis for opinion paragraph.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for private enterprises, 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.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 First Nation'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 First Nation'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 consolidated 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 First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Fort Frances, Ontario  
December 16, 2025

**MNP LLP**  
Chartered Professional Accountants  
Licensed Public Accountants

## Big Grassy River First Nation Consolidated Statement of Financial Position

March 31	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents (Note 2)	\$ 12,305,501	\$ 10,895,953
Short-term investment (Note 4)	5,840,952	9,103,805
Accounts and loans receivable (Note 5)	1,385,339	2,326,329
Portfolio investments (Note 19)	11,534,053	6,605,556
Investments held in trust (Note 14)	-	134,832
Government business enterprises (Note 10)	<u>4,054,840</u>	<u>1,776,997</u>
<b>Total financial assets</b>	<u>35,120,685</u>	<u>30,843,472</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 7)	1,583,588	2,851,097
Deferred revenue (Note 8)	7,420,008	7,748,341
Long-term debt (Note 9)	3,208,646	4,578,329
Due to related parties	<u>27,803</u>	<u>27,803</u>
<b>Total liabilities</b>	<u>12,240,045</u>	<u>15,205,570</u>
<b>Net financial assets</b>	<u>22,880,640</u>	<u>15,637,902</u>
<b>Non-financial assets</b>		
Prepaid expenses	24,893	228,860
Tangible capital assets (Note 6)	25,308,000	25,561,693
Tangible capital assets under construction (Note 6)	<u>2,315,226</u>	<u>378,089</u>
	<u>27,648,119</u>	<u>26,168,642</u>
<b>Accumulated surplus</b>	<u>50,528,759</u>	<u>41,806,544</u>
Accumulated surplus is comprised of:		
Accumulated operating surplus (Note 13)	50,138,564	42,033,877
Accumulated remeasurement gains (losses)	<u>390,195</u>	<u>(227,333)</u>
	<u>\$ 50,528,759</u>	<u>\$ 41,806,544</u>

Approved on behalf of the First Nation:



Chief



Councilor



Councilor

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## Big Grassy River First Nation Consolidated Statement of Operations

For the year ended March 31	Budget	2024	2023
(Note 12)			
<b>Revenue</b>			
Indigenous Services Canada (Note 15)	\$ 5,626,362	\$ 9,719,594	\$ 7,270,951
Ministry of Community and Social Services	321,124	1,393,755	1,254,951
Health Canada (Note 15)	531,901	1,638,093	862,966
Weechi-It-Te-Win Family Services	586,207	832,976	800,954
Ontario First Nations Limited Partnership	744,075	558,384	618,414
Canada Mortgage and Housing Corporation	-	442,389	223,761
Rentals	-	10,000	5,000
Ministry of Health	92,016	98,539	98,694
Shooniyaa Wa-Biitong	22,028	-	319,777
Grand Council Treaty #3	-	693,975	1,269,600
Windy Point Settlement	-	1,500	-
Miscellaneous grants	1,312,856	607,758	1,177,311
Other (Note 16)	4,082,395	19,937,268	25,663,240
	<hr/>	<hr/>	<hr/>
	13,318,964	35,934,231	39,565,619
<b>Expenses</b>			
Band support	1,878,058	16,718,786	4,344,324
Commercial and other	2,515	372,155	7,543,517
Education	3,263,605	4,209,386	3,776,631
Health and Social Services	1,602,437	4,808,374	4,117,857
Housing	20,000	1,720,843	944,015
	<hr/>	<hr/>	<hr/>
	6,766,615	27,829,544	20,726,344
<b>Annual surplus for the year</b>	<hr/>	<hr/>	<hr/>
	\$ 6,552,349	8,104,687	18,839,275
<b>Accumulated surplus, beginning of year</b>		<hr/>	<hr/>
		42,033,877	23,194,602
<b>Accumulated surplus, end of year (Note 13)</b>	<hr/>	<hr/>	<hr/>
	\$ 50,138,564	\$ 42,033,877	

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**Big Grassy River First Nation  
Consolidated Statement of Remeasurement Gains (Losses)**

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Accumulated remeasurement losses, beginning of year	\$ (227,333)	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	617,528	(227,333)
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments	-	-
Accumulated remeasurement gains (losses), end of year	\$ 390,195	\$ (227,333)

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## Big Grassy River First Nation Consolidated Statement of Changes in Net Financial Assets

<b>For the year ended March 31</b>	<b>2024</b>	<b>2023</b>
<b>Annual surplus for the year</b>	<b>\$ 8,104,687</b>	<b>\$ 18,839,275</b>
Acquisition of capital assets	(3,035,154)	(4,916,528)
Amortization of capital assets	1,351,710	1,281,278
Net change in prepaid expenses	<u>203,967</u>	<u>(183,027)</u>
Net change in net financial assets excluding net remeasurement gains (losses)	<b>6,625,210</b>	15,020,998
Net remeasurement gains (losses)	<b>617,528</b>	<u>(227,333)</u>
Net change in net financial assets including net remeasurement gains (losses)	<b>7,242,738</b>	14,793,665
<b>Net financial assets, beginning of year</b>	<b>15,637,902</b>	844,237
<b>Net financial assets, end of year</b>	<b>\$ 22,880,640</b>	<b>\$ 15,637,902</b>

## Big Grassy River First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2024	2023
<b>Operating transactions</b>		
Annual surplus	\$ 8,104,687	\$ 18,839,275
Remeasurement gain (loss)	617,528	(227,333)
Adjustments for		
Amortization of capital assets	1,351,710	1,281,278
Net loss (income) from commercial enterprises	<u>(2,277,843)</u>	<u>(593,252)</u>
	<u>7,796,082</u>	<u>19,299,968</u>
<b>Changes in non-cash working capital balances</b>		
Investments held in trust	134,832	(3,314)
Accounts receivable	940,990	(303,375)
Prepaid expenditures	203,967	(183,027)
Accounts payable	<u>(1,267,509)</u>	<u>865,342</u>
Related party balances	-	3,153
Deferred revenue	(328,333)	874,170
Investments	<u>(4,928,497)</u>	<u>(4,438,247)</u>
	<u>2,551,532</u>	<u>16,114,670</u>
<b>Capital transactions</b>		
Net change in long-term debt	(1,369,683)	(421,101)
Acquisition of capital assets	<u>(3,035,154)</u>	<u>(4,916,528)</u>
	<u>(4,404,837)</u>	<u>(5,337,629)</u>
<b>Investing Activities</b>		
Contributions from subsidiaries	-	145,640
Purchase of investments	<u>3,262,853</u>	<u>(9,103,805)</u>
<b>Increase in cash and cash equivalents</b>	<b>1,409,548</b>	<b>1,818,876</b>
<b>Cash and cash equivalents</b> , beginning of year	<b>10,895,953</b>	<b>9,077,077</b>
<b>Cash and cash equivalents</b> , end of year	<b>\$ 12,305,501</b>	<b>\$ 10,895,953</b>
<b>Represented by</b>		
Cash and cash equivalents	<b>\$ 12,305,501</b>	<b>\$ 10,895,953</b>

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# Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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## 1. Summary of Significant Accounting Policies

<b>Basis of Accounting</b>	<p>These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the Chartered Professional Accountants of Canada Public Sector Accounting Handbook, and include all organizations, operations and activities that are:</p> <ol style="list-style-type: none"><li>1) accountable for the administration of the financial affairs and resources directly to the First Nation, and</li><li>2) are owned or controlled by the First Nation.</li></ol> <p>This includes all aspects of Band operations including provision of social, educational, administration and operational services, as well as the results of First Nation enterprises on a modified equity method as disclosed in these consolidated financial statements.</p> <p>Other long-term investments are reflected at cost as disclosed in Note 18.</p> <p>Government business enterprises are separate legal entities which do not rely on the government for funding. The First Nation's only government business enterprise consists of an investment in Mishkosiminiziibiing Development Corporation. This investment is accounted for using the modified equity basis of accounting.</p>
<b>Cash and Cash Equivalents</b>	<p>Management considers all highly liquid investments with maturities of three months or less at acquisition to be cash equivalents.</p>
<b>Tangible Capital Assets</b>	<p>Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. The First Nation does not capitalize interest charges as part of the cost of its tangible capital assets.</p> <p>Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the First Nation, forests, water, and other natural resources are not recognized as tangible capital assets.</p>

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### 1. Summary of Significant Accounting Policies (continued)

<b>Amortization</b>	Amortization is calculated on the cost, net of contributions on a straight-line or declining balance method as follows:	
<b>Asset</b>	<b>Method</b>	<b>Rate</b>
School	Straight-line	40 years
Housing	Straight-line	40 years
Water project	Straight-line	40 years
Medical building	Straight-line	40 years
Roundhouse	Straight-line	40 years
Fire hall	Straight-line	40 years
Other buildings	Straight-line	40 years
Roads	Straight-line	40 years
Computer equipment	Declining balance basis	30%
Furniture and equipment	Declining balance basis	20%
Vehicles	Declining balance basis	30%
<b>Program Surplus</b>	Programs funded by government agencies may be subject to recovery by the contributing agencies in accordance with funding arrangements and could result in adjustments to prior year funding.	
<b>Long-term Loans Receivable</b>	Loans are carried at the unpaid principal less allowances for doubtful loans.	
<b>Allowance for Doubtful Loans</b>	The First Nation maintains specific allowances for doubtful loans that reduces the carrying value of loans identified as impaired to their estimated realizable amounts.	
<b>Investments</b>	The modified equity method of accounting is used to account for investments in the First Nation's business enterprises which the First Nation owns and controls. Under this method, the investment is initially recorded at cost and the carrying value is adjusted annually thereafter to include the First Nation's pro rata share of post acquisition earnings.	
<b>Replacement Reserves</b>	The replacement reserve accounts are funded by an annual allocation based on amounts specified in agreements with Canada Mortgage and Housing Corporation.	
<b>Government Transfers</b>	Government transfers, which include legislative grants, are recognized as revenue in the consolidated financial statements 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. When transfer stipulations give rise to a liability, government transfers are recognized as deferred revenue and recognized as revenue when the stipulations are settled.	

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### 1. Summary of Significant Accounting Policies (continued)

<b>Revenue Recognition</b>	<p>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.</p> <p>Contributions from non-government sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.</p> <p>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 service is performed.</p>
<b>Financial Instruments</b>	<p>Cash and equity instruments quoted in an active market are measured at fair value. Accounts and loans receivable, advances to affiliated companies, accounts payable and accrued liabilities, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.</p> <p>Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.</p> <p>When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.</p> <p>For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.</p>
<b>Trust Funds</b>	<p>Trust funds are held in trust by Indigenous Services Canada (ISC), Kiiakiinaan Trust and Ah-Shoo-Gun Trust. Revenue on trust funds is recognized in accordance with terms of the related instrument.</p>
<b>Measurement Uncertainty</b>	<p>Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues and expenses are unknown at the time the consolidated financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized on the consolidated financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.</p>

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### 1. Summary of Significant Accounting Policies (continued)

**Pension Plan** The First Nation maintains a defined contribution pension plan for its personnel. Expenses for this plan are equal to the First Nation's required contribution for the year.

**Use of Estimates** The preparation of consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

The estimates used in the preparation of these consolidated financial statements are the useful lives of tangible capital assets and accrued liabilities.

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### 2. Cash and Cash Equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Big Grassy River 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 Canada Deposit Insurance Corporation or as otherwise approved by Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Capital Improvement Fund. Cash and cash equivalents are comprised of the following:

	2024	2023
<b>Internally restricted</b>		
Reserves	\$ 477,687	\$ 474,339
<b>Unrestricted</b>		
Operating	<u>11,827,814</u>	10,421,614
<b>Total cash and cash equivalents</b>	<u>\$ 12,305,501</u>	\$ 10,895,953

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### 3. Bank Indebtedness

The First Nation has an approved operating line of credit with the CIBC in the amount of \$200,000, with interest at the prime rate plus 1.25%. Operating loans and the entire loan account of Big Grassy River First Nation with the CIBC is secured by a security agreement covering all assets, an Acknowledged Irrevocable Direction covering all Indigenous Services Canada funding and a Band Council Resolution authorizing Chief and Council to borrow by way of overdraft. There was \$200,000 unused credit capacity at year end.

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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**4. Short-Term Investment**

	<b>2024</b>	<b>2023</b>
Guaranteed investment certificate, interest rates from 4.95% to 5.40%	<b>5,840,952</b>	5,061,219
Guaranteed investment certificates, interest rates at 4.85%	- <hr/>	4,042,586
	<b>\$ 5,840,952</b>	<b>\$ 9,103,805</b>

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**5. Accounts and Loans Receivable**

	<b>2024</b>	<b>2023</b>
Band member advances	\$ 356,705	356,180
Accounts receivable - General	1,372,963	2,292,785
Accounts receivable - Onigaming	8,485	269,908
Net advances to Mishkosiminiziibing Development Corporation	<hr/> 3,891	3,891
	1,742,044	2,922,764
Allowance for doubtful accounts	<hr/> 356,705	596,435
	<hr/> <b>\$ 1,385,339</b>	<b>\$ 2,326,329</b>

**Big Grassy River First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2024

**6. Tangible Capital Assets**

	Cost	Accumulated Amortization						2024	2023	
		Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Amortization	Disposals and Write-downs	Closing Balance	Net Book Value
School	\$ 5,223,807	\$ -	\$ -	- \$ 5,223,807	\$ 2,847,158	\$ 130,595	\$ -	\$ 2,977,753	\$ 2,246,054	\$ 2,376,649
Housing	19,097,506	-	-	- 19,097,506	7,724,163	477,438	-	8,201,601	10,895,905	11,373,343
Water project	4,297,309	-	-	- 4,297,309	2,900,686	107,433	-	3,008,119	1,289,190	1,396,623
Water treatment plant	7,192,389	573,511	-	- 7,765,900	342,736	194,147	-	536,883	7,229,017	6,849,653
Medical building	728,292	-	-	- 728,292	455,178	18,207	-	473,385	254,907	273,114
Roundhouse	227,626	-	-	- 227,626	102,437	5,691	-	108,128	119,498	125,189
Fire hall	335,027	-	-	- 335,027	105,331	8,376	-	113,707	221,320	229,696
Other buildings	1,558,905	-	-	- 1,558,905	1,008,308	64,146	-	1,072,454	486,451	550,597
Roads	1,319,876	-	-	- 1,319,876	424,885	22,949	-	447,834	872,042	894,991
Computer equipment	111,612	16,656	-	- 128,268	110,351	2,877	-	113,228	15,040	1,261
Furniture and equipment	479,341	13,138	-	- 492,479	416,026	13,977	-	430,003	62,476	63,315
Vehicles	2,390,596	494,712	-	- 2,885,308	1,244,125	297,617	-	1,541,742	1,343,566	1,146,471
Pow wow grounds	330,343	-	-	- 330,343	49,552	8,257	-	57,809	272,534	280,791
	\$ 43,292,629	\$ 1,098,017	\$ -	- \$ 44,390,646	\$ 17,730,936	\$ 1,351,710	\$ -	\$ 19,082,646	\$ 25,308,000	\$ 25,561,693

The net book value of the tangible assets not being amortized because they are under construction is \$2,315,226 (2023 - \$378,089). These items are recognized separately as tangible capital assets under construction on the consolidated statement of financial position. This relates to the new housing and a multiple Cultural Centre buildings.

# Big Grassy River First Nation Notes to Consolidated Financial Statements

**March 31, 2024**

## 7. Accounts Payable and Accrued Liabilities

	<b>2024</b>	<b>2023</b>
Accounts payable - general	\$ 1,583,588	\$ 2,829,097
Accrued legal settlement obligation (Note 20)	- \$ 1,583,588	22,000 \$ 2,851,097

## 8. Deferred Revenue

	Balance March 31, 2023	Funding Received 2024	Funding Recognized 2024	Balance March 31, 2024
ISC				
ICSF - DIR ALL EMAP	\$ 233,616	\$ -	\$ 18,620	\$ 214,996
Youth mobilization	87,886	-	74,813	13,073
Community Planning	3,396	-	3,396	-
Post-Secondary Education	372,644	634,345	755,958	251,031
Other - Capital	77,076	186,509	141,308	122,277
Water Treatment Plant	433,514	286,719	534,007	186,226
Block FN School Formula	1,897,465	2,026,068	2,061,954	1,861,579
P&P School Formula	176,035	651,807	498,740	329,102
Skills Link	257,449	-	38,488	218,961
IM/IT Gov Cap Dev	67,500	-	-	67,500
Basic Admin Gov Cap Dev	75,000	-	58,309	16,691
Cultural Spaces	1,767,750	-	1,767,750	-
Community Based Initiative	84,558	-	84,558	-
Projects & Capacity	101,722	28,157	101,722	28,157
Planning & Response (COVID-19)	87,947	-	43,097	44,850
Other - Facilities O&M	65,127	309,241	374,368	-
Water & Sewer Facilities	97,801	276,878	374,679	-
FNLM Operational Support	-	199,445	17,223	182,222
COVID-19 OSR COM SERV FN	163,349	-	163,349	-
MJR Renos,Extensns&Repair	72,750	-	-	72,750
FN Representative Service	112,547	115,182	227,729	-
CFS Prevention	623,960	820,079	462,169	981,870
Cost Capacity - Building	122,704	250,000	122,704	250,000
LEDSP Block Core	51,238	52,459	103,697	-
Health Canada				
Pub Health NS & Chrs	62,172	62,898	33,188	91,882
JP- Child /Life Necessities	-	900,492	496,636	403,856
Ontario Child & Youth	57,789	40,587	46,122	52,254
Aboriginal Diabetes	58,031	17,601	17,601	58,031
Mental Wellness Program	38,127	273,195	210,847	100,475
Community Facilities O&M	13,933	92,604	61,874	44,663
Carried forward	\$ 7,263,086	\$ 7,224,266	\$ 8,894,906	\$ 5,592,446

# Big Grassy River First Nation Notes to Consolidated Financial Statements

**March 31, 2024**

## 8. Deferred Revenue (continued)

	Balance March 31, 2023	Funding Received 2024	Funding Recognized 2024	Balance March 31, 2024
Brought forward	\$ 7,263,086	\$ 7,224,266	\$ 8,894,906	<b>\$ 5,592,446</b>
GCT#3 Diabetes Program Enhancement	13,456	30,062	22,500	<b>21,018</b>
Weechi-It-Te-Win Devolution	290,788	723,878	556,332	<b>458,334</b>
Department of Natural Resources	15,952	61,829	67,059	<b>10,722</b>
Infrastructure Canada	126,926	619,335	200,415	<b>545,846</b>
Shooniyaa Wa-Biitong	38,133	-	-	<b>38,133</b>
OFNLP	-	891,842	558,384	<b>333,458</b>
CMHC Residential Rehabilitation Assistance	-	59,568	6,457	<b>53,111</b>
CMHC Renovation of Housing Units	-	300,000	-	<b>300,000</b>
Ministry of Health	-	121,138	98,539	<b>22,599</b>
Long Term Care	-	43,618	21,234	<b>22,384</b>
New Relationship Fund	-	85,000	63,043	<b>21,957</b>
	<b>\$ 7,748,341</b>	<b>\$ 10,160,536</b>	<b>\$ 10,488,869</b>	<b>\$ 7,420,008</b>

### Indigenous Services Canada

Indigenous Services Canada advances the First Nation funding for various programs and projects. These fixed and flexible funding contributions must be spent on eligible expenses within each of these programs and projects.

### Health Canada

Health Canada advances the First Nation funding for various programs. These fixed and flexible funding contributions must be spent on eligible expenses within each of these programs.

### Grand Council Treaty #3

GCT#3 advances the First Nation funding for various programs. This funding must be spent on eligible expenses within each of these programs.

### Ministry of Indigenous Affairs

The province advances the First Nation funding for New Relationship funding. This funding must be spent on eligible expenses within the project claim.

### Shooniyaa Wa-Biitong

Shooniyaa Wa-Biitong advances the First Nation funding for the Child Care Initiative. This funding must be used to provide child care in the community.

### Weechi-It-Te-Win

Weechi-It-Te-Win advances the First Nation funding in relation to child protection, family counselling and prevention. This funding must be spent on eligible expenses within these projects.

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### 8. Deferred Revenue (continued)

#### CMHC

CMHC advances the First Nation funding for the Rapid Housing Initiative. This funding must be spent on eligible expenses to build additional housing.

#### Department of Natural Resources

The Department of Natural Resources advances the First Nation funding for the Smart Renewables and Electrification Pathways. This funding must be spent on eligible expenses within this program.

#### Infrastructure Canada

Infrastructure Canada advances the First Nation funding for the School Retrofit Project. This funding must be spent on eligible expenses within this program.

#### OFNLP

Ontario First Nations Limited Partnership advances the First Nation funding in relation to community development, health, education, economic development and cultural development. This funding must be spent on expenditures that fall into these categories.

#### Giishkaandago'lkwe Health Services

Giishkaandago'lkwe Health Services advances the First Nation funding for a community wellness worker, gender-based violence strategy, and healthy babies programs. This funding must be used for eligible costs under these programs.

#### Ministry of Health

Ministry of Health advances the First Nation funding for home maker and nurse services. This funding must be used for eligible costs under these programs.

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### 9. Long-term Debt

	<u>2024</u>	<u>2023</u>
CMHC loan - interest rate at 5.00%, repayable \$6,271 monthly, secured by a general security agreement, renewal date September 2028.	\$ 777,447	-
CMHC loan - interest rate at 0.96%, repayable \$3,109 monthly, secured by a general security agreement, renewal date March 2026.	400,560	433,850
CMHC loan - interest rate at 4.66%, repayable \$3,811 monthly, secured by a general security agreement, renewal date November 2028.	346,192	377,325
CMHC loan - interest rate at 0.96%, repayable \$3,305 monthly, secured by a general security agreement, renewal date March 2026.	402,038	437,655
Carried forward	<u>\$ 1,926,237</u>	<u>\$ 1,248,830</u>

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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**9. Long-term Debt (continued)**

	<b>2024</b>	<b>2023</b>
Brought forward	\$ 1,926,237	\$ 1,248,830
CMHC loan - interest rate at 1.12%, repayable \$4,082 monthly, secured by a general security agreement, renewal date October 2026.	553,412	595,937
CMHC loan - interest rate at 3.70%, repayable \$2,448 monthly, secured by a general security agreement, renewal date December 2027.	205,202	226,598
CIBC loan - interest at prime rate plus 1.5%, requiring monthly payments of \$1,310 plus interest, secured by automotive equipment, maturing September 2023.	-	6,510
ISC loan, interest free, repayable in full upon settlement of the related flooding claim.	-	2,237,742
ISC loan, interest free, repayable in full upon settlement of the related farming claim.	<b>523,795</b>	262,712
	<b>\$ 3,208,646</b>	<b>\$ 4,578,329</b>

The estimated principal repayments on the above long-term debt required over the next five years and thereafter are as follows:

Year	Amount
2025	\$ 399,810
2026	204,958
2027	245,248
2028	476,937
2029	249,386
Thereafter	<u>1,632,307</u>
	<b>\$ 3,208,646</b>

March 31, 2024

**Big Grassy River First Nation  
Notes to Consolidated Financial Statements**

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**10. Government Business Enterprises**, at modified equity

**Mishkosiminiibiling Development Corporation**

Mishkosiminiibiling Development Corporation is a Corporation that was created for the purpose of exploring economic activities that the First Nation can be involved in.

**Big Grassy LP**

Big Grassy LP is a limited partnership that was created for the purpose of exploring economic activities for Big Grassy River First Nation.

<b>Percentage ownership</b>	<b>MDC</b>	<b>Big Grassy LP</b>
	<b>100%</b>	<b>99.9%</b>
Carrying value, March 31, 2022	\$ 70,359	\$ 1,259,026
Share of net income (loss)	(39,843)	780,414
Distributions	-	(145,640)
Other adjustments	-	(147,319)
Carrying value, March 31, 2023	30,516	1,746,481
Share of net income (loss)	(16,011)	2,293,854
<b>Carrying value, March 31, 2024</b>	<b>\$ 14,505</b>	<b>\$ 4,040,335</b>

March 31, 2024

**Big Grass River First Nation  
Notes to Consolidated Financial Statements**

**10. Government Business Enterprises, at modified equity (continued)**

	<b>MDC</b>		<b>Big Grass River First Nation</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Financial position</b>				
Current assets	\$ 12,847	\$ 5,657	\$ 3,831,323	\$ 2,388,372
Long-term assets	14,144	29,824	2,124,978	159,773
	<b>\$ 26,991</b>	<b>\$ 35,481</b>	<b>\$ 5,956,301</b>	<b>\$ 2,548,145</b>
Current liabilities	\$ 6,000	\$ 4,965	\$ 1,899,698	\$ 763,010
Long-term liabilities	6,486	-	16,268	38,654
	<b>12,486</b>	<b>4,965</b>	<b>1,915,966</b>	<b>801,664</b>
Share capital	1,000	1,000	9,990	9,990
Net equity, end of year	13,505	29,516	4,030,345	1,736,491
	<b>\$ 26,991</b>	<b>\$ 35,481</b>	<b>\$ 5,956,301</b>	<b>\$ 2,548,145</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Results of operations</b>				
Revenues	\$ -	\$ 425	\$ 9,999,492	\$ 6,138,407
Operating expenses	16,011	40,268	7,705,638	5,357,993
Net income (loss)	(16,011)	(39,843)	2,293,854	780,414
Distributions	-	-	-	(145,640)
Other adjustments	-	-	-	(147,319)
Net equity, beginning of year	29,516	69,359	1,736,491	1,249,036
Net equity, end of year	<b>\$ 13,505</b>	<b>\$ 29,516</b>	<b>\$ 4,030,345</b>	<b>\$ 1,736,491</b>

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### **11. Defined Contribution Pension Plan**

The expense for the First Nation pension plan for the year was \$32,442 (2023 - \$50,826). The plan is funded by the First Nation employees at the rate of 5.5% of the employees' salary.

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### **12. Budget**

The budget approved by Chief and Council was not prepared on a consolidated basis and does not include all of the activities of the First Nation. As a result, budget figures are only presented on a non-consolidated basis for programs where available.

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### **13. Accumulated Surplus**

The First Nation segregates its accumulated surplus into the following categories:

	<b>2024</b>	<b>2023</b>
Operating funds	<b>\$ 20,678,653</b>	\$ 15,567,923
Investment in capital assets	<b>24,938,375</b>	24,090,776
Investment in INAC trust funds	-	134,832
Equity in enterprises	<b>4,043,849</b>	1,766,007
Replacement reserve	<b>477,687</b>	474,339
	<b><u>\$50,138,564</u></b>	<b><u>\$ 42,033,877</u></b>

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in amounts established by CMHC. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Deposit Insurance Corporation from time to time. The funds in the account may only be used as approved by Canada Mortgage and Housing Corporation. Withdrawals are credited to interest first and then principal.

At year end, the funds in the reserve were required to be \$477,687 (2023 - \$474,339).

## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

### 13. Accumulated Surplus (continued)

For the year ended March 31							2024	2023
	3-Unit Housin g	6-Unit Housin g	7-Unit Housin g	10-Unit Housin g	6-Plex Housin g	9-Unit Housin g	Total	Total
<b>Balance, beginning of year</b>	\$ -	\$ 90,480	\$ 134,830	\$ 115,364	\$ 97,013	\$ 36,652	\$ 474,339	\$ 433,974
Interest income	-	429	639	547	460	-	2,075	-
Allocation for the year	1,750	7,200	12,075	8,500	8,400	-	37,925	40,365
Expenditures	-	(20,000)	(120,000)	(25,000)	(25,000)	-	(190,000)	-
Special Contribution	-	20,000	120,000	25,000	25,000	-	190,000	-
Adjustment for matured unit	-	-	-	-	-	(36,652)	(36,652)	-
<b>Balance, end of year</b>	<b>\$ 1,750</b>	<b>\$ 98,109</b>	<b>\$ 147,544</b>	<b>\$ 124,411</b>	<b>\$ 105,873</b>	<b>\$ -</b>	<b>\$ 477,687</b>	<b>\$ 474,339</b>

### 14. Investments Held in Trust

The trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. These funds are restricted for their use, of which the Band is generally permitted to use for a purpose that will promote the general progress and welfare of the Band and Band members. The management of these funds is primarily governed by the sections of the Indian Act.

	Balance March 31, 2023	Additions 2024	Withdrawals 2024	Balance March 31, 2024
<b>Held by Federal Government</b>				
Capital	\$ 60,176	\$ -	\$ (60,176)	\$ -
Revenue	74,656	4,901	(79,557)	-
	<b>\$ 134,832</b>	<b>\$ 4,901</b>	<b>\$ (139,733)</b>	<b>\$ -</b>

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### 15. Indigenous Services Canada Funding Reconciliation

	2024	2023
ISC revenue per funding confirmation	\$ 7,527,845	\$ 8,840,058
Deferred revenue, beginning of year	7,033,034	5,463,927
Deferred revenue, end of year	<u>(4,841,285)</u>	<u>(7,033,034)</u>
ISC revenue per the consolidated financial statements	<u><b>\$ 9,719,594</b></u>	<u><b>\$ 7,270,951</b></u>
	2024	2023
HC revenue per funding confirmation	\$ 2,159,201	\$ 794,502
Deferred revenue, beginning of year	230,052	298,516
Deferred revenue, end of year	<u>(751,160)</u>	<u>(230,052)</u>
HC revenue per the consolidated financial statements	<u><b>\$ 1,638,093</b></u>	<u><b>\$ 862,966</b></u>

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### 16. Other Revenue

	2024	2023
Settlement	\$ 14,538,742	\$ 21,341,364
Earnings from enterprises	2,277,843	593,252
Interest earned	735,941	348,018
Resource revenue	386,224	835,763
Miscellaneous	<u>1,998,518</u>	<u>2,544,843</u>
	<u><b>\$ 19,937,268</b></u>	<u><b>\$ 25,663,240</b></u>

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### 17. Comparative Figures

The prior year's figures have been restated to conform to the current year's financial statement presentation and new ISC requirements.

## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

### 18. Government Transfers

	Operating	Capital	2024 Total	Operating	Capital	2023 Total
Federal						
ISC	\$ 6,697,578	\$ 3,022,016	\$ 9,719,594	\$ 4,869,153	\$ 2,401,798	\$ 7,270,951
Health Canada	1,638,093	-	1,638,093	838,980	23,986	862,966
CMHC	442,389	-	442,389	223,761	-	223,761
Sub-total	8,778,060	3,022,016	11,800,076	5,931,894	2,425,784	8,357,678
Provincial	1,534,630	-	1,534,630	1,284,643	154,002	1,438,645
Total	<b>\$ 10,312,690</b>	<b>\$ 3,022,016</b>	<b>\$ 13,334,706</b>	<b>\$ 7,216,537</b>	<b>\$ 2,579,786</b>	<b>\$ 9,796,323</b>

### 19. Portfolio Investments

Investments consist of the following:

	2024	2023
398,879 Common shares of New Gold	<b>\$ 909,444</b>	<b>\$ 586,352</b>
TD marketable securities	5,236,785	5,038,340
BMO marketable securities	5,387,824	-
Bank note due January 2029	-	214,380
Bank note due March 2029	-	104,145
Bank note due March 2027	-	114,205
Bank note due November 2028	-	548,134
	<b>\$ 11,534,053</b>	<b>\$ 6,605,556</b>

Portfolio investments are valued at fair market value. The carrying value of the common shares of New Gold at March 31, 2024, are \$2,052,630 (2023 - \$2,052,630). The carrying value of the TD marketable securities as of March 31, 2024, are \$5,098,173 (2023 - \$5,036,537). The carrying value of the BMO marketable securities at March 31, 2024 is \$5,449,517 (2023 - \$NIL). The carrying value of the bank notes held at CIBC at March 31, 2024 is \$NIL (2023 - \$300,000, \$150,000, \$150,000 and \$610,000).

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## Big Grassy River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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### **20. Expenditure by Object**

	<b>2024</b>	<b>2023</b>
Salaries, wages and honoraria	\$ 17,926,734	\$ 4,958,758
Office, equipment, supplies and program expenses	4,158,080	3,410,671
Professional services	1,111,424	989,456
Utilities, fuel and maintenance	936,721	817,866
Travel, training and meetings	1,629,608	1,539,827
Amortization	1,351,710	1,281,278
Other expenses	715,267	7,728,488
	<b>\$ 27,829,544</b>	<b>\$ 20,726,344</b>

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### **21. Contingencies**

The Organization was named in one lawsuit, which is unresolved as of the date of the audit report. Management has accrued a maximum liability of \$NIL (2023 - \$22,000) in the consolidated financial statements related to the claim. The outcome of the claim is unknown and therefore, no provision for these claims have been made in the consolidated financial statements. The Organization has hired Counsel to defend its position on these matters.

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### **22. Segmented Financial Information**

The First Nation provides a variety of services including band administration, health and social services, education, housing, commercial and other.

#### **Band Administration**

Administration is comprised of the Administration and Finance department. This department performs a management and administrative role by holding Council Meetings to administer the delivery of programs and services and to help develop a strategy for the future.

#### **Health and Social Services**

The First Nation operates a variety of health and social programs to provide health awareness, prevention and assistance programs for community members.

#### **Education**

Education and educational programs are responsible for the operation of the school and providing the resources necessary to enhance the educational development of community members.

#### **Housing**

Housing programs provide and maintain shelter to community members by building and renovating housing.

#### **Commercial and Other**

The First Nation operates a variety of commercial and other activities including the Assabaska Park, Fisheries and Pow Wow.

**Big Grassy River First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2024

**22. Segmented Financial Information (continued)**

	Administration	Band	Commercial and Other	Education	Health and Social Services	Housing	2024
<b>Revenue</b>							
Government transfers	\$ 2,742,961	\$ 1,968,165	\$ 3,688,850	\$ 2,719,541	\$ 406,442	\$ 11,525,959	
Commercial activity	-	2,437,049	-	-	-	2,437,049	
Other income	18,039,451	387,724	495,238	2,998,120	50,690	21,971,223	
	<b>20,782,412</b>	<b>4,792,938</b>	<b>4,184,088</b>	<b>5,717,661</b>	<b>457,132</b>	<b>35,934,231</b>	
<b>Expenses</b>							
Amortization	649,920	-	241,056	42,293	418,441	1,351,710	
Other expenses	375,104	49,815	70,171	88,661	131,516	715,267	
Office, equipment, supplies and program expenses	322,243	144,041	1,461,980	1,443,901	785,915	4,158,080	
Professional services	709,448	-	107,064	53,236	241,676	1,111,424	
Travel, training and meetings	285,485	2,133	277,645	1,059,056	5,289	1,629,608	
Utilities, fuel and maintenance	190,715	32,531	204,225	427,837	81,413	936,721	
Salaries, benefits and honoraria	14,185,871	143,635	1,847,245	1,693,390	56,593	17,926,734	
	<b>16,718,786</b>	<b>372,155</b>	<b>4,209,386</b>	<b>4,808,374</b>	<b>1,720,843</b>	<b>27,829,544</b>	
<b>Excess of revenue over expenses for the year</b>	<b>\$ 4,063,626</b>	<b>\$ 4,420,783</b>	<b>\$ (25,298)</b>	<b>\$ 909,287</b>	<b>\$ (1,263,711)</b>	<b>\$ 8,104,687</b>	

March 31, 2024

**Big Grassy River First Nation**  
**Notes to Consolidated Financial Statements**

**22. Segmented Financial Information (continued)**

	Administration	Commercial and Other	Education	Health and Social Services	Housing	2023
<b>Revenue</b>						
Government transfers	\$ 1,854,384	\$ 29,485	\$ 3,754,742	\$ 2,471,269	\$ 822,708	\$ 8,932,588
Commercial activity	-	714,800	-	-	-	714,800
Other income	5,267,192	22,177,127	469,096	1,960,737	44,079	29,918,231
	<b>7,121,576</b>	<b>22,921,412</b>	<b>4,223,838</b>	<b>4,432,006</b>	<b>866,787</b>	<b>39,565,619</b>
<b>Expenses</b>						
Amortization	620,867	-	197,169	44,801	418,441	1,281,278
Other expenses	665,445	6,804,686	72,762	115,489	70,106	7,728,488
Office, equipment, supplies and program expenses	513,595	548,137	1,387,698	745,405	215,836	3,410,671
Professional services	726,148	-	91,040	78,155	94,113	989,456
Travel, training and meetings	411,611	4,222	79,964	1,043,451	579	1,539,827
Utilities, fuel and maintenance	242,859	27,058	190,204	301,173	56,572	817,866
Salaries, benefits and honoraria	1,163,799	159,414	1,757,794	1,789,383	88,368	4,958,758
	<b>4,344,324</b>	<b>7,543,517</b>	<b>3,776,631</b>	<b>4,117,857</b>	<b>944,015</b>	<b>20,726,344</b>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>\$ 2,777,252</b>	<b>\$ 15,377,895</b>	<b>\$ 447,207</b>	<b>\$ 314,149</b>	<b>\$ (77,228)</b>	<b>\$ 18,839,275</b>