

**Bearskin Lake First Nation  
Consolidated Financial Statements  
For the year ended March 31, 2019**

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For the year ended March 31, 2019**

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## Management's Responsibility for Financial Reporting

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

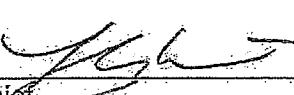
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting principles. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has 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.

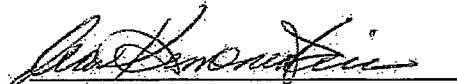
The Band maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Band's assets are appropriately accounted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

The Band 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 Chief and Council review the Band's consolidated financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the 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 auditors' report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. BDO Canada LLP has full access to the Band Council.

  
Chief

  
Band Manager

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## Independent Auditors' Report

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**To the Members of Bearskin Lake First Nation**

**Qualified Opinion**

We have audited the consolidated financial statements of Bearskin Lake First Nation and its enterprises (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, 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, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2019, and the results of its operations, change in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Basis for Qualified Opinion**

As discussed in the Significant Accounting Policies, the Bearskin Lake Economic Development Corporation and the Wellington Group of Companies have been included in the government reporting entity. The Bearskin Lake Economic Development Corporation is an Other Government Organization and is accounted for using the consolidation method. The Wellington Group is a government business partnership and is accounted for on a modified equity basis. Neither organization has been subject to audit. As a result of the statements being unaudited, we are unable to determine the impact of this departure on the revenue, expenses and accumulated surplus for the years ended March 31, 2019 and 2018, the assets and liabilities as at March 31, 2019 and 2018 and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 year ends. Our audit opinion for the year ended March 31, 2018, was modified accordingly because of the possible effects of this limitation in scope.

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 qualified audit opinion.

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## Independent Auditors' Report (cont'd)

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### **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 public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 judgement 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.



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## Independent Auditors' Report (cont'd)

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- 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.

*BDO Canada LLP*

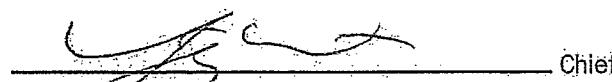
Chartered Professional Accountants, Licensed Public Accountants

Dryden, Ontario  
November 22, 2022

**Bearskin Lake First Nation**  
**Consolidated Statement of Financial Position**

<u>March 31</u>	<u>2019</u>	<u>2018</u>
<b>Financial assets</b>		
Bank (Note 1)	\$ 6,291,205	\$ 5,584,847
Accounts receivable (Note 3)	3,175,904	2,748,001
Loans and advances (Note 4)	27,807	45,128
Inventory for resale (Note 5)	1,170,643	1,386,088
Portfolio investments (Note 2)	1	1
Investment in government business partnerships (Note 6)	168,080	167,638
Trust funds held by federal government (Note 13)	72,759	71,107
	<u>10,906,399</u>	<u>10,002,810</u>
<b>Financial liabilities</b>		
Bank indebtedness (Note 7)	3,889,264	4,115,702
Accounts payable and accrued liabilities (Note 8)	3,292,768	3,137,379
Deferred revenue and government transfers (Note 9)	3,418,344	3,641,488
Long-term debt (Note 10)	224,699	267,576
	<u>10,825,075</u>	<u>11,162,145</u>
<b>Net financial assets (debt)</b>	<b>81,324</b>	<b>(1,159,335)</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 11)	19,037,075	17,601,569
Prepalds	137,168	-
<b>Accumulated surplus (Note 12)</b>	<b>\$ 19,255,567</b>	<b>\$ 16,442,234</b>

Approved on behalf of the First Nation :

 \_\_\_\_\_ Chief

 \_\_\_\_\_ First Nation Administrator

**Bearskin Lake First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**

For the year ended March 31	Budget 2019	Actual 2019	Actual 2018
<b>Revenue</b>			
Indigenous and Northern Affairs Canada (Note 18)	\$ 10,320,920	\$ 8,806,771	\$ 8,626,283
Canada Mortgage and Housing Corporation	55,500	55,500	87,052
Human Resource Development Canada	-	25,000	-
Ontario First Nation Limited Partnership	1,407,897	1,407,897	1,154,796
Hydro One	134,891	77,336	80,993
Ministry of Transportation	34,835	205,744	-
Ministry of Health	257,773	143,033	184,789
Ministry of Aboriginal Affairs	113,031	90,000	79,388
Ministry of Northern Development and Mines	160,643	160,643	160,643
Ministry of Community and Social Services	826,483	826,483	673,178
Ministry of Education	682,466	682,466	363,749
Ministry of Natural Resources	-	-	40,513
Canada Post Corporation	521,373	521,373	568,113
Ministry of Attorney General	-	-	33,649
Sioux Lookout Area Aboriginal Management Board	217,931	278,541	394,683
Health Canada (Note 19)	3,678,860	3,549,466	1,812,330
Northern Nishnawbe Education Council	88,470	88,470	90,036
Nishnawbe Aski Nation	428,510	428,510	290,367
Public Safety Canada	-	2,648,840	-
Windigo Education Authority	-	-	46,250
Tervita Corporation	-	222,923	1,378,461
Tikinagan	32,400	65,016	51,421
Other	4,338,009	2,913,906	2,245,556
Income (loss) of Wellington Group of Companies	-	1,574	15,649
	<hr/> 23,299,992	<hr/> 23,199,492	<hr/> 18,377,899
<b>Expenses</b>			
Band Fund	3,684,237	3,840,330	3,412,714
Day Care	637,785	612,450	663,956
Capital	4,592,223	3,379,085	3,211,824
Welfare	1,157,598	995,159	1,035,088
Education	2,036,195	2,168,087	1,756,747
Operation and Maintenance	2,662,969	2,585,558	2,862,834
General Fund	1,945,358	221,292	294,107
Economic Development Corporation	-	2,339,623	2,352,594
Michikan Construction	-	553,384	1,181,955
Health Authority	4,040,459	3,691,191	1,968,786
	<hr/> 20,756,824	<hr/> 20,386,159	<hr/> 18,740,605
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>2,543,168</b>	<b>2,813,333</b>	<b>(362,706)</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>16,442,234</b>	<b>16,804,940</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 2,543,168</b>	<b>\$ 19,255,567</b>	<b>\$ 16,442,234</b>

**Bearskin Lake First Nation**  
**Consolidated Statement of Change in Net Assets**

<b>For the year ended March 31</b>	<b>Budget 2019</b>	<b>Actual 2019</b>	<b>Actual 2018</b>
Annual surplus (deficit)	\$ 2,543,168	\$ 2,813,333	\$ (362,706)
Acquisition of tangible capital assets	-	(3,932,029)	(1,219,878)
Amortization of tangible capital assets	-	2,496,523	2,840,437
Acquisition of non-financial assets	-	(137,168)	-
 Net change in net financial assets (debt)	 2,543,168	 1,240,659	 1,257,853
 Net debt, beginning of year	 (1,159,335)	 (1,159,335)	 (2,417,188)
 Net financial assets (debt), end of year	 \$ 1,383,833	 \$ 81,324	 \$ (1,159,335)

**Bearskin Lake First Nation**  
**Consolidated Statement of Cash Flows**

For the year ended March 31	2019	2018
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Deficiency of revenue over expenses for the year	\$ 2,813,333	\$ (362,706)
Item not involving cash		
Amortization	2,496,523	2,840,437
Changes in non-cash working capital balances		
Accounts receivable	(427,903)	188,912
Loans and advances	17,321	(15,883)
Inventory for resale	215,445	(9,695)
Accounts payable	155,389	(2,212,419)
Deferred revenue and government transfers	(223,144)	1,995,685
Prepays	<u>(137,168)</u>	-
	<u>4,909,796</u>	<u>2,424,331</u>
<b>Capital activities</b>		
Purchase of capital assets	<u>(3,932,029)</u>	<u>(1,219,878)</u>
<b>Investing activities</b>		
Decrease (increase) in investment in Wellington Group of Companies	<u>(442)</u>	<u>(15,649)</u>
<b>Financing activities</b>		
Repayment of long-term debt	(42,877)	(40,894)
Increase in short-term investment	<u>(1,652)</u>	<u>(1,478)</u>
	<u>(44,529)</u>	<u>(42,372)</u>
<b>Increase in cash during the year</b>	<b>932,796</b>	<b>1,146,432</b>
Bank, beginning of year	<u>1,469,145</u>	<u>322,713</u>
<b>Bank, end of year</b>	<b><u>\$ 2,401,941</u></b>	<b><u>\$ 1,469,145</u></b>
<b>Represented by:</b>		
Bank	\$ 6,291,205	\$ 5,584,847
Bank indebtedness	<u>(3,889,264)</u>	<u>(4,115,702)</u>
	<b><u>\$ 2,401,941</u></b>	<b><u>\$ 1,469,145</u></b>

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## Bearskin Lake First Nation Summary of Significant Accounting Policies

March 31, 2019

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<b>Basis of Accounting</b>	These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting standards for governments, as defined by the Public Sector Accounting Board.
<b>Portfolio Investments</b>	Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.
<b>Inventory for Resale</b>	Inventory of supplies and goods available for resale are recorded at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.
<b>Tangible Capital Assets</b>	Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue.

Amortization of these assets is recorded on a straight-line basis commencing in the year of acquisition or construction as follows:

Linear Assets	5% - 30%
Buildings	5%
Vehicles	30%
Equipment	5% - 30%

Assets under construction are not amortized until the asset is available to be put into service.

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## Bearskin Lake First Nation Summary of Significant Accounting Policies

March 31, 2019

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**Revenue Recognition** Revenues are recognized in the period in which the transaction or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of revenue and expenses and fund balance as the stipulation liabilities are settled.

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the specific purpose.

Rental and user fee revenue is recognized on a monthly basis as income is earned and when collection is reasonably assured.

Sale of goods and other revenue from services provided is recognized when title passes to the buyer and/or when services have been rendered and the transaction can be reasonably assured.

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## Bearskin Lake First Nation Summary of Significant Accounting Policies

March 31, 2019

**Reporting Entity and Principles of Financial Reporting** Bearskin Lake First Nation reporting entity includes Bearskin Lake First Nation government and related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

Bearskin Lake Economic Development Corporation  
Bearskin Lake Cable  
Bearskin Petro Products Ltd.  
Michikan Lake Business Centre Inc.

A government business partnership exists where the First Nation has shared control over the board or entity. The First Nation's pro rata share of the assets, liabilities, and revenue and expenses are reflected in the consolidated financial statements using the modified equity method. The First Nation's proportionate interest of the following government business partnership is reflected in the consolidated financial statements:

Wellington Group of Companies - 50%

**Use of Estimates** The preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards 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 those estimates and may have impact on future periods.

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

1. Bank

	2019	2018
Administration	\$ 384,105	\$ 55,204
Apartment	11,361	11,361
Canada Post	103,719	71,368
Capital Projects	2,751,269	1,811,342
Capital Projects - Upgrade	2,134	2,134
Casino Rama	311,986	75,731
CMHC Rental	37,856	27,991
CMHC Replacement Reserve	15,713	15,848
Day Care	106,168	-
Economic Development Centre	146,314	208,125
Education	603,325	705,442
Environmental Remediation	-	1,447,389
Operations and Maintenance	827,422	235,800
Makoop Lake	705	705
New School Construction	290	290
Nursing Station Addition	312	312
Insurance	167	40,892
Health Authority	793,871	621,939
Seniors' Complex	15,732	55,198
Seniors' Reserve	6,911	6,954
Soil Remediation	5,700	5,700
Michikan Construction	14,377	-
Welfare	151,369	184,723
Youth Centre	399	399
	<hr/> <u>\$ 6,291,205</u>	<hr/> <u>\$ 5,584,847</u>

The First Nation is, in the normal course of operations, exposed to credit risk from having account balances over the amounts insured by the Canadian Deposit Insurance Corporation.

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

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### 2. Portfolio Investments

The First Nation has investments in the Wasaya Group Inc., the Wasaya Partnership, and 140342 Ontario Limited recorded as follows:

	2019	2018
Wasaya Group Inc.	\$ 50,000	\$ 50,000
Wasaya Partnership	1,038,789	1,038,789
Less: valuation allowance	(1,088,789)	(1,088,789)
Investment in 140342 Ontario Limited	1	1
	<hr/>	<hr/>
	<hr/>	<hr/>

# Bearskin Lake First Nation

## Notes to Consolidated Financial Statements

**March 31, 2019**

### 3. Accounts Receivable

	2019	2018
<b>Administration</b>		
Aranson Industries	\$ 15,376	\$ -
Bill Morris	- 5,000	5,000
Canada Mortgage Housing Corporation	15,000	-
Estimated HST receivable	- 847,916	847,916
Health Canada	650	650
Indigenous and Northern Affairs Canada	3,496	3,496
Ministry of Aboriginal Affairs	22,500	-
Makop Lake Tourism Project	1,200	1,200
Ministry of Northern Development and Mines	40,161	40,162
Ministry of Transportation - Airport	3,614	5,841
Tervita Corporation	4,238	14,814
Ontario Hydro	- 525	525
Opikapawin Services LP	21,528	-
Other	16,582	4,671
Receiver General - HST	38,012	52,239
Wasaya Manow Inc.	717	717
White Cedar Pharmacy	(4,570)	21,554
Windigo First Nations Council	(6,798)	(24,341)
Allowance for doubtful accounts	<hr/> 171,706	<hr/> 974,444
<b>Education</b>		
Keewaytinook Okimakanak	2,000	2,000
Kwayaciwin Resource Center	16,240	17,000
Other	400	400
School Speciality - Premier	29,802	-
Tikinagan	9,500	9,500
Allowance for doubtful accounts	(8,655)	(11,780)
	<hr/> 49,287	<hr/> 17,120
<b>Operation and Maintenance</b>		
Aranson Industries	53,438	100,168
Brooklin Electric	5,788	5,787
Cow Darling	6,276	6,276
Indigenous and Northern Affairs Canada	9,000	9,000
Kewatinook Okimakanak	4,000	4,000
Other	14,605	14,605
Sioux Lookout Area Aboriginal Management Board	31,368	1,063
Windigo Education Authority	23,600	4,300
Windigo Tribal Council	9,950	60,610
Allowance for doubtful accounts	(36,932)	(36,932)
	<hr/> 121,093	<hr/> 168,877
<b>Makop Lake</b>		
Roger McKay	176	176
Thomas Beardy	176	176
	<hr/> 352	<hr/> 352
Sub-total carried forward	\$ 342,438	\$ 1,160,793

# Bearskin Lake First Nation

## Notes to Consolidated Financial Statements

**March 31, 2019**

3. Accounts Receivable (continued)	2019	2018
	\$ 342,438	\$ 1,160,793
<b>Welfare</b>		
Indigenous and Northern Affairs Canada	40,672	160
Other	(716)	(716)
Province of Ontario	<u>49,641</u>	<u>21,027</u>
	<u><b>89,597</b></u>	<u><b>20,471</b></u>
<b>Day Care</b>		
Allowance for doubtful accounts	(3,391)	(3,391)
Bearskin Lake Economic Development Corporation	11,808	11,808
Ministry of Education	-	61,799
Other	6,261	6,310
Sioux Lookout Area Aboriginal Management Board	<u>63,702</u>	<u>227,782</u>
	<u><b>78,380</b></u>	<u><b>304,308</b></u>
<b>Capital</b>		
Bearskin Co-op	-	6,492
Penn-Co	480,000	382,276
Indigenous and Northern Affairs Canada	427,230	36,699
Industry Canada	-	476,605
Ministry of Transportation	672,941	310
Other	<u>(7,890)</u>	<u>1,572,281</u>
	<u><b>1,572,281</b></u>	<u><b>902,382</b></u>
<b>Economic Development Corporation</b>		
Trade	<u>175,801</u>	<u>183,834</u>
<b>Canada Post</b>		
Billy Kamenawatamin	<u>895</u>	
<b>Health Authority</b>		
Health Canada	412,981	-
NAN Corporate Services	123,655	62,286
Windigo First Nations Council	28,000	-
Other	<u>5,390</u>	<u>4,935</u>
	<u><b>570,026</b></u>	<u><b>67,221</b></u>
<b>Seniors' Complex</b>	<u>17,792</u>	<u>2,542</u>
<b>Michikan Construction</b>		
Arnason Industries	295,394	-
Tervita Corporation	<u>34,195</u>	<u>105,555</u>
	<u><b>329,589</b></u>	<u><b>105,555</b></u>
	<u><b>\$ 3,175,904</b></u>	<u><b>\$ 2,748,001</b></u>

## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

### 4. Loans and Advances

	2019	2018
<b>Administration</b>		
Abel Hudson	\$ 175	\$ 175
Agnes Kamenawatamin	75	75
Bernard Mekanak	405	405
Betsy Fox	150	150
Billy Kamenawatamin	(153)	178
Cecilia Fiddler	4,513	4,513
Christian Assembly Church	600	600
Chris Fox	300	300
Clarence McKay	75	75
Coralee Pans	225	225
Danny Mekanak	50	50
Eddie Brown	196	196
Edith Fiddler	98	98
Edna Fox	75	75
Emily McKay	200	200
Eric Peters	579	579
Florence McKay	525	525
Galius Fiddler	445	445
Gary Kamenawatamin	1,296	1,296
George Chapman		1,721
George Kamenawatamin	15,494	15,494
Glen Mekanak	75	75
Illa Beardy	75	75
Jeanette Peters	75	75
Jimmy Hudson	75	75
Joseph Beardy		168
Joyce McKay		3,848
Julie McKay	83	83
Katie Nothing	171	171
Kirsten Chapman	300	300
Lawrence McKay	75	75
Leon Beardy		15
Leona Beardy	576	576
Leonard Brown	5,429	5,429
Louie Fox	763	763
Melvin Delorme	354	354
Michikan Lake School	1,549	1,549
Moses Loon	456	
Nora Fox	75	75
Patsy Kamenawatamin		96
Peter McKay	555	555
Randy McKay	6,395	6,840
Rebecca Kakekagumick	75	75
Richard Moskotaywenene	123	123
Robert Beardy	308	308
Robert Kamenawatamin		2,082
Rodney McKay	(5,063)	(2,196)
Samantha Mekanak	75	
Roy Brown	2	2
Samuel Mekanak	106	106
 Sub-total carried forward	 \$ 38,141	 \$ 49,057

**Bearskin Lake First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

4. Loans and Advances (continued)	2019	2018
Sub-total brought forward	\$ 38,141	\$ 49,057
Samantha Mekanak	75	
Sarah Beardy Jr.	273	273
Scott Nothing	1,929	1,929
Selma Mosquito	75	75
Shady Beardy	616	616
Shawn Kamenawatamin	75	75
Steven Chapman	75	75
Stewart Kamenawatamin	2,075	
Tommy Fiddler	-	583
Tom Kamenawatamin Sr.	3,485	2,224
Valina Kamenawatamin	300	300
Vincent Ostberg	-	6,231
Walter McKay	1,023	947
Wesley Nothing	-	912
William Mekanak	75	75
Less: Allowance for Doubtful Accounts	<u>(34,023)</u>	<u>(34,023)</u>
	<u>12,044</u>	<u>31,499</u>
<b>Operation and Maintenance</b>		
Alex Fiddler	(400)	(400)
David Mekanak	108	108
Henry McKay	553	553
Lance Trimble	-	760
Lawrence McKay	122	122
Lenny Mekanak	8,891	7,911
Melvin Delorme	(114)	(114)
Moses Loon	490	490
Percy Mekanak	6,972	5,058
Sameul Mekanak	(106)	(106)
Simeon McKay	(276)	(276)
Walter McKay	1,011	1,011
Less: Allowance for Doubtful Accounts	<u>(2,283)</u>	<u>(2,283)</u>
	<u>14,968</u>	<u>12,834</u>
<b>Welfare</b>		
Sally Beardy	100	100
Terry Beardy	217	217
Cecilia Fiddler	100	100
Galius Fiddler	616	616
George Fox	741	741
Harriet McKay	(100)	(100)
Emily Moskotaywenene	400	400
Rachel Fox	100	100
Robert Beardy	200	200
Gladys Mekanak	150	150
Glen Mekanak	(1)	(1)
Less: Allowance for Doubtful Accounts	<u>(2,067)</u>	<u>(2,067)</u>
	<u>456</u>	<u>456</u>
Sub-total carried forward	\$ 27,468	\$ 44,789

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**Bearskin Lake First Nation  
Notes to Consolidated Financial Statements**

March 31, 2019

	2019	2018
<b>4. Loans and Advances (continued)</b>		
Sub-total brought forward	\$ 27,468	\$ 44,789
<b>Makoop Lake</b>		
Eddie Brown	190	190
Leon Kamenawatamin	149	149
	<hr/> 339	<hr/> 339
	<b>\$ 27,807</b>	<b>\$ 45,128</b>
 <b>5. Inventory for Resale</b>		
	2019	2018
Bearskin Lake Economic Development Corporation - fuel inventory	<b>\$ 1,170,643</b>	<b>\$ 1,386,088</b>

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# Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

## 6. Investment in Government Business Partnerships

	2019	2018
Equity in Wellington Group of Companies	<u>\$ 168,080</u>	<u>\$ 167,638</u>

The Wellington Group of Companies (Wellington Limited Partnership, Wellington General Partner Ltd., Wellington Leasing Corporation) is owned jointly by Bearskin Lake First Nation and Muskrat Dam First Nation. Since both First Nations share control of operations, the investment has been accounted for as a government business partnership on a modified equity basis in these consolidated financial statements. The following information provides condensed supplementary information for the corporation for the year ended December 31, 2018.

	2018 Total	2017 Total
I) Financial Position (NOT SUBJECT TO AUDIT)		
Current assets	<u>\$ 535,427</u>	<u>\$ 417,508</u>
Capital assets	<u>308,656</u>	<u>340,257</u>
	<u><u>\$ 844,083</u></u>	<u><u>\$ 757,765</u></u>
Current liabilities	<u><u>\$ 547,565</u></u>	<u><u>\$ 462,132</u></u>
Share capital	100	100
Retained earnings and partners' equity	<u>296,418</u>	<u>295,533</u>
	<u><u>296,518</u></u>	<u><u>295,633</u></u>
	<u><u>\$ 844,083</u></u>	<u><u>\$ 757,765</u></u>
II) Results of Operations and Retained Earnings (NOT SUBJECT TO AUDIT)		
Revenue	<u>\$ 5,954,660</u>	<u>\$ 6,055,453</u>
Expenses	<u>5,953,775</u>	<u>6,024,152</u>
	<u>885</u>	<u>31,301</u>
Retained earnings, beginning of year	<u>295,533</u>	<u>264,232</u>
Retained earnings, end of year	<u><u>\$ 296,418</u></u>	<u><u>\$ 295,533</u></u>

# Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

## 7. Bank Indebtedness

	2019	2018
Michikan Construction	\$ -	\$ 24,244
Day Care	- -	21,770
Environmental Remediation	561,018	-
BMO General Account #1998-607 - interest payable monthly at prime plus 2.00%	181,214	203,566
BMO Construction Credit Facility - repayable in monthly instalments of \$29,392 plus interest at prime plus 2.25%; March 2020	2,140,629	2,463,941
BMO Payout - repayable in monthly instalments of \$14,167 plus interest at prime plus 2.25%; due July 2018	- -	56,295
BMO Housing Loan #1 - repayable in monthly instalments of \$3,155 plus interest at prime plus 2.25%; due March 2020	249,852	284,557
BMO Fuel Loan #1 - repayable in monthly instalments of \$10,736 plus interest at prime plus 2.25%; due April 2018	- -	10,736
BMO Fuel Loan #2 - repayable in monthly instalments of \$20,807 plus interest at prime plus 2.25%; due April 2018	- -	20,807
BMO Fuel Loan #4 - repayable in monthly instalments of \$17,286 plus interest at prime plus 2.25%; due April 2018	- -	17,286
BMO Fuel Loan #5 - repayable in monthly instalments of \$14,340 plus interest at prime plus 2.25%; due February 2019	- -	157,743
BMO Fuel Loan #6 - repayable in monthly instalments of \$45,470 plus interest at prime plus 2.25%; due February 2019	- -	500,172
BMO Fuel Loan #7 - repayable in monthly instalments of \$20,074 plus interest at prime plus 2.25%; due February 2019	- -	220,817
BMO Fuel Loan #8 - repayable in monthly instalments of \$12,161 plus interest at prime plus 2.25%; due February 2019	- -	133,768
BMO Fuel Loan #9 - repayable in monthly instalments of \$12,109 plus interest at prime plus 2.25%; due March 2020	145,313	- -
BMO Fuel Loan #10 - repayable in monthly instalments of \$22,761 plus interest at prime plus 2.25%; due March 2020	273,136	- -
BMO Fuel Loan #11 - repayable in monthly instalments of \$10,547 plus interest at prime plus 2.25%; due March 2020	126,569	- -
BMO Fuel Loan #12 - repayable in monthly instalments of \$9,640 plus interest at prime plus 2.25%; due March 2020	115,677	- -
BMO Fuel Loan #13 - repayable in monthly instalments of \$2,664 plus interest at prime plus 2.25%; due March 2020	31,969	- -
BMO Fuel Loan #14 - repayable in monthly instalments of \$5,279 plus interest at prime plus 2.25%; due March 2020	63,343	- -
BMO Fuel Loan #15 - repayable in monthly instalments of \$45 plus interest at prime plus 2.25%; due March 2020	544	- -
	<u>\$ 3,889,264</u>	<u>\$ 4,115,702</u>

The First Nation has an operating line of credit for their Bank accounts with CIBC. Interest on CIBC line of credit is prime plus 2%. The BMO General account and demand loans are secured by Band Council Resolution and a general security agreement with OFNLP 2008 distributions pledged as security.

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

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### 8. Accounts Payable and Accrued Liabilities

	2019	2018
Administration	\$ 609,998	\$ 1,296,628
Apartment	10,454	10,454
Capital Projects	673,170	590,388
Casino Rama	605	605
Canada Post	6,449	1
Day Care	14,637	123,741
Education	157,118	92,616
Health Authority	627,470	238,574
Environmental Remediation	564,526	411,480
Makoop Lake	3,776	3,776
New School Construction	(355)	(355)
Michikan Construction	295,659	39,010
Operation and Maintenance	168,483	117,277
Seniors' Complex	888	1,058
Soil Remediation	5,194	5,194
BMO Loans	8,988	8,988
Welfare	8,784	75,138
Bearskin Lake Economic Development Corporation	<u>136,924</u>	<u>122,806</u>
	<u><b>\$ 3,292,768</b></u>	<u><b>\$ 3,137,379</b></u>

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

### 9. Deferred Revenue and Government Transfers

	Balance March 31 2018	Funding Received 2019	Revenue Recognized 2019	Balance March 31 2019
<b>Federal Government</b>				
Indigenous and Northern Affairs Canada	\$ 3,303,764	\$ 8,514,742	\$ 8,806,771	\$ 3,011,735
National Health and Welfare Canada	312,724	3,565,451	3,549,466	328,709
Canada Mortgage and Housing Corporation	-	55,500	55,500	-
Public Safety Canada	-	2,701,740	2,648,840	52,900
	<b>3,616,488</b>	<b>14,837,433</b>	<b>15,060,577</b>	<b>3,393,344</b>
<b>Provincial Government</b>				
Human Resource Development Canada	25,000	25,000	25,000	25,000
Ministry of Community and Social Services	-	826,483	826,483	-
Ministry of Aboriginal Affairs	-	90,000	90,000	-
Ministry of Health	-	143,033	143,033	-
Ministry of Education	-	682,466	682,466	-
Ministry of Natural Resources	-	-	-	-
Ministry of Transportation	-	31,668	31,668	-
Ministry of Attorney General	-	-	-	-
Ministry of Northern Development and Mines	-	160,643	160,643	-
	<b>25,000</b>	<b>1,959,293</b>	<b>1,959,293</b>	<b>25,000</b>
<b>Other</b>				
Kwayaciwin Education Resource Centre	-	47,480	47,480	-
Nishnawbe Aski Nation	-	428,510	428,510	-
Northern Nishnawbe Education Council	-	88,470	88,470	-
Ontario First Nation Limited Partnership	-	1,407,897	1,407,897	-
Sioux Lookout Area Aboriginal Management Board	-	278,541	278,541	-
	<b>-</b>	<b>2,250,898</b>	<b>2,250,898</b>	<b>-</b>
	<b>\$ 3,641,488</b>	<b>\$ 19,047,624</b>	<b>\$ 19,270,768</b>	<b>\$ 3,418,344</b>

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

The Indigenous and Northern Affairs Canada and Health Canada balance relates to fixed and/or flexible funding that was not spent by year end and will be utilized in the subsequent year.

The Human Resource Development Canada balance relates to funds to be spent on specific areas. Until the funding has been utilized, it has not been earned, and any unused funds are repayable at the end of the program.

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

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### 10. Long-term Debt

	2019	2018
CMHC CIBC - 5.25%, mortgage repayable in monthly payments of \$4,554 including interest, secured by building and guarantee from INAC; due 2022	<u>\$ 224,699</u>	<u>\$ 267,576</u>

Schedule of principal reduction and interest over the next three years are as follows:

	Principal	Interest	Total
2020	44,963	9,681	54,644
2021	47,143	7,500	54,643
2022	<u>132,593</u>	<u>4,871</u>	<u>137,464</u>
	<u>\$ 224,699</u>	<u>\$ 22,052</u>	<u>\$ 246,751</u>

The interest charged to operations in the current year was \$11,597.

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**Bearskin Lake First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**11. Tangible Capital Assets**

	<b>2019</b>						
	Land	Buildings	Equipment	Vehicles	Linear Assets	Construction in Progress	Total
Cost, beginning of year	\$ -	\$ 42,551,236	\$ 2,949,443	\$ 3,617,015	\$ 8,798,423	\$ 608,991	\$ 58,525,108
Additions	- -	1,023,515	16,425	102,416	-	2,789,673	3,932,029
Transfers	- -	608,991	-	-	-	(608,991)	-
<b>Cost, end of year</b>	<b>\$ -</b>	<b>\$ 44,183,742</b>	<b>\$ 2,965,868</b>	<b>\$ 3,719,431</b>	<b>\$ 8,798,423</b>	<b>\$ 2,789,673</b>	<b>\$ 62,457,137</b>
Accumulated amortization, beginning of year	\$ -	\$ 27,137,925	\$ 2,838,483	\$ 3,435,740	\$ 7,511,391	\$ -	\$ 40,923,539
Amortization	- -	1,945,045	29,690	212,909	308,879	- -	2,496,523
<b>Accumulated amortization, end of year</b>	<b>\$ -</b>	<b>\$ 29,082,970</b>	<b>\$ 2,868,173</b>	<b>\$ 3,648,649</b>	<b>\$ 7,820,270</b>	<b>\$ -</b>	<b>\$ 43,420,062</b>
<b>Net carrying amount, end of year</b>	<b>\$ -</b>	<b>\$ 15,100,772</b>	<b>\$ 97,695</b>	<b>\$ 70,782</b>	<b>\$ 978,153</b>	<b>\$ 2,789,673</b>	<b>\$ 19,037,075</b>

The net book value of tangible capital assets not being amortized because they are under construction is \$2,789,673 (2018 - \$608,991).

**Bearskin Lake First Nation  
Notes to Consolidated Financial Statements**

**March 31, 2019**

**11. Tangible Capital Assets (continued)**

									2018
		Land	Buildings	Equipment	Vehicles	Linear Assets	Construction in Progress		Total
Cost, beginning of year	\$	-	\$ 40,779,128	\$ 2,919,627	\$ 3,310,390	\$ 8,798,423	\$ 1,497,662	\$ 57,305,230	
Additions			274,446	29,816	306,625	-	608,991	1,219,878	
Transfers			1,497,662	-	-	-	(1,497,662)	-	
Cost, end of year	\$	-	\$ 42,551,236	\$ 2,949,443	\$ 3,617,015	\$ 8,798,423	\$ 608,991	\$ 58,525,108	
Accumulated amortization, beginning of year	\$	-	\$ 25,165,366	\$ 2,749,972	\$ 3,096,294	\$ 7,071,470	-	\$ 38,083,102	
Amortization			1,972,559	88,511	339,446	439,921	-	2,840,437	
Accumulated amortization, end of year	\$	-	\$ 27,137,925	\$ 2,838,483	\$ 3,435,740	\$ 7,511,391	-	\$ 40,923,539	
Net carrying amount, end of year	\$	-	\$ 15,413,311	\$ 110,960	\$ 181,275	\$ 1,287,032	\$ 608,991	\$ 17,601,569	

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

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### 12. Accumulated Surplus

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

	2019	2018
Investment in capital assets	\$ 16,298,076	\$ 14,405,378
Investment in trust funds	72,758	71,107
Casino Rama	660,202	247,690
Unrestricted	2,044,952	1,588,279
Equity in Bearskin Lake Economic Development Corporation	(78,783)	68,123
Equity in Wellington Group of Companies	62,099	61,657
	<hr/>	<hr/>
	<b>\$ 19,059,304</b>	<b>\$ 16,442,234</b>

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### 13. Cash Held in Trust by Indigenous and Northern Affairs Canada

Trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*.

	Capital Account	Revenue Account	Total
Balance, beginning of year	\$ 533	\$ 70,574	\$ 71,107
Interest earned during the year	-	1,651	1,651
Balance, end of year	<hr/>	<hr/>	<hr/>
	<b>\$ 533</b>	<b>\$ 72,225</b>	<b>\$ 72,758</b>

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

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### 14. Economic Dependence

Bearskin Lake First Nation received a major portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada.

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### 15. Budget Figures

Under Canadian public sector accounting principles, budget amounts are to be reported on the consolidated statement of revenue and expenses and fund balance for comparative purposes. These budget figures have been provided by management.

	<u>2019</u>
Financial Plan (Budget)	\$ 2,543,168
Add:	-
Capital expense	-
Less:	-
Amortization	-
Budget deficit per consolidated statement of revenue and expenses and fund balance	<u>\$ 2,543,168</u>

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### 16. Related Party Transaction Elimination

Bearskin Lake First Nation and Bearskin Lake Economic Development Corporation transacted on various business ventures during the year. Since Bearskin Lake Economic Development Corporation has been fully consolidated into the financial statements, inter-entity transactions have been eliminated.

	Bearskin Lake Cable	Michikan Lake Business Centre Inc.	Bearskin Petro Products Ltd.	Bearskin Economic Development Corp.	2019	2018
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses	<u>7,032</u>	<u>77,575</u>	<u>732,637</u>	<u>1,984</u>	<u>819,228</u>	<u>769,986</u>
Net elimination	<u>\$ 7,032</u>	<u>\$ 77,575</u>	<u>\$ 732,637</u>	<u>\$ 1,984</u>	<u>\$ 819,228</u>	<u>\$ 769,986</u>

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## Bearskin Lake First Nation Notes to Consolidated Financial Statements

March 31, 2019

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### 17. Segmented Information

Bearskin Lake First Nation is a diversified local government that provides a wide range of services to its citizens and members, including Band support, infrastructure, housing, employment, rental and other programs, economic development, social services, health, education and training, child care and commercial enterprises. The Casino Rama segment includes the use of funds received under Ontario First Nations Limited Partnership agreements.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administrative fees, based on a percentage of revenues, have been allocated to programs where permitted by the funder.

#### **Band Support**

Band Support contains activities that are needed to run the Bearskin Lake First Nation.

#### **Casino Rama**

Casino Rama contains activities that provide economic and employment support for the community.

#### **Infrastructure**

Infrastructure contains activities that provide infrastructure to the community such as road maintenance, sewer and water, community buildings, and public utilities.

#### **Housing**

Housing contains activities that provide housing and repairs to band members.

#### **Employment, Rental & Other Programs**

Employment, Rental & Other Programs contains activities that provide employment, rent, and other assistance to band members.

#### **Economic Development**

Economic Development contains all the activities that provide economic support for the community.

#### **Social Services**

Social Services contains activities that provide financial support or support by other means to band members that are aimed at developing both the individual as well as the community.

#### **Health**

Health contains activities that provide medical services to band members.

#### **Education and Training**

Education and Training contains activities that provide education to band members for primary, secondary schooling and sponsorship to attend post secondary institutions.

#### **Child Care**

Child Care contains activities that provide child care benefits to the community.

#### **Commercial Enterprises**

Commercial Enterprises contains all activities from other entities that the First Nation owns.

**Bearskin Lake First Nation**  
**Notes to Consolidated Financial Statements**  
**Schedule of Segmented Disclosure**

**17. Segmented Information**  
 (continued)

For the year ended March 31	Band Support	Casino Rama	Infrastructure	Housing	Employment, Rental & Other Programs	Economic Development	Social Services	Health	Education and Training	Child Care	Commercial Enterprises	Consolidated 2019	
<b>Revenue</b>													
Government transfers	\$ 25,000	\$ 1,407,897	\$ 9,211,014	\$ 30,500	\$ 517,760	\$ 94,908	\$ 1,161,942	\$ 3,560,983	\$ 1,496,545	\$ 491,534	-	\$ 17,998,083	
Sales	-	-	-	-	-	-	-	-	-	-	1,116,709	1,116,709	
Income from business enterprises	-	-	-	-	-	-	-	-	-	-	442	442	
Other	651,385	-	1,120,735	-	1,130,753	-	-	845	382,697	585,652	117,141	135,988	4,125,196
	<b>676,385</b>	<b>1,407,897</b>	<b>10,331,749</b>	<b>30,500</b>	<b>1,648,513</b>	<b>94,908</b>	<b>1,162,787</b>	<b>3,943,680</b>	<b>2,082,197</b>	<b>608,675</b>	<b>1,253,139</b>	<b>23,240,430</b>	
<b>Expenses</b>													
Amortization	39,306	-	1,213,512	824,432	-	-	-	-	419,273	-	-	2,496,523	
Capital asset additions from operating	-	-	(3,932,029)	-	-	-	-	-	-	-	-	(3,932,029)	
Contracted services, supplies and other	570,530	153,562	7,808,229	25,036	847,596	-	552,924	1,841,956	733,271	139,942	344,595	13,017,641	
Salaries and benefits	405,357	-	1,218,611	-	1,007,112	-	384,990	1,097,151	1,005,510	432,378	317,152	5,868,261	
Travel and training	630	-	45,169	-	211,522	-	33,846	318,443	36,922	40,130	39,127	725,789	
Purchases for resale	-	-	-	-	-	-	-	-	-	-	1,496,396	1,496,396	
Rent, utilities and telephone	19,296	-	275,908	-	84,216	-	23,400	201,145	22,168	-	78,462	704,595	
	<b>1,035,119</b>	<b>153,562</b>	<b>6,629,400</b>	<b>849,468</b>	<b>2,150,446</b>	<b>-</b>	<b>995,160</b>	<b>3,458,695</b>	<b>2,217,144</b>	<b>612,450</b>	<b>2,275,732</b>	<b>20,377,176</b>	
<b>Excess of revenue over expenses for the year</b>	<b>\$ (358,734)</b>	<b>\$ 1,254,335</b>	<b>\$ 3,702,349</b>	<b>\$ (818,968)</b>	<b>\$ (501,933)</b>	<b>\$ 94,908</b>	<b>\$ 167,627</b>	<b>\$ 484,985</b>	<b>\$ (134,947)</b>	<b>\$ (3,775)</b>	<b>\$ (1,022,593)</b>	<b>\$ 2,863,254</b>	

**Bearskin Lake First Nation**  
**Notes to Consolidated Financial Statements**  
**Schedule of Segmented Disclosure**

**17. Segmented Information**  
 (continued)

For the year ended March 31	Band Support	Casino Rama	Infrastructure	Housing	Employment, Rental & Other Programs	Economic Development	Social Services	Health	Education and Training	Child Care	Commercial Enterprises	Consolidated 2018
<b>Revenue</b>												
Government transfers	\$ -	\$ 1,154,796	\$ 6,546,442	\$ 87,052	\$ 846,441	\$ 56,900	\$ 1,070,105	\$ 1,863,293	\$ 1,171,687	\$ 425,276	-	\$ 13,221,992
Sales	-	-	-	-	-	-	-	-	-	-	981,799	981,799
Income from business enterprises	-	-	-	-	-	-	-	-	-	-	15,649	15,649
Other	1,084,258	-	1,648,381	24,890	361,454	-	865	258,124	297,420	256,343	226,723	4,158,458
	<b>1,084,258</b>	<b>1,154,796</b>	<b>8,194,823</b>	<b>111,942</b>	<b>1,207,895</b>	<b>56,900</b>	<b>1,070,970</b>	<b>2,121,417</b>	<b>1,469,107</b>	<b>681,619</b>	<b>1,224,171</b>	<b>18,377,898</b>
<b>Expenses</b>												
Amortization	39,306	-	1,522,411	820,764	-	-	-	-	457,956	-	-	2,840,437
Capital asset additions from operating	-	-	(1,219,878)	-	-	-	-	-	-	-	-	(1,219,878)
Contracted services, supplies and other	691,000	157,873	5,847,873	44,671	364,479	-	587,468	681,003	310,963	238,696	295,569	9,219,595
Salaries and benefits	323,582	-	1,042,392	2,191	906,598	-	389,616	831,058	911,004	381,902	371,546	5,159,889
Travel and training	1,229	-	45,503	-	149,525	-	38,403	119,629	118,261	43,358	34,548	550,456
Purchases for resale	-	-	-	-	-	-	-	-	-	-	1,503,268	1,503,268
Rent, utilities and telephone	10,071	-	286,727	-	108,933	-	19,600	185,658	13,672	-	62,176	686,837
	<b>1,065,188</b>	<b>157,873</b>	<b>7,525,028</b>	<b>867,626</b>	<b>1,529,535</b>	<b>-</b>	<b>1,035,087</b>	<b>1,817,348</b>	<b>1,811,856</b>	<b>663,956</b>	<b>2,267,107</b>	<b>18,740,604</b>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>\$ 19,070</b>	<b>\$ 996,923</b>	<b>\$ 669,795</b>	<b>\$ (755,684)</b>	<b>\$ (321,640)</b>	<b>\$ 56,900</b>	<b>\$ 35,883</b>	<b>\$ 304,069</b>	<b>\$ (342,749)</b>	<b>\$ 17,663</b>	<b>\$ (1,042,936)</b>	<b>\$ (362,706)</b>

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### 18. Indigenous and Northern Affairs Canada - Funding Reconciliation

	2019	2018
Funding per confirmation	\$ 8,552,218	\$ 10,832,555
Special Education repayable	(37,476)	-
Prior year recoveries (adjustments)	-	(393,181)
Prior year deferred revenue	3,303,764	1,490,673
Current year deferred revenue	<u>(3,011,735)</u>	<u>(3,303,764)</u>
Indigenous and Northern Affairs Canada, revenue per financial statements	<u>\$ 8,806,771</u>	<u>\$ 8,626,283</u>

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### 19. Health Canada - Funding Reconciliation

	2019	2018
Funding per confirmation	\$ 3,678,861	\$ 2,211,172
Med. Trans. - Community Administration repayable	(23,370)	-
Community Security repayable	(85,754)	(111,209)
Children and Youth Cluster repayable	(4,286)	(4,092)
Prior year deferred revenue	312,724	29,183
Current year deferred revenue	<u>(328,709)</u>	<u>(312,724)</u>
Health Canada revenue per financial statements	<u>\$ 3,549,466</u>	<u>\$ 1,812,330</u>

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### 20. Comparative Figures

Certain of the comparative figures presented in the consolidated financial statements have been restated to conform to the current year's presentation.

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### 21. Uncertainty Due to COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the First Nation's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, and the community. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the First Nation is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

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