

Consolidated Financial Statements of

**BRUNSWICK HOUSE  
FIRST NATION**

And Independent Auditors' Report thereon

Year ended March 31, 2020

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Brunswick House First Nation (the "First Nation") are the responsibility of management and have been approved by Brunswick House First Nation and the undernoted Chief and Council of the First Nation.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated 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 First Nation maintains a system of internal accounting and administrative controls. 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.

Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the consolidated financial statements.

Chief and Council review the First Nation's consolidated financial statements and recommend their approval. Chief and Council meet to discuss and to review the annual report, the consolidated financial statements and the external auditors' report. Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the First Nation Members. Chief and Council also consider the engagement of the external auditors.

The consolidated financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the First Nation.

Chief Steele  
Chief

Kari Lloiz  
Councilor

H. C. Woods  
Councilor

Joshua Nortauld  
Councilor

John M. L. Lloiz  
Councilor

K. T. S.  
Councilor

Yolanda  
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## INDEPENDENT AUDITORS' REPORT

To the Members of Brunswick House First Nation

### *Opinion*

We have audited the consolidated financial statements of Brunswick House First Nation (the "First Nation"), which comprise:

- the consolidated statement of financial position as at March 31, 2020
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and the consolidated notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "consolidated financial statements")

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, 2020, and its consolidated results of operations 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 responsibility under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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 – Restriction of Use***

Our report is intended for the management and Chief and Council of the First Nation and should not be used by parties other than the management and Chief and Council of the First Nation.

***Responsibility of Management for the 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.

***Auditors' Responsibilities for the Audit of the 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 auditors' 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 the 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 risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, internal 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 purposes 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 the 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the Group Entity 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive style with a horizontal line underneath it.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

June 3, 2021

# BRUNSWICK HOUSE FIRST NATION

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Year ended March 31, 2020

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## **Schedules of Financial Activities and Changes in Program Balances:**

Schedule 1	Band Support
Schedule 2	Social Assistance
Schedule 3	Public Works
Schedule 4	Education
Schedule 5	Capital Programs
Schedule 6	Health Services
Schedule 7	Community Development
Schedule 8	Economic Development
Schedule 9	CMHC Housing
Schedule 10	Band Operated Enterprises
Schedule 11	Ontario First Nations Limited Partnership
Schedule 12	Justice Program

# BRUNSWICK HOUSE FIRST NATION

Consolidated Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
<b>Financial Assets</b>		
Cash	\$ 941,117	\$ 1,599,415
Restricted cash (note 2)	92,466	88,435
Portfolio investments (note 3)	110,360	110,360
Accounts receivable (note 4)	1,186,405	925,410
Due from Indigenous Services Canada	848,035	542,954
Investment in First Nation business enterprises (note 5)	1,459,247	329,671
<u>Consolidated revenue trust fund</u>	<u>-</u>	<u>166,088</u>
	4,637,630	3,762,333
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	959,799	952,990
Deferred revenue (note 9)	1,213,761	974,166
Long-term debt (note 6)	2,133,035	2,352,072
<u>Advances from Land Claim Trust (note 7)</u>	<u>2,012,191</u>	<u>2,500,000</u>
	6,318,786	6,779,228
 Net financial debt	 (1,681,156)	 (3,016,895)
<b>Non-Financial Assets</b>		
Tangible capital assets (note 8)	10,478,259	10,150,993
<u>Prepaid expenses</u>	<u>5,584</u>	<u>27,845</u>
	10,483,843	10,178,838
 Effect of COVID-19 (note 11)		
 Accumulated surplus (note 10)	 \$ 8,802,687	 \$ 7,161,943

See accompanying notes to consolidated financial statements.

Approved:

# BRUNSWICK HOUSE FIRST NATION

## Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2020, with comparative information for 2019

		2020	2019
<b>Revenue:</b>			
Government transfers	- Federal	\$ 3,613,675	\$ 3,077,837
	- Provincial	1,277,857	1,140,717
Investment income		3,260	3,770
Rental income		117,774	133,100
Share of earnings from First Nation business enterprises (note 5)		1,305,805	35,409
Other		3,428,877	3,250,320
		<u>9,747,248</u>	<u>7,641,153</u>
<b>Expenses:</b>			
Band Support		1,115,856	849,403
Social Assistance		1,116,188	814,992
Public Works		771,327	477,378
Education		1,569,435	1,180,012
Capital Programs		715,494	576,627
Health Services		740,717	603,599
Community Development		631,374	554,408
Economic Development		803,634	1,021,231
CMHC Housing		195,210	183,455
Band Operated Enterprises		246,660	264,358
Justice Program		200,609	192,093
		<u>8,106,504</u>	<u>6,717,556</u>
<b>Excess of revenue over expenses</b>		<b>1,640,744</b>	<b>923,597</b>
<b>Accumulated surplus, beginning of year</b>		<b>7,161,943</b>	<b>6,238,346</b>
<b>Accumulated surplus, end of year</b>		<b>\$ 8,802,687</b>	<b>\$ 7,161,943</b>

See accompanying notes to consolidated financial statements.

# BRUNSWICK HOUSE FIRST NATION

## Consolidated Statement of Changes in Net Financial Debt

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Excess of revenue over expenses	\$ 1,640,744	\$ 923,597
Acquisition of tangible capital assets	(820,638)	(1,479,877)
Amortization of tangible capital assets	493,372	485,861
	1,313,478	(70,419)
Acquisition (use) of prepaid expenses	22,261	(17,845)
Change in net financial assets (net debt)	1,335,739	(88,264)
Net financial debt, beginning of year	(3,016,895)	(2,928,631)
<b>Net financial debt, end of year</b>	<b>\$ (1,681,156)</b>	<b>\$ (3,016,895)</b>

See accompanying notes to financial statements.

# BRUNSWICK HOUSE FIRST NATION

## Consolidated Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
<b>Operating transactions:</b>		
Excess of revenue over expenses	\$ 1,640,744	\$ 923,597
Adjustment for:		
Amortization of tangible capital assets	493,372	485,861
Share of earnings from First Nation business enterprises	<u>(1,305,805)</u>	<u>(35,409)</u>
	828,311	1,374,049
<b>Change in non-cash working capital:</b>		
Increase in accounts receivable	(260,995)	(303,623)
Decrease (increase) in prepaid expenses	22,261	(17,845)
Increase in due from Indigenous Services Canada	(305,081)	(182,272)
Increase in accounts payable and accrued liabilities	6,809	504,699
Increase in deferred revenue	<u>239,595</u>	<u>498,161</u>
	530,900	1,873,169
<b>Capital transactions:</b>		
Purchase of tangible capital assets	(820,638)	(1,479,877)
<b>Financing transactions:</b>		
Principal payments on long-term debt	(219,037)	(153,076)
Long-term debt issued	-	847,386
Decrease in advances from Land Claim Trust	<u>(487,809)</u>	<u>-</u>
	(706,846)	694,310
<b>Investing transactions:</b>		
Distributions from First Nation business enterprises	250,000	250,000
Investment in First Nation business enterprises	(73,771)	-
Increase (decrease) in consolidated revenue trust fund	<u>166,088</u>	<u>(3,770)</u>
	342,317	246,230
<b>Net increase (decrease) in cash</b>	<b>(654,267)</b>	<b>1,333,832</b>
<b>Cash, beginning of year</b>	<b>1,687,850</b>	<b>354,018</b>
<b>Cash, end of year</b>	<b>\$ 1,033,583</b>	<b>\$ 1,687,850</b>
<b>Cash position consists of:</b>		
Cash	\$ 941,117	\$ 1,599,415
Restricted cash	92,466	88,435
	<u>\$ 1,033,583</u>	<u>\$ 1,687,850</u>

See accompanying notes to consolidated financial statements.

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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Brunswick House First Nation, located near Chapleau, Ontario, administers programs and provides services on behalf of its members.

## 1. Significant accounting policies:

These consolidated financial statements of Brunswick House First Nation (the "First Nation") are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these consolidated financial statements:

### (a) Reporting entity:

The reporting entity includes the activities of all committees of Council and related entities under the control of the Chief and Council including:

- Wahkohtowin Development Limited Partnership
- Three Nations Development LP
- 2454357 Ontario Inc.

The above entities are accounted for on the modified equity basis. Under the modified equity basis, the entity's accounting principles are not adjusted to conform with those of the First Nation and inter-organizational transactions and balances are not eliminated.

### (b) Basis of accounting:

The First Nation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

### (c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### (i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

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Land improvements	10-15 years
Buildings	40-50 years
Equipment	5-10 years
Vehicles	5-10 years
Roads	50-75 years
Water systems	25-30 years
Furniture and fixtures	5 years
Computers	4 years

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# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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## 1. Significant accounting policies (continued):

### (c) Non-financial assets (continued):

Annual amortization is charged at half in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

### (d) Revenue recognition:

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements which relate to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the consolidated statement of financial position.

### (e) Portfolio investments:

Portfolio investments consisting of publicly traded shares are recorded at cost. Temporary declines in market value are not adjusted. Portfolio investments are written down to recognize declines in value that are other than temporary and the resulting losses are recognized in the consolidated statement of operations and accumulated surplus.

### (f) Use of estimates:

The preparation of consolidated financial statements in conformity 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. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and valuation allowances for receivables. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

### (g) Consolidated revenue funds:

Funds held in trust are comprised of funds held in Ottawa Trust accounts and 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

### (h) Prior year funding adjustments:

The First Nation has entered into accountable contribution arrangements with several government funding agencies. All such programs are subject to audit by the various governments, with audit adjustments repayable to the government.

Adjustments made under funding arrangements relating to prior years are charged to operations in the year during which the adjustments are made.

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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## 2. Restricted cash:

In accordance with the operating agreements between the First Nation and Canada Mortgage and Housing Corporation (“CMHC”), cash in the amount of \$92,466 (2019 - \$88,435) is restricted for this purpose. Under the agreement, the First Nation is required to set aside funding to maintain a replacement reserve bank account.

## 3. Portfolio investments:

	Cost	2020 Market	Cost	2019 Market
Newmont Goldcorp Inc. (“Newmont”)	\$ 110,360	\$ 350,540	\$ —	\$ —
Goldcorp Inc. (“Goldcorp”)	—	—	110,360	259,956

On January 14, 2019, Newmont entered into a definitive agreement to acquire all outstanding shares of Goldcorp. On April 18, 2019, Newmont completed the business acquisition of Goldcorp, in which Newmont was the acquirer. According to the terms of the agreement, Newmont acquired all outstanding Goldcorp equity at an exchange ratio of USD \$0.328 for each Newmont share and USD 0.02 for each Goldcorp share. The consideration transferred consisted of 285 million shares in exchange of the total issued share capital of Goldcorp of 867 million shares at USD \$33.04 per share.

## 4. Accounts receivable:

	2020	2019
Wabun Tribal Council	\$ 350,231	\$ 232,104
Borden Gold – Newmont	263,355	24,593
Canada Mortgage and Housing Corporation	172,738	223,498
Employee advances	98,622	20,702
Wahkohtowin Development Limited Partnership	73,511	73,011
Nishnawbe-Aski Nation	9,366	34,584
Ministry of Children, Community and Social Services	—	54,719
Community Water Waste Water Fund	—	64,625
Other	218,582	197,574
	\$ 1,186,405	\$ 925,410

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

## 5. Investment in First Nation business enterprises:

The First Nation has the following investments in business enterprises.

A direct 33.33% interest in the Wahkohtowin Development Limited Partnership ("WDLP") and its general partner Wahkohtowin Development General Partner Inc. ("WDGP"). WDLP is engaged in community economic development and is accounted for using the modified equity method.

A direct 33.33% interest in the Three Nations Development LP ("TNDLP") and its general partner 2454357 Ontario Inc. ("TNDGP"). TND is engaged in community economic development and is accounted for using the modified equity method.

The investments at March 31, 2020 consist of the following:

	WDLP	WDGP	TNDLP	TNDGP	2020 Total
Balance, beginning of year	\$ -	-	329,571	100	\$ 329,671
Contribution	73,511	260	-	-	73,771
Partner distribution	-	-	(250,000)	-	(250,000)
Share of earnings	(10,901)	(85)	1,316,791	-	1,305,805
<b>Balance, end of year</b>	<b>\$ 62,610</b>	<b>175</b>	<b>1,396,362</b>	<b>100</b>	<b>\$ 1,459,247</b>

The following table provides condensed supplementary financial information as at March 31, 2020:

	WDLP	WDGP	TNDLP	TNDGP	2020 Total
<b>Financial position:</b>					
Current assets	\$ 353,682	226	4,509,401	6,806	\$ 4,870,115
Non-current assets	170,937	-	-	-	170,937
Capital assets	-	-	679,235	-	679,235
<b>Total assets</b>	<b>524,619</b>	<b>226</b>	<b>5,188,636</b>	<b>6,806</b>	<b>5,720,287</b>
<b>Total liabilities</b>	<b>120,880</b>	<b>751</b>	<b>992,143</b>	<b>6,506</b>	<b>1,120,280</b>
<b>Net assets (deficit)</b>	<b>\$ 403,739</b>	<b>(525)</b>	<b>4,196,493</b>	<b>300</b>	<b>\$ 4,600,007</b>
<b>Attributable to:</b>					
Brunswick House First Nation	\$ 62,610	(175)	1,396,362	100	\$ 1,458,897
Other	341,129	(350)	2,800,131	200	3,141,110
	<b>\$ 403,739</b>	<b>(525)</b>	<b>4,196,493</b>	<b>300</b>	<b>\$ 4,600,007</b>

	WDLP	WDGP	TNDLP	TNDGP	2020 Total
<b>Results of operations:</b>					
Revenue	\$ 872,684	-	2,858,262	3,343	\$ 3,734,289
Expenses	905,391	254	848,551	3,343	1,757,539
<b>Net income (loss)</b>	<b>(32,707)</b>	<b>(254)</b>	<b>2,009,711</b>	<b>-</b>	<b>1,976,750</b>
<b>Attributable to:</b>					
Brunswick House First Nation	10,901	85	668,789	-	679,775
Other	21,806	169	1,340,922	-	1,362,897
	<b>\$ 32,707</b>	<b>254</b>	<b>2,009,711</b>	<b>-</b>	<b>\$ 2,042,672</b>

The First Nation owns units representing a 33.33% share of the Three Nations Development LP, and shares representing a 33.33% investment in 2454357 Ontario Inc. (the general partner).

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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## 6. Long-term debt:

	2020	2019
CMHC Mortgage payable \$2,560 monthly including principal and interest, bearing interest at 1.31% per annum, maturing July 2026	\$ 183,757	\$ 211,409
CMHC Mortgage payable \$6,177 monthly including principal and interest, bearing interest at 2.13% per annum, maturing October 2042	1,328,126	1,374,601
Daimler Truck Financial loan payable \$4,401 monthly including principal and interest, bearing interest at 7.69% per annum, maturing August 2023	157,544	196,245
Caterpillar Financial Services Limited loan payable \$5,589 monthly Including principal and interest, bearing interest at 4.76% per annum, maturing August 2024	266,641	319,625
Caterpillar Financial Services Limited loan payable \$5,112 monthly Including principal and interest, bearing interest at 3.6% per annum, maturing August 2023	196,967	250,192
	\$ 2,133,035	\$ 2,352,072

Principal payments due as follows:

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2021	\$ 227,002
2022	236,508
2023	246,525
2024	189,559
2025 and thereafter	1,233,441

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## 7. Advances from Land Claim Trust:

Advances from the Land Claim Trust are non-interest bearing with terms of repayment specified by Article 14.1 of the Trust agreement ("the agreement"). Under the terms of the agreement, amended on September 12, 2016, a percentage of all benefits received under any and all impact benefit agreements of which the First Nation or any entity established by or under the control of the First Nation is a party must be transferred to the Trust as repayment of the First Nation's indebtedness to the Trust. The percentage of benefits received that are subject to repayment are as follows:

- 30% of aggregate payments up to \$150,000; plus
- 40% of aggregate payments between \$150,000 and \$500,000; plus
- 60% of aggregate payments in excess of \$500,000

Amounts subject to repayment must be transferred to the Trust within 5 business days of receipt by the First Nation or are subject to interest at a rate of prime plus 2%.

As of March 31, 2020, \$350,824 (2019 – \$315,865) was repayable to the Trust under the terms of the agreement.

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

## 8. Tangible capital assets:

Cost	Balance at March 31, 2019	Additions	Disposals/ transfers	Balance at March 31, 2020
Land	\$ 1	-	-	1
Land improvements	54,630	-	-	54,630
Buildings	9,443,716	35,000	-	9,478,716
Equipment	400,739	111,104	-	511,843
Vehicles	1,374,144	89,121	-	1,463,265
Roads	789,149	-	-	789,149
Water systems	3,134,675	-	-	3,134,675
Furniture and fixtures	170,727	-	-	170,727
Computers	101,893	-	-	101,893
Assets under construction	-	585,413	-	585,413
<b>Total</b>	<b>\$ 15,469,674</b>	<b>820,638</b>	<b>-</b>	<b>16,290,312</b>
Accumulated Amortization	Balance at March 31, 2019	Disposals	Amortization	Balance at March 31, 2020
Land	\$ -	-	-	-
Land improvements	43,112	-	4,608	47,720
Buildings	2,093,199	-	192,174	2,285,373
Equipment	171,858	-	28,940	200,798
Vehicles	344,394	-	124,997	469,391
Roads	345,703	-	15,654	361,357
Water systems	2,088,365	-	109,708	2,198,073
Furniture and fixtures	165,945	-	1,913	167,858
Computers	66,105	-	15,378	81,483
Assets under construction	-	-	-	-
<b>Total</b>	<b>\$ 5,318,681</b>	<b>-</b>	<b>493,372</b>	<b>5,812,053</b>
	Net book value, March 31, 2019		Net book value, March 31, 2020	
Land	\$ 1		1	
Land improvements	11,518		6,910	
Buildings	7,350,517		7,193,343	
Equipment	228,881		311,045	
Vehicles	1,029,750		993,874	
Roads	443,446		427,792	
Water systems	1,046,310		936,602	
Furniture and fixtures	4,782		2,869	
Computers	35,788		20,410	
Assets under construction	-		585,413	
<b>Total</b>	<b>\$ 10,150,993</b>		<b>10,478,259</b>	

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

## 8. Tangible capital assets (continued):

Cost	Balance at March 31, 2018	Additions	Disposals/ transfers	Balance at March 31, 2019
Land	\$ 1	-	-	1
Land improvements	54,630	-	-	54,630
Buildings	8,100,205	212,253	1,131,258	9,443,716
Equipment	258,019	142,720	-	400,739
Vehicles	402,758	971,386	-	1,374,144
Roads	789,149	-	-	789,149
Water systems	3,134,675	-	-	3,134,675
Furniture and fixtures	170,727	-	-	170,727
Computers	96,575	5,318	-	101,893
Assets under construction	983,058	148,200	(1,131,258)	-
<b>Total</b>	<b>\$ 13,989,797</b>	<b>1,479,877</b>	<b>-</b>	<b>15,469,674</b>
Accumulated Amortization	Balance at March 31, 2018	Disposals	Amortization	Balance at March 31, 2019
Land	\$ -	-	-	-
Land improvements	38,504	-	4,608	43,112
Buildings	1,901,026	-	192,173	2,093,199
Equipment	150,055	-	21,803	171,858
Vehicles	219,106	-	125,288	344,394
Roads	330,048	-	15,655	345,703
Water systems	1,978,657	-	109,708	2,088,365
Furniture and fixtures	164,032	-	1,913	165,945
Computers	51,392	-	14,713	66,105
Assets under construction	-	-	-	-
<b>Total</b>	<b>\$ 4,832,820</b>	<b>-</b>	<b>485,861</b>	<b>5,318,681</b>
	Net book value, March 31, 2018		Net book value, March 31, 2019	
Land	\$ 1		1	
Land improvements	16,126		11,518	
Buildings	6,199,179		7,350,517	
Equipment	107,964		228,881	
Vehicles	183,652		1,029,750	
Roads	459,101		443,446	
Water systems	1,156,018		1,046,310	
Furniture and fixtures	6,695		4,782	
Computers	45,183		35,788	
Assets under construction	983,058		-	
<b>Total</b>	<b>\$ 9,156,977</b>		<b>10,150,993</b>	

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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## 9. Deferred revenue:

	2020	2019
Indigenous Services Canada	\$ 1,082,915	\$ 912,641
Ministry of Natural Resources and Forestry	56,656	—
Goldcorp Borden Limited	34,201	61,525
First Nations Land Management	32,911	—
Wabun Tribal Council	7,078	—
	<hr/>	<hr/>
	\$ 1,213,761	\$ 974,166

## 10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2020	2019
Surplus (deficit):		
Invested in capital assets	\$ 8,345,224	\$ 7,798,921
Operations	1,034,200	809,890
Investment in First Nation business enterprises	1,459,247	329,671
Unfinanced capital	(585,413)	—
Unfunded Trust Liability	(2,012,191)	(2,500,000)
	<hr/>	<hr/>
	8,241,067	6,438,482
Reserves set aside for specific purpose by Council:		
Consolidated revenue trust fund	—	166,088
Restricted	264,305	264,305
Ontario First Nations Limited Partnership	194,600	204,633
CMHC replacement reserves	102,975	88,435
	<hr/>	<hr/>
	561,880	723,461
	<hr/>	<hr/>
	\$ 8,802,947	\$ 7,161,943

## 11. Effects of COVID-19:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation remains dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the First Nation is not known at this time.

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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## **12. Segmented information:**

Brunswick House First Nation is a diversified governmental institution that provides a wide range of services to its Members, including band government, health services, education, social assistance, capital projects, public works and business operations in addition to also managing specific funds from others. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Services are provided by functional areas and their activities are reported in these funds. Certain functional areas that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### **Band Government**

The band government functional area oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of chief and council and management and assistance for the related departments within the First Nation, as well as administration of all land claims on behalf of the First Nation.

### **Social Assistance**

The social services department delivers a variety of programs including Ontario works and offers employment support services. In addition, the department manages the homemakers and national child benefit and child welfare prevention programs.

### **Public Works**

The public works functional area provides public services that contribute to sustainability through the provision of maintenance and operating services such as roads, water and sanitation, fire protection, street lighting and community buildings.

### **Education**

The education functional area administers tuition agreements with various school boards, manages the post-secondary program for its members and provides local transportation for the students.

### **Capital Programs**

The capital functional area is responsible for all capital asset activities occurring in the First Nation during the year, including housing construction and renovations.

### **Health Services**

The health services functional area provides a diverse bundle of services directed toward the well-being of the Members including such activities as student nutrition, integrated health and various other health related activities.

# BRUNSWICK HOUSE FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2020

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## **12. Segmented information (continued):**

### **Band Operated Enterprises**

The enterprises functional area develops employment and training opportunities, along with identification of economic development initiatives for the First Nation and its members.

### **Other Programs**

The First Nation provides a wide array of other services, including community employment projects, cultural activities, economic development, justice program and housing activities.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocations methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies.