

Black River First Nation
Consolidated Financial Statements
March 31, 2019

Black River First Nation Contents

For the year ended March 31, 2019

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Management's Responsibility

To the Members of Black River First Nation:

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

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Black River First Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council on behalf of the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with both the Chief and Council and management to discuss their audit findings.

February 25, 2020



Senior Financial
Officer

Independent Auditor's Report

To the Members of Black River First Nation:

Opinion

We have audited the consolidated financial statements of Black River First Nation (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 debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and segment schedules of operations.

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, 2019, and the results of its consolidated operations, changes in its consolidated net debt 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.

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 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Winnipeg, Manitoba

February 25, 2020

MNP LLP

Chartered Professional Accountants

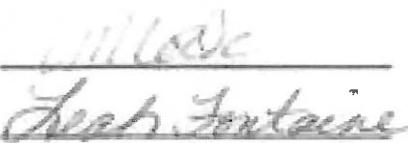
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Black River First Nation
Consolidated Statement of Financial Position
As at March 31, 2019

	2019	2018
	(Restated)	
Financial assets		
Cash	1,924,379	551,072
Investments (Note 4)	1,080,953	2,025,000
Accounts receivable (Note 5)	494,845	931,404
Investment in South Beach Group of Partnerships (Note 6)	3,150,980	3,401,087
Restricted cash (Note 7)	584,139	2,482,023
	7,235,296	9,390,586
Liabilities		
Accounts payable and accruals (Note 8)	852,863	2,022,641
Deferred revenue (Note 9)	451,246	2,041,573
Due to Province of Manitoba (Note 10)	337,528	337,528
Demand loan payable (Note 11)	2,977,526	2,653,817
Long-term debt (Note 12)	7,201,443	7,617,432
	11,820,606	14,672,991
Net debt	(4,585,310)	(5,282,405)
Contingencies (Note 13), (Note 14)		
Non-financial assets		
Tangible capital assets (Note 15) (Schedule 1)	32,707,413	22,891,083
Construction in progress (Note 16)	-	4,225,477
Prepaid expenses	18,301	20,832
	32,725,714	27,137,392
Accumulated surplus (Note 17)	28,140,404	21,854,987

Approved on behalf of the Chief and Council


 Chief
 Councillor


 Councillor
 Councillor

Black River First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	<i>Schedules</i>	2019 Budget	2019	2018 (Restated)
Revenue				
Indigenous Services Canada (ISC) (Note 18)		9,101,660	9,375,238	8,963,051
First Nations and Inuit Health (FNIH) (Note 19)		1,990,990	2,254,558	1,982,393
Other revenue		-	1,388,451	1,059,497
Income from South Beach Group of Partnerships (Note 6)		-	499,893	794,519
Canada Mortgage and Housing Corporation		475,000	487,149	359,847
Transmission line construction revenue		-	400,164	9,379
Rent		68,560	172,511	196,498
Southeast Resource Development Council Corp.		-	-	675,000
Tobacco tax rebates		190,000	183,806	191,050
Manitoba Justice		-	60,851	52,203
Indigenous Services Canada debt forgiveness		-	60,126	-
Revenue deferred in prior year (Note 9)		1,424,455	2,041,573	-
Revenue deferred to subsequent year (Note 9)		(338,065)	(451,246)	(2,041,573)
Prior year recoveries by funding agencies		(12,952)	(12,952)	-
		12,899,648	16,460,122	12,241,864
Segment expenses				
Housing	4	550,000	646,719	544,375
Subsidized Housing	5	640,000	690,258	676,995
Community Wellness	6	1,691,855	1,886,444	1,853,615
Governance and Administration	7	963,490	1,229,962	1,476,048
Economic Development	8	375,000	370,597	346,429
Education	9	1,400,000	1,247,081	1,172,341
Community Infrastructure	10	1,392,000	1,328,820	966,258
Fundraising	11	930,000	921,212	1,234,468
Social	12	1,358,900	1,440,481	1,610,010
Economic Enterprises	13	675,000	413,131	197,663
Total segment expenses (Schedule 2)		9,976,245	10,174,705	10,078,202
Annual surplus		2,923,403	6,285,417	2,163,662
Accumulated surplus, beginning of year, as previously stated		21,797,105	21,797,105	19,691,325
Correction of an error (Note 20)		-	57,882	-
Accumulated surplus, beginning of year, as restated		21,797,105	21,854,987	19,691,325
Accumulated surplus, end of year		24,720,508	28,140,404	21,854,987

Black River First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2019

	2019 Budget	2019	2018 (Restated)
Annual surplus	2,923,403	6,285,417	2,163,662
Purchases of tangible capital assets	-	(7,956,566)	-
Disposals of tangible capital assets	-	9,400	-
Costs of construction in progress	-	-	(4,225,477)
Amortization of tangible capital assets	-	2,356,313	1,961,814
	-	(5,590,853)	(2,263,663)
Acquisition of prepaid expenses	-	(18,301)	(20,832)
Use of prepaid expenses	-	20,832	27,707
	-	2,531	6,875
Decrease (increase) in net debt	2,923,403	697,095	(93,126)
Net debt, beginning of year	(5,282,405)	(5,282,405)	(5,189,279)
Net debt, end of year	(2,359,002)	(4,585,310)	(5,282,405)

Black River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
	<i>(Restated)</i>	
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts from contributors	14,815,859	14,898,535
Cash paid to suppliers	(6,342,644)	(4,457,559)
Cash paid to employees	(2,367,289)	(2,199,586)
Interest on long-term debt and demand loans	(275,704)	(586,570)
	5,830,222	7,654,820
Financing activities		
Repayment of long-term debt	(415,989)	(410,559)
Advances of demand loan payable	323,709	518,400
	(92,280)	107,841
Capital activities		
Purchases of tangible capital assets	(7,956,566)	-
Costs of construction in progress	-	(4,225,477)
	(7,956,566)	(4,225,477)
Investing activities		
Proceeds from withdrawal of investment in Government Business Partnership	750,000	700,000
Change in restricted cash	1,897,884	(2,092,204)
Purchase of guaranteed investment certificates	-	(2,025,000)
Proceeds on disposal of guaranteed investment certificates	944,048	24,771
Purchase of share capital in Southern Chiefs' Economic Development Corp.	(1)	-
	3,591,931	(3,392,433)
Increase in cash resources	1,373,307	144,751
Cash resources, beginning of year	551,072	406,321
Cash resources, end of year	1,924,379	551,072

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. Operations

The Black River First Nation (the "First Nation") is located in the Province of Manitoba, and provides various services to its members.

2. Change in accounting policy

Effective April 1, 2018, the First Nation adopted the recommendations relating to the following sections, as set out in the Canadian public sector accounting standards.

- PS 3430 Restructuring Transactions

Pursuant to the recommendations, the change was applied retroactively, and prior periods have not been restated. There was no material impact on the consolidated financial statements of adopting the new Sections.

3. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity

The Black River First Nation reporting entity includes the First Nation government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation. Trusts administered on behalf of third parties by Black River First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Black River First Nation Housing Authority
- O'Hanley Enterprises Ltd.
- Members In Need Inc.
- Black River Development Corporation
- Black River Limited Partnership

The First Nation has accounted for its investment in the South Beach Group of Partnerships according to the modified equity method.

All inter-entity balances and transactions have been eliminated on consolidation.

Basis of presentation

Sources of financing and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes collectable and is measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash

Cash includes balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Portfolio investments

Portfolio investments are recorded at the lower of cost and net realizable value.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

3. Significant accounting policies *(Continued from previous page)*

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

Non-financial assets

The First Nation's tangible capital assets and other non-financial assets are accounted for as assets because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

Construction in progress

Construction in progress consists of costs incurred on tangible capital asset construction not completed at the date of these financial statements. The First Nation includes interest charges on related construction financing in the capital cost of each project.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

Tangible capital assets are amortized annually using the straight line method at the following rates intended to amortize the cost of the assets over their estimated useful lives:

Vehicles	3 years
Roads	40 years
Contractor equipment	10 years
General equipment	10 years
Furniture	10 years
Buildings	20 years
Infrastructure	25 years
Housing and rental properties	25 years
Land improvements	15 years
Bridges	20 years
Subsidized housing	20 years

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying value exceeds the residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

3. Significant accounting policies *(Continued from previous page)*

Revenue recognition

Government transfers

Government transfer revenue, including but not limited to, Indigenous Services Canada and First Nations and Inuit Health, is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is recognized in the year in which qualifying expenses have been incurred.

Income from South Beach Group of Partnerships

Revenue recognized from the South Beach Group of Partnerships is in accordance with the modified equity method of accounting for the investment and corresponds to the First Nation's proportionate share of the South Beach Group of Partnerships net surplus earned in the year ended March 31, 2019.

Transmission line construction revenue

Transmission line construction revenue is accounted for using the percentage of completion method.

Other revenue

Rent and subsidy revenue are recognized on a monthly basis under terms of the agreement.

Contract revenues are recognized when the services are provided and the collectability of proceeds is reasonably assured.

Other revenue is recognized by the First Nation when services are provided or goods are shipped and collectable is reasonably assured.

Measurement uncertainty

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 and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

3. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through 10 reportable segments as reported below. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue 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.

The First Nation's segments are as follows:

Housing - reports on activities related to developing and sustaining on-reserve housing

Subsidized Housing - reports on CMHC subsidized housing

Community Wellness - reports on health and wellness programs funded by First Nations and Inuit Health

Governance and Administration - reports on governance and administration activities

Economic Development - reports on services that facilitate economic development

Education - reports on the operations of education programs

Community Infrastructure - includes activities for the development of the First Nation's infrastructure

Fundraising - reports on activities related to fundraising activities

Social - reports on social assistance programs

Economic Enterprises - reports on revenue and expenses associated with activities through controlled organizations

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

The First Nation's accounting for contaminated sites is explained further in Note 13 and 14.

Employee future benefits

The First Nation's employee future benefit program consist of a defined contribution pension plan. The First Nation's contributions to the defined contribution plan are expensed as incurred.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

4. Investments

	2019	2018
Guaranteed Investment Certificates	1,080,952	2,025,000
Investment in Southern Chiefs' Economic Development Corporation	1	-
	1,080,953	2,025,000

Investments include a \$1,055,952 investment in a redeemable guaranteed investment certificate earning interest at 1.95% with a maturity date of February 12, 2020 and a \$25,000 (2018 - \$2,000,000 & \$25,000) redeemable guaranteed investment certificate earning interest at 0.20% with a maturity date of July 1, 2019.

The First Nation is considered a beneficial owner of 12.5% of Shawano Wapunong Investments Corp. (the "Company"). The First Nation's investment in Shawano Wapunong Investments Corp. meets the definition of a portfolio investment. When the Company was established, 100% of the common shares of the Company were purchased by the Southeast Resource Development Council Corp. to be held in trust for the beneficial owners. As a result, the First Nation's cost associated with the investment is \$0 (2018 - \$0).

The First Nation has invested \$1 to purchase common shares in the Southern Chiefs' Economic Development Corporation ("SCEDC"), giving the First Nation a 2.94% interest in SCEDC.

5. Accounts receivable

Funds held by Shawano Wapunong Investments Corp. are on deposit at an interest rate of 5% per annum. Shawano Wapunong Investments Corp. is owned by the eight Southeast First Nations in Manitoba and invests in commercial real estate in Winnipeg, Manitoba.

	2019	2018
Indigenous Services Canada	321,464	599,370
Goods and Services Tax (GST)	249,473	248,739
Shawano Wapunong Investments Corp.	43,498	41,427
Members	66,271	9,934
Other	60,847	141,017
Canada Mortgage and Housing Corporation	69,036	138,800
Allowance for doubtful accounts (GST and members)	(315,744)	(247,883)
	494,845	931,404

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

6. Investment in the South Beach Group of Partnerships

The investment in the South Beach Group of Partnerships represents a one-seventh ownership interest in the following limited partnerships or companies:

1. South Beach Casino Limited Partnership

This limited partnership was formed to operate a casino and hotel on the Brokenhead Ojibway Nation land at Scanterbury, Manitoba. Black River First Nation's investment is equal to that of 6 other First Nation limited partners.

2. South Beach Capital Partners Limited Partnership

This limited partnership was formed to purchase an intellectual property and license agreement with South Beach Casino Limited Partnership from the previous holder of the agreement. The agreement expires in May 2028. The agreement allows the South Beach Capital Partnership Limited Partnership to charge license fees to the South Beach Casino Limited Partnership. Black River First Nation's investment is equal to that of 6 other First Nation limited partners.

3. SBCP Inc.

This company is owned equally by 7 First Nations, including Black River First Nation. It's sole purpose is to act as the General Partner of the South Beach Capital Partners Limited Partnership.

4. South Beach Management Services Ltd.

This company is a wholly owned subsidiary company of the South Beach Capital Partners Limited Partnership. The company was established to provide management services to the South Beach Casino Limited Partnership.

	South Beach Management Services Ltd.	South Beach Capital Partners Limited Partnership	SBCP Inc.	South Beach Casino Limited Partnership	2019	2018
Balance, beginning of year	19,043	(60,375)	(77)	3,442,496	3,401,087	3,306,568
Surplus (deficit)	138,218	(244,716)	(24)	606,415	499,893	794,519
Draws	-	-	-	(750,000)	(750,000)	(700,000)
	157,261	(305,091)	(101)	3,298,911	3,150,980	3,401,087

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

7. Restricted cash

	2019	2018
	<i>(Restated)</i>	
Ottawa Trust	32,058	28,775
CMHC Replacement Reserve	325,010	250,810
First Nations Finance Authority debt reserve fund	118,790	114,287
Funds held in trust by construction contractors	108,281	2,088,151
	584,139	2,482,023

Ottawa Trust

The Ottawa 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 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. Revenue from the Ottawa Trust is recognized in the year in which it is earned when it is measurable and collection reasonably assured. Capital and revenue trust is transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Chief and Council.

Capital Trust \$77 (2018 - \$77) (2019 interest revenue - \$0; 2018 interest revenue - \$0)

Revenue Trust \$31,981 (2018 - \$28,698) (2019 interest revenue - \$3,283; 2018 interest revenue - \$1,759)

CMHC Replacement Reserve

As required as part of the First Nation's CMHC Housing Program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

The First Nation is not in compliance with its agreement with CMHC. The agreement requires the First Nation to maintain a separate bank account or investments to fund the full amount of the CMHC replacement reserve. At year end the required replacement reserve balance was \$579,822 (2018 - \$551,924), but the amount in the designated bank account was \$325,010 (2018 - \$250,810), representing an underfunded portion of \$254,812 (2018 - \$301,114).

First Nations Finance Authority debt reserve fund

Pursuant to the financing arrangement that the First Nation has entered into with First Nations Finance Authority, amounts are held in trust by the First Nations Finance Authority to cover any unexpected defaults in the required monthly loan payments. During the year, the First Nation earned interest of \$4,503 (2018 - \$2,579) on the cash restricted in this debt reserve fund.

Funds held in trust by construction contractors

Funds held in trust by general construction contractors relate to revenue held in restricted bank accounts that must be spent on particular construction projects.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

8. Accounts payable and accruals

	2019	2018
Indigenous Services Canada	23,077	60,126
First Nation and Inuit Health	3,238	-
Canada Revenue Agency	-	90,247
Group insurance	21,315	15,000
Trade payables and accruals	590,999	1,781,128
Manitoba Hydro transmission project	169,826	76,140
	808,455	2,022,641

9. Deferred revenue

	2019	2018 (Restated)
Indigenous Services Canada		
Ice hockey rink	-	30,000
Duplex construction (10 units)	-	1,052,000
Duplex renovations	80,620	-
Lagoon expansion	108,282	332,405
Community sign	-	10,050
Community hall	50,479	-
Community Well Being program	98,627	-
Capacity Innovation program	20,000	-
Response (funding for emergency issues)	55,789	-
	413,797	1,424,455
Southeast Resource Development Council Corp.		
Head Start building construction	-	617,118
	413,797	2,041,573

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Due to Province of Manitoba

In June 2011, the First Nation entered into an arrangement with the Province of Manitoba for the purpose of constructing cottage lot units and related commercial development on the east side of Lake Winnipeg. The Province of Manitoba provided the First Nation with financing in order to allow the First Nation to incur costs during the construction phase. This financing was issued to the First Nation without a loan agreement in place and without specified interest rates or terms of repayment. The Province of Manitoba and the First Nation are in negotiations to arrive at a loan agreement. At March 31, 2019, the balance due to the Province of Manitoba is \$337,528 (2018 - \$337,528).

11. Demand loan payable

The First Nation's demand loan payable consists of an authorized loan to a maximum of \$4,669,000 which can only be used for specified purposes pertaining to a legal claim against the Government of Canada. The loan is secured by an assignment and redirection of \$4,669,000 from a successful legal settlement, a commercial litigation insurance policy, a security bond of indemnity and a general security agreement. The loan requires monthly payments of interest only at bank prime (3.45%) plus 0.50%.

The demand loan is repayable in full on the earlier of:

- a) receipt of funds pursuant to a settlement, judgement or order relating to the First Nation's claim or
- b) July 31, 2022

The First Nation expects to settle this demand loan payable through funds obtained by either a successful legal settlement with the Government of Canada or through an insurance policy in the case of an unsuccessful legal settlement. No assets have been recorded in these financial statements with respect to potential future settlement proceeds.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Long-term debt

	2019	2018
CMHC mortgage #1, with payments of \$1,617 per month including interest at 1.04%, maturing May 2025, with a scheduled renewal date of October 2020	115,838	133,934
CMHC mortgage #2, with payments of \$2,319 per month including interest at 2.50%, maturing September 2027, with a scheduled renewal date of June 2023	212,956	235,447
CMHC mortgage #3, with payments of \$3,728 per month including interest at 1.92%, maturing April 2029, with a scheduled renewal date of May 2019	409,995	446,513
CMHC mortgage #4, with payments of \$1,833 per month including interest at 1.30%, maturing November 2030, with a scheduled renewal date of December 2020	238,044	256,822
CMHC mortgage #5, with payments of \$6,012 per month including interest at 2.48%, maturing April 2033, with a scheduled renewal date of August 2023	857,460	909,144
CMHC mortgage #6, with payments of \$1,928 per month including interest at 2.21%, maturing February 2034, with a scheduled renewal date of February 2024	293,877	310,511
CMHC mortgage #7, with payments of \$1,903 per month including interest at 1.83%, maturing November 2034, with a scheduled renewal date of December 2019	311,048	328,049
CMHC mortgage #9, with payments of \$1,882 per month including interest at 1.13%, maturing January 2036, with a scheduled renewal date of July 2021	346,111	364,678
CMHC mortgage #10, with required payments of \$3,366 per month including interest at 1.35%, maturing January 2037, with a scheduled renewal date of May 2022	640,136	671,683
CMHC mortgage #11, with payments of \$2,834 per month including interest at 2.48%, maturing June 2038, with a scheduled renewal date of August 2023	520,745	542,421
CMHC mortgage #12, with payments of \$1,300 per month including interest at 2.18%, maturing January 2039, with a scheduled renewal date of May 2019	251,216	261,247
CMHC mortgage #13, with payments of \$3,552 per month including interest at 0.96%, maturing September 2041, with a scheduled renewal date of September 2021	862,461	896,649
First Nations Finance Authority loan, with payments of \$6,148 per month including interest at 2.99%, maturing June 2035, with a scheduled renewal date of June 2024, secured by a first charge against particular non-government transfer revenue earned by the First Nation	939,917	984,328
First Nations Finance Authority loan, with payments of \$6,148 per month including interest at 2.90%, maturing June 2036, with a scheduled renewal date of June 2024, secured by a first charge against particular non-government transfer revenue earned by the First Nation	984,325	1,027,441
First Nations Bank term loan, with monthly payments of \$3,781 including interest at 6.02%, secured by a general security agreement, and an assignment of fire insurance proceeds. This loan matured in November 2019 and was subsequently paid out in full.	217,314	248,565
	7,201,443	7,617,432

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Long-term debt *(Continued from previous page)*

All CMHC mortgages are secured by Ministerial guarantee and assignment of fire insurance.

Subsequent to year-end, 2 of the mortgages with CMHC were subject to renewed loan terms, as follows:

CMHC mortgage #3 was renewed with required payments of \$3,700 per month including interest at 1.75%, maturing April 2029, with a scheduled renewal date of October 2024.

CMHC mortgage #12 was renewed with required payments of \$1,251 per month including interest at 1.75%, maturing January 2039, with a scheduled renewal date of October 2024.

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2020	424,000
2021	434,000
2022	444,000
2023	457,000
2024	467,000
	2,226,000

13. Contingencies

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. At year end, it was not yet determined to what extent any funding amounts related to the year ended March 31, 2019 might be recovered by these federal agencies.

At March 31, 2019, the First Nation has determined that some contaminated sites exist. However, no determination has been made as to whether the contamination exceeds an environmental standard that the First Nation is required to comply with. Also, the First Nation does not consider themselves to be responsible and have not accepted responsibility. As a result, no liability regarding the contaminated sites is recorded in these financial statements. If and when it is determined that a liability exists, the liability will be recorded in the period in which such a determination is made, in accordance with the accounting policy described in Note 3.

As disclosed in Note 10, the Province of Manitoba has provided the First Nation with interim financing in order to facilitate the initial costs pertaining to the development of cottage lot units and related commercial development. The financing was provided without a loan agreement in place and without specified interest rates or repayment terms. Management has determined that it is unlikely that any amounts to be repaid to the Province of Manitoba, including any interest charges, will exceed the carrying value recorded on the consolidated statement of financial position as at March 31, 2019.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

14. Compliance with laws and regulations

Black River First Nation Financial Administration Law

On January 15, 2015, the Chief and Council enacted the Black River First Nation Financial Administration Law (the "FAL") in order to govern the financial administration of the First Nation. Included in the FAL is a provision that the law will come into force exactly 36 months after the date in which the First Nation obtains loan financing from the First Nations Finance Authority. The First Nation obtained loan financing from the First Nations Finance Authority on July 23, 2015 and needed to comply by July 23, 2018. The First Nation is not in compliance with all of the requirements of the Finance Administration Law. The results of this non-compliance have not yet been determined.

First Nations Financial Transparency Act

The First Nation was required to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 29, 2019. Since the audit report date is dated after this date, the First Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined. The First Nation fully intends to post its consolidated financial statements on a website upon release of these consolidated financial statements.

The Manitoba Environmental Protection Act

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance.

As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of The Manitoba Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

15. Segment information on tangible capital assets

Tangible capital assets are assigned to the First Nation's segments in accordance with management's determination, as to the activities and services that will be facilitated as a result of ongoing ownership of the assets. The net book value of tangible capital assets assigned to each segment is as follows:

	2019	2018
Subsidized Housing	4,000,057	4,411,137
Other Housing	4,142,513	2,314,867
 Housing	 8,142,570	 6,726,004
Community Wellness	104,352	88,302
Education	6,073,527	6,767,562
Governance and Administration	314,498	375,960
Community Infrastructure	18,072,466	8,933,255
 Other	 24,564,843	 16,165,079
	32,707,413	22,891,083

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

16. Construction in progress

	2019	2018 (Restated)
Head Start building	-	57,882
Duplexes (10 units)	-	1,000,000
Lagoon expansion	-	3,167,595
	<hr/>	<hr/>
	-	4,225,477
	<hr/>	<hr/>

17. Accumulated surplus

	2019	2018 (Restated)
Invested in tangible capital assets	26,108,359	20,145,928
First Nations Finance Authority Debt Reserve	118,790	114,287
Investment in South Beach Group of Partnerships	3,150,980	3,401,087
CMHC replacement reserve (required amount)	579,822	551,924
Ottawa Trust	32,058	28,775
Accumulated costs of legal claim	(2,977,526)	(2,653,817)
Accumulated surplus from operations	1,127,921	266,803
	<hr/>	<hr/>
	28,140,404	21,854,987
	<hr/>	<hr/>

18. ISC revenue reconciliation

	2019	2018
ISC revenue per funding agreement	9,375,238	8,963,051
ISC revenue recognized in consolidated financial statements	9,375,238	8,963,051
	<hr/>	<hr/>

19. FNIH revenue reconciliation

	2019	2018
FNIH revenue per funding agreement	2,254,558	1,982,393
FNIH revenue recognized in consolidated financial statements	2,254,558	1,982,393
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Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

20. Correction of an error

During the year, the First Nation identified a bank account that had previously not been recorded in the consolidated financial statements as at March 31, 2018. During the year ended March 31, 2018, Southeast Economic Resource Development Council had obtained funding of \$675,000 from Indigenous Services Canada for the purposes of providing funding to Black River First Nation for the construction of a new building for the First Nation's Head Start program. To March 31, 2018, the First Nation had received \$675,000 (deposited into a new bank account) and had spent \$57,882 of this funding.

In order to correct this error, the First Nation has determined to restate its figures as at March 31, 2018 and for the year then ended. Previously stated and restated figures are shown below:

	<i>As previously stated</i>	<i>Adjustment</i>	<i>As restated</i>
Restricted cash	\$1,864,905	\$617,118	\$2,482,023
Deferred revenue (liability)	\$1,424,455	\$617,118	\$2,041,573
Construction in progress (asset)	\$4,167,595	\$57,882	\$4,225,477
Revenue	\$12,183,982	\$57,882	\$12,241,864
Annual surplus	\$2,105,780	\$57,882	\$2,163,662
Accumulated surplus	\$21,797,105	\$57,882	\$21,854,987

21. Related party transactions

Income from South Beach Group of Partnerships of \$499,793 (2018 - \$794,519) was earned from the Partnership's related to the First Nation as described in Note 6.

The First Nation paid \$123,150 (2018 - \$120,307) to Moppa's Store in tobacco tax rebates, in accordance with an agreement entered into between the owner of the store and the Chief and Council. Moppa's Store is an on-reserve convenience store owned by the Chief of the First Nation.

These transactions were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

22. Economic dependence

The First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") and First Nations and Inuit Health ("FNIH"). The revenue is provided as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC and FNIH under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

23. Defined contribution pension plan

The First Nation has a defined contribution pension plan covering all full-time employees in the Education segment. The First Nation remits monthly contributions to the administrator of the plan and remittances were current at year-end.

24. Comparative figures

Certain of the prior year comparative figures have been reclassified to conform to current year presentation.

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Vehicles</i>	<i>Roads</i>	<i>Contractor equipment</i>	<i>General equipment</i>	<i>Furniture</i>	<i>Buildings</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	676,601	2,995,437	617,063	102,914	987,195	13,675,465	19,054,675
Acquisition of tangible capital assets	77,925	-	-	-	-	675,000	752,925
Disposal of tangible capital assets	-	-	(23,500)	-	-	-	(23,500)
Transfer from 2018 construction in progress	-	-	-	-	-	57,882	57,882
Balance, end of year	754,526	2,995,437	593,563	102,914	987,195	14,408,347	19,841,982
Accumulated amortization							
Balance, beginning of year	532,764	970,534	532,766	79,152	906,724	6,525,694	9,547,634
Annual amortization	80,025	74,886	31,074	10,291	70,875	691,781	958,932
Accumulated amortization on disposals	-	-	(14,100)	-	-	-	(14,100)
Balance, end of year	612,789	1,045,420	549,740	89,443	977,599	7,217,475	10,492,466
Net book value of tangible capital assets	141,737	1,950,017	43,823	13,471	9,596	7,190,872	9,349,516
2018 Net book value of tangible capital assets	54,255	2,024,903	84,297	23,762	80,471	7,149,771	9,417,459

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Infrastructure</i>	<i>Housing and rental properties</i>	<i>Land improvements</i>	<i>Bridges</i>	<i>Subtotal</i>
Cost						
Balance, beginning of year	19,054,675	9,160,536	3,913,623	730,765	1,019,700	33,879,299
Acquisition of tangible capital assets	752,925	6,151,641	1,052,000	-	-	7,956,566
Disposal of tangible capital assets	(23,500)	-	-	-	-	(23,500)
Transfer from 2018 construction in progress	57,882	3,167,595	1,000,000	-	-	4,225,477
Balance, end of year	19,841,982	18,479,772	5,965,623	730,765	1,019,700	46,037,842
Accumulated amortization						
Balance, beginning of year	9,547,634	3,050,410	1,598,756	488,764	713,789	15,399,353
Annual amortization	958,932	670,309	224,354	40,653	50,985	1,945,233
Accumulated amortization on disposals	(14,100)	-	-	-	-	(14,100)
Balance, end of year	10,492,466	3,720,719	1,823,110	529,417	764,774	17,330,486
Net book value of tangible capital assets	9,349,516	14,759,053	4,142,513	201,348	254,926	28,707,356
2018 Net book value of tangible capital assets	9,417,459	6,199,708	2,314,867	242,001	305,911	18,479,946

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Subsidized housing</i>	<i>2019</i>	<i>2018</i>
Cost				
Balance, beginning of year	33,879,299	8,221,597	42,100,896	42,459,815
Acquisition of tangible capital assets	7,956,566	-	7,956,566	-
Disposal of tangible capital assets	(23,500)	-	(23,500)	(358,919)
Transfer from 2018 construction in progress	4,225,477	-	4,225,477	-
 Balance, end of year	 46,037,842	 8,221,597	 54,259,439	 42,100,896
Accumulated amortization				
Balance, beginning of year	15,399,353	3,810,460	19,209,813	17,606,918
Annual amortization	1,945,233	411,080	2,356,313	1,961,814
Accumulated amortization on disposals	(14,100)	-	(14,100)	(358,919)
 Balance, end of year	 17,330,486	 4,221,540	 21,552,026	 19,209,813
Net book value of tangible capital assets	28,707,356	4,000,057	32,707,413	22,891,083
 2018 Net book value of tangible capital assets	 18,479,946	 4,411,137	 22,891,083	

Black River First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2019

	2019	2018
Consolidated expenses by object		
Amortization	2,356,313	1,961,814
Bad debts	67,862	100,000
Bank charges and interest	20,077	18,156
Honourariums	293,637	298,458
Insurance	102,417	79,515
Interest on long-term debt	275,704	586,570
Manitoba Hydro transmission project services	65,270	40,441
Member activities and disbursements	452,633	482,472
Professional fees	312,584	385,003
Repairs and maintenance	468,222	492,580
Salaries and benefits	2,367,289	2,199,586
Social assistance	1,327,631	1,507,046
Student allowances	222,782	349,174
Supplies	475,220	462,668
Telephone	60,200	70,738
Tobacco tax transfers to private enterprises (Note 21)	123,150	120,307
Training	356,435	188,927
Travel	333,468	278,008
Tuition	369,857	345,128
Utilities	123,954	111,611
	10,174,705	10,078,202

Black River First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2019

	Revenue	Expenses	2019 Surplus (Deficit)	2018 Surplus (Deficit) (Restated)
Segments (schedules 4 to 14)				
Housing	304,578	646,719	(342,141)	(319,294)
Subsidized Housing	640,414	690,258	(49,844)	(135,436)
Community Wellness	2,198,189	1,886,444	311,745	128,778
Governance and Administration	883,822	1,229,962	(346,140)	(624,096)
Economic Development	256,573	370,597	(114,024)	114,742
Education	523,687	1,247,081	(723,394)	(727,047)
Community Infrastructure	8,365,697	1,328,820	7,036,877	3,570,148
Fundraising	1,453,439	921,212	532,227	472,840
Social	1,433,558	1,440,481	(6,923)	(128,689)
Economic Enterprises	400,164	413,131	(12,967)	(188,284)
	16,460,121	10,174,705	6,285,416	2,163,662

Black River First Nation
Housing
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
First Nations and Inuit Health	80,555	-
Indigenous Services Canada	43,061	170,350
Other	161,575	39,945
Rent	19,387	14,786
	304,578	225,081
Expenses		
Amortization	238,625	156,545
Honourariums	20,790	120
Insurance	420	-
Interest on long-term debt	3,910	16,494
Manitoba Hydro transmission project services	235	-
Professional fees	17,495	-
Repairs and maintenance	179,930	210,162
Salaries and benefits	12,401	1,038
Supplies	53,044	137,838
Training	110,013	2,200
Travel	8,871	727
Utilities	985	19,251
	646,719	544,375
Deficit	(342,141)	(319,294)

Black River First Nation
Subsidized Housing
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Canada Mortgage and Housing Corporation	487,149	359,847
Rent	153,124	181,712
Other revenue	141	-
	640,414	541,559
Expenses		
Amortization	401,679	411,080
Bank charges and interest	456	337
Insurance	41,697	32,106
Interest on long-term debt	87,700	82,994
Professional fees	12,600	12,600
Repairs and maintenance	130,621	121,336
Salaries and benefits	-	1,531
Supplies	1,161	2,995
Travel	14,344	12,016
	690,258	676,995
Deficit	(49,844)	(135,436)

Black River First Nation
Community Wellness
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
First Nations and Inuit Health	2,174,003	1,982,393
Indigenous Services Canada	57,382	-
Other revenue	17,205	-
Recovery by funding agency	(12,952)	-
Revenue deferred to subsequent year	(37,449)	-
	2,198,189	1,982,393
Expenses		
Amortization	61,875	-
Bank charges and interest	200	-
Honourariums	3,104	11,803
Insurance	6,794	6,772
Member activities and disbursements	29,587	41,495
Professional fees	10,752	10,048
Repairs and maintenance	16,608	23,452
Salaries and benefits	1,160,968	1,309,616
Supplies	280,589	187,588
Telephone	18,008	30,036
Training	87,508	80,730
Travel	192,615	137,417
Utilities	17,836	14,658
	1,886,444	1,853,615
Surplus	311,745	128,778

Black River First Nation
Governance and Administration
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	849,217	799,749
Other revenue	54,374	-
Manitoba Justice	60,851	52,203
Revenue deferred to subsequent year	(80,620)	-
	883,822	851,952
Expenses		
Amortization	59,790	106,788
Bank charges and interest	18,353	17,597
Honourariums	250,701	250,361
Insurance	4,926	-
Interest on long-term debt	-	64,735
Member activities and disbursements	-	5,816
Professional fees	134,560	153,544
Repairs and maintenance	734	-
Salaries and benefits	370,609	320,442
Student allowances	222,782	349,174
Supplies	20,294	45,670
Telephone	39,083	36,562
Training	48,673	44,234
Travel	59,457	81,125
	1,229,962	1,476,048
Deficit	(346,140)	(624,096)

Black River First Nation
Economic Development
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Other	231,790	290,738
Indigenous Services Canada	24,783	170,433
	256,573	461,171
 Expenses		
Honourariums	17,292	29,098
Salaries and benefits	263,547	249,455
Supplies	28,211	13,564
Telephone	1,008	208
Training	33,909	34,680
Travel	11,331	19,424
Utilities	15,299	-
	370,597	346,429
 Surplus (deficit)	(114,024)	114,742

Black River First Nation
Education
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	592,576	445,294
Other revenue	6,900	-
Revenue deferred to subsequent year	(75,789)	-
	523,687	445,294
Expenses		
Amortization	694,030	708,795
Member activities and disbursements	9,576	4,350
Professional fees	5,929	-
Salaries and benefits	64,250	51,390
Supplies	17,245	24,472
Telephone	-	1,563
Training	68,744	24,283
Travel	17,342	12,360
Tuition	369,857	345,128
Utilities	108	-
	1,247,081	1,172,341
Deficit	(723,394)	(727,047)

Black River First Nation
Community Infrastructure
Schedule 10 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018 (Restated)
Revenue		
Indigenous Services Canada	6,434,787	5,865,904
Other	176,725	7,075
Southeast Resource Development Council Corp.	-	675,000
Revenue deferred in prior year	2,011,573	-
Revenue deferred to subsequent year	(257,388)	(2,011,573)
	8,365,697	4,536,406
Expenses		
Amortization	900,315	578,606
Honourariums	1,750	7,075
Insurance	43,684	36,670
Professional fees	860	-
Repairs and maintenance	107,212	136,209
Salaries and benefits	165,215	127,709
Supplies	27,901	22,556
Telephone	2,101	2,369
Training	4,194	-
Travel	10,357	9,846
Utilities	65,231	45,218
	1,328,820	966,258
Surplus	7,036,877	3,570,148

Black River First Nation
Fundraising
Schedule 11 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Income from South Beach Group of Partnerships	499,893	794,519
Other	739,740	721,739
Tobacco tax rebates	183,806	191,050
Indigenous Services Canada	-	30,000
Revenue deferred in prior year	30,000	-
Revenue deferred to subsequent year	-	(30,000)
	1,453,439	1,707,308
Expenses		
Insurance	4,897	3,967
Interest on long-term debt	184,094	422,346
Member activities and disbursements	413,471	430,812
Professional fees	130,388	208,810
Repairs and maintenance	33,118	1,422
Supplies	7,279	14,115
Tobacco tax transfers to private enterprises	123,150	120,307
Travel	321	205
Utilities	24,494	32,484
	921,212	1,234,468
Surplus	532,227	472,840

Black River First Nation
Social
Schedule 12 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	1,373,432	1,481,321
Indigenous Services Canada debt forgiveness	60,126	-
	1,433,558	1,481,321
Expenses		
Salaries and benefits	80,980	81,405
Social assistance	1,327,631	1,507,046
Supplies	21,000	13,870
Training	3,394	2,800
Travel	7,476	4,889
	1,440,481	1,610,010
Deficit	(6,923)	(128,689)

Black River First Nation
Economic Enterprises
Schedule 13 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Transmission line construction revenue	400,164	9,379
Expenses		
Bad debts	67,861	100,000
Bank charges and interest	1,068	222
Manitoba Hydro transmission project services	65,035	40,441
Salaries and benefits	249,317	57,000
Supplies	18,496	-
Travel	11,354	-
	413,131	197,663
Deficit	(12,967)	(188,284)