

Black River First Nation
Consolidated Financial Statements
March 31, 2020

Black River First Nation
Consolidated Financial Statements - Table of Contents
For the year ended March 31, 2020

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus	2
Consolidated Statement of Changes in Net Debt	3
Consolidated Statement of Cash Flows	4
Notes to the Consolidated Financial Statements	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	19
Schedule 2 - Consolidated Schedule of Expenses by Object	22
Schedule 3 - Consolidated Summary Schedule of Segment Operations	23
Schedule 4 - Housing	24
Schedule 5 - Subsidized Housing	25
Schedule 6 - Community Wellness	26
Schedule 7 - Governance and Administration	27
Schedule 8 - Economic Development	28
Schedule 9 - Education	29
Schedule 10 - Community Infrastructure	30
Schedule 11 - Fundraising	31
Schedule 12 - Social	32
Schedule 13 - Economic Enterprises	33

Management's Responsibility

To the Members of Black River First Nation:

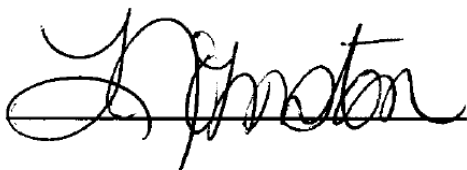
The accompanying consolidated financial statements of Black River First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

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.



Director of
Operations

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, 2020, 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, 2020, 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.

Emphasis of Matter - Demand Loan Payable and Contingent Asset

We draw attention to Note 10 and 12 of the consolidated financial statements, which describes the effect of a demand loan taken by the First Nation in order to pursue a legal claim against the Government of Canada. 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 consolidated financial statements with respect to potential future settlement proceeds. Our opinion is not modified in respect of this matter.

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

September 29, 2021

MNP LLP

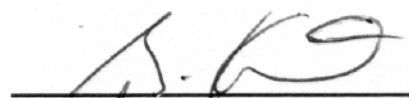
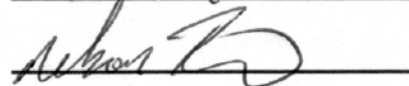
Chartered Professional Accountants

MNP

Black River First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Cash	2,093,109	1,924,379
Portfolio investments (Note 3)	2,101,534	1,080,953
Accounts receivable (Note 4)	371,619	494,845
Investment in South Beach Group of Partnerships (Note 5)	2,722,054	3,150,980
Restricted cash (Note 6)	513,682	584,139
	7,801,998	7,235,296
Liabilities		
Accounts payable and accruals (Note 7)	573,663	852,863
Deferred revenue (Note 8)	84,960	451,246
Due to Province of Manitoba (Note 9)	337,528	337,528
Demand loan payable (Note 10)	3,290,235	2,977,526
Long-term debt (Note 11)	6,593,925	7,201,443
	10,880,311	11,820,606
Net debt	(3,078,313)	(4,585,310)
Contingencies (Note 12), (Note 13)		
Non-financial assets		
Tangible capital assets (Note 14) (Schedule 1)	31,298,947	32,707,413
Prepaid expenses	136,494	18,301
	31,435,441	32,725,714
Accumulated surplus (Note 15)	28,357,128	28,140,404

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, 2020

	<i>Schedules</i>	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue				
Indigenous Services Canada (ISC) (Note 16)		9,632,691	11,144,954	11,629,796
Other revenue		930,000	774,874	1,388,451
Income from South Beach Group of Partnerships (Note 5), (Note 17)		-	341,074	499,893
Canada Mortgage and Housing Corporation		475,000	367,098	487,149
Transmission line construction revenue		-	12,865	400,164
Rent		68,560	181,461	172,511
Tobacco tax rebates		190,000	171,314	183,806
Manitoba Justice		58,000	61,240	60,851
Indigenous Services Canada debt forgiveness		-	-	60,126
Revenue deferred in prior year (Note 8)		451,246	451,246	2,041,573
Revenue deferred to subsequent year (Note 8)		-	(84,960)	(451,246)
Prior year recoveries by funding agencies		-	-	(12,952)
		11,805,497	13,421,166	16,460,122
Segment expenses (Schedule 2)				
Housing	4	550,000	1,084,262	646,719
Subsidized Housing	5	640,000	741,147	690,258
Community Wellness	6	2,532,000	2,241,978	1,886,444
Governance and Administration	7	717,000	1,178,478	1,007,180
Economic Development	8	118,000	414,386	370,597
Education	9	4,014,000	3,339,748	1,469,863
Community Infrastructure	10	880,000	1,829,019	1,328,820
Fundraising	11	473,000	1,001,221	921,212
Social	12	1,396,000	1,349,952	1,440,481
Economic Enterprises	13	-	24,251	413,131
		11,320,000	13,204,442	10,174,705
Surplus		485,497	216,724	6,285,417
Accumulated surplus, beginning of year		28,140,404	28,140,404	21,854,987
Accumulated surplus, end of year		28,625,901	28,357,128	28,140,404

Black River First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Annual surplus	485,497	216,724	6,285,417
Purchases of tangible capital assets	-	(967,441)	(7,956,566)
Disposals of tangible capital assets	-	-	9,400
Amortization of tangible capital assets	-	2,375,907	2,356,313
	-	1,408,466	(5,590,853)
Acquisition of prepaid expenses	-	(136,494)	(18,301)
Use of prepaid expenses	-	18,301	20,832
	-	(118,193)	2,531
Decrease (increase) in net debt	485,497	1,506,997	697,095
Net debt, beginning of year	(4,585,310)	(4,585,310)	(5,282,405)
Net debt, end of year	(4,099,813)	(3,078,313)	(4,585,310)

Black River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts from contributors	12,837,032	14,815,859
Cash paid to suppliers	(8,653,178)	(6,342,644)
Cash paid to employees	(2,346,735)	(2,367,289)
Interest on long-term debt and demand loans	(226,015)	(275,704)
	1,611,104	5,830,222
Financing activities		
Repayment of long-term debt	(607,518)	(415,989)
Advances of demand loan payable	312,709	323,709
	(294,809)	(92,280)
Capital activities		
Purchases of tangible capital assets	(967,441)	(7,956,566)
Investing activities		
Proceeds from withdrawal of investment in Government Business Partnership	770,000	750,000
Change in restricted cash	70,457	1,897,884
Purchase of guaranteed investment certificates	(1,020,581)	-
Proceeds on disposal of guaranteed investment certificates	-	944,048
Purchase of share capital in Southern Chiefs' Economic Development Corp.	-	(1)
	(180,124)	3,591,931
Increase in cash resources	168,730	1,373,307
Cash resources, beginning of year	1,924,379	551,072
Cash resources, end of year	2,093,109	1,924,379

1. Operations

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

2. 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

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.

2. 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.

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

Revenue recognition

Government transfers

Government transfer revenue, including but not limited to, Indigenous Services Canada (ISC) and Canada Mortgage and Housing Corporation (CMHC), 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, 2020.

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

2. 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.

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 12 and 13.

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, 2020

3. Portfolio investments

	2020	2019
Guaranteed Investment Certificates	2,101,533	1,080,952
Investment in Southern Chiefs' Economic Development Corporation	1	1
	2,101,534	1,080,953

Guaranteed Investment Certificates include a \$1,076,533 (2019 - \$1,055,952) investment in a redeemable guaranteed investment certificate earning interest at 1.95% with a maturity date of February 12, 2021, a \$1,000,000 investment in a redeemable guaranteed investment certificate earning interest at 2.03% with a maturity date of May 7, 2020 and a \$25,000 (2019 - \$25,000) redeemable guaranteed investment certificate earning interest at 0.20% with a maturity date of June 25, 2020.

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 (2019 - \$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.

4. 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.

	2020	2019
Indigenous Services Canada	205,932	321,464
Goods and Services Tax (GST)	3,072	249,473
Shawano Wapunong Investments Corp.	68,173	43,498
Members	78,559	66,271
Other	25,353	60,847
Canada Mortgage and Housing Corporation	69,089	69,036
Allowance for doubtful accounts (GST and Members)	(78,559)	(315,744)
	371,619	494,845

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

5. 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. Its 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	2020	2019
Balance, beginning of year	157,261	(305,091)	(101)	3,298,911	3,150,980	3,401,087
Surplus (deficit)	63,686	(238,998)	(24)	516,410	341,074	499,893
Draws	-	-	-	(770,000)	(770,000)	(750,000)
	220,947	(544,089)	(125)	3,045,321	2,722,054	3,150,980

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

6. Restricted cash

	2020	2019
Ottawa Trust	33,505	32,058
CMHC Replacement Reserve	325,010	325,010
First Nations Finance Authority debt reserve fund	123,726	118,790
Funds held in trust by construction contractors	31,441	108,281
	513,682	584,139

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 (2019 - \$77) (2020 interest revenue - \$0; 2019 interest revenue - \$0)

Revenue Trust \$33,428 (2019 - \$31,981) (2020 interest revenue - \$1,447; 2019 interest revenue - \$3,283)

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 \$549,474 (2019 - \$579,822), but the amount in the designated bank account was \$325,010 (2019 - \$325,010), representing an underfunded portion of \$224,464 (2019 - \$254,812).

CMHC Operating Surplus Reserve

As required as part of the First Nation's CMHC Housing Program, a separate bank account must be established when accumulated operating revenue exceeds accumulated operating expenses. 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 operating surplus reserve. At year end, the required operating reserve balance was \$141,760 (2019 - \$130,984) but no separate bank account had been established.

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 \$4,936 (2019 - \$4,503) 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, 2020

7. Accounts payable and accruals

	2020	2019
Indigenous Services Canada	-	23,077
First Nation and Inuit Health	-	3,238
Group insurance	21,722	21,315
Trade payables and accruals	415,495	635,407
Manitoba Hydro transmission project	136,446	169,826
	573,663	852,863

8. Deferred revenue

	2020	2019
Indigenous Services Canada		
Duplex renovations	-	80,620
Lagoon expansion	-	108,282
Community hall	-	50,479
Community Well Being program	-	98,627
Capacity Innovation program	-	20,000
Response (funding for emergency issues)	-	55,789
Jordan's Principle	84,960	37,449
	84,960	451,246

9. 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, 2020, the balance due to the Province of Manitoba is \$337,528 (2019 - \$337,528).

10. 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, 2020

11. Long-term debt

	2020	2019
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	97,555	115,838
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	190,184	212,956
CMHC mortgage #3, with payments of \$3,699 per month including interest at 1.75%, maturing April 2029, with a scheduled renewal date of October 2024	372,666	409,995
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	219,027	238,044
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	805,946	857,460
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	277,057	293,877
CMHC mortgage #7, with payments of \$1,903 per month including interest at 1.83%, maturing November 2034, with a scheduled renewal date of May 2020	293,748	311,048
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	327,341	346,111
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	608,181	640,136
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	499,372	520,745
CMHC mortgage #12, with payments of \$1,251 per month including interest at 1.75%, maturing January 2039, with a scheduled renewal date of October 2024	240,791	251,216
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	827,963	862,461
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	894,177	939,917
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	939,917	984,325
First Nations Bank term loan paid off during the year	-	217,314
	6,593,925	7,201,443

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

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

Subsequent to year-end, certain of the CMHC mortgages were subject to term renewals resulting in changes to required monthly payments and interest rates.

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:

2021	400,000
2022	434,000
2023	444,000
2024	457,000
2025	467,000
	<hr/>
	2,202,000
	<hr/>

12. 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, 2020 might be recovered by these federal agencies.

At March 31, 2020, 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 2.

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, 2020.

Black River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

13. 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, 2020. 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.

14. 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:

	2020	2019
Subsidized Housing	3,587,305	4,000,057
Other Housing	3,951,888	4,142,513
Housing	7,539,193	8,142,570
Community Wellness	152,946	104,352
Education	5,447,674	6,073,527
Governance and Administration	429,031	314,498
Community Infrastructure	17,730,103	18,072,466
Other	23,759,754	24,564,843
	31,298,947	32,707,413

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

15. Accumulated surplus

	2020	2019
Invested in tangible capital assets	25,261,671	26,108,359
First Nations Finance Authority Debt Reserve	123,726	118,790
Investment in South Beach Group of Partnerships	2,722,054	3,150,980
CMHC replacement reserve (required amount)	549,474	579,822
CMHC operating surplus (required amount)	141,760	130,984
Ottawa Trust	33,505	32,058
Accumulated costs of legal claim	(3,290,235)	(2,977,526)
Accumulated surplus from operations	2,815,173	996,937
	28,357,128	28,140,404

16. ISC revenue reconciliation

	2020	2019
ISC revenue per funding agreement	11,144,954	11,629,796
ISC revenue recognized in consolidated financial statements	11,144,954	11,926,796

17. Related party transactions

Income from South Beach Group of Partnerships of \$341,074 (2019 - \$499,893) was earned from the Partnerships related to the First Nation as described in Note 5.

The First Nation paid \$117,282 (2019 - \$123,150) 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.

18. Economic dependence

The First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC"). The revenue is provided as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC 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.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

19. Defined contribution pension plan

The First Nation has a defined contribution pension plan which certain employees have subscribed to. The First Nation remits monthly contributions to the administrator of the plan and remittances were current at year-end.

20. COVID-19

During March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At this time these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

21. Subsequent event

On May 25, 2021, the First Nation purchased vacant land at 1301 Lee Boulevard in Winnipeg, Manitoba for \$6,500,000 plus GST. The vendor was Southeast Collegiate Inc., a related party to the First Nation. Southeast Collegiate Inc. is a not-for-profit organization with the mandate to provide culturally appropriate education to First Nations youth. Black River First Nation appoints one individual to the Board of Directors of Southeast Collegiate Inc.

Title to the Property will be held by 1009740 Manitoba Ltd. which will hold the property in trust, as bare trustee, for the beneficial owner, Black River Land Development Ltd. which was incorporated on May 3, 2021. The sole shareholder of Black River Land Development Ltd. is Black River First Nation.

The primary source of financing for this purchase was through additional credit obtained from the First Nations Finance Authority.

22. 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, 2020

	<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	754,526	2,995,437	593,563	102,914	987,195	14,408,347	19,841,982
Acquisition of tangible capital assets	389,384	425,864	-	-	-	25,549	840,797
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	1,143,910	3,421,301	593,563	102,914	987,195	14,433,896	20,682,779
Accumulated amortization							
Balance, beginning of year	612,789	1,045,420	549,740	89,443	977,599	7,217,475	10,492,466
Annual amortization	155,754	77,659	30,175	3,731	2,705	687,509	957,533
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	768,543	1,123,079	579,915	93,174	980,304	7,904,984	11,449,999
Net book value of tangible capital assets	375,367	2,298,222	13,648	9,740	6,891	6,528,912	9,232,780
2019 Net book value of tangible capital assets	141,737	1,950,017	43,823	13,471	9,596	7,190,872	9,349,516

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<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	19,841,982	18,479,772	5,965,623	730,765	1,019,700	46,037,842
Acquisition of tangible capital assets	840,797	76,644	50,000	-	-	967,441
Disposal of tangible capital assets	-	-	-	-	-	-
Balance, end of year	20,682,779	18,556,416	6,015,623	730,765	1,019,700	47,005,283
Accumulated amortization						
Balance, beginning of year	10,492,466	3,720,719	1,823,110	529,417	764,774	17,330,486
Annual amortization	957,533	673,374	240,625	40,638	50,985	1,963,155
Accumulated amortization on disposals	-	-	-	-	-	-
Balance, end of year	11,449,999	4,394,093	2,063,735	570,055	815,759	19,293,641
Net book value of tangible capital assets	9,232,780	14,162,323	3,951,888	160,710	203,941	27,711,642
2019 Net book value of tangible capital assets	9,349,516	14,759,053	4,142,513	201,348	254,926	28,707,356

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Subsidized housing</i>	<i>2020</i>	<i>2019</i>
<hr/>				
Cost				
Balance, beginning of year	46,037,842	8,221,597	54,259,439	46,326,373
Acquisition of tangible capital assets	967,441	-	967,441	7,956,566
Disposal of tangible capital assets	-	-	-	(23,500)
Balance, end of year	47,005,283	8,221,597	55,226,880	54,259,439
<hr/>				
Accumulated amortization				
Balance, beginning of year	17,330,486	4,221,540	21,552,026	19,209,813
Annual amortization	1,963,155	412,752	2,375,907	2,356,313
Accumulated amortization on disposals	-	-	-	(14,100)
Balance, end of year	19,293,641	4,634,292	23,927,933	21,552,026
<hr/>				
Net book value of tangible capital assets	27,711,642	3,587,305	31,298,947	32,707,413
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2019 Net book value of tangible capital assets	28,707,356	4,000,057	32,707,413	
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Black River First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2020

	2020	2019
Consolidated expenses by object		
Amortization	2,375,907	2,356,313
Bad debts	78,559	67,861
Bank charges and interest	19,962	20,077
Honourariums	350,445	293,637
Insurance	259,320	171,478
Interest on long-term debt	226,015	275,704
Manitoba Hydro transmission project services	9,000	65,270
Member activities and disbursements	489,770	452,633
Professional fees	512,708	312,584
Repairs and maintenance	809,972	399,161
Salaries and benefits	2,346,735	2,367,289
Social assistance	1,301,378	1,327,631
Student allowances	197,251	222,782
Supplies	1,013,292	475,220
Telephone	43,130	62,248
Tobacco tax transfers to private enterprises <i>(Note 17)</i>	117,282	123,150
Training	219,125	359,001
Travel	603,048	333,468
Tuition	2,075,383	369,857
Utilities	156,160	119,341
	13,204,442	10,174,705

Black River First Nation

Schedule 3 - Consolidated Summary Schedule of Segment Operations

For the year ended March 31, 2020

	Revenue	Expenses	Current Surplus (Deficit)	Prior Year Surplus (Deficit)
Segments (schedules 4 to 13)				
Housing	622,346	1,084,262	(461,916)	(342,141)
Subsidized Housing	534,799	741,147	(206,348)	(49,844)
Community Wellness	3,018,117	2,241,978	776,139	311,745
Governance and Administration	539,436	1,178,478	(639,042)	(123,358)
Economic Development	244,524	414,386	(169,862)	(114,024)
Education	5,275,746	3,339,748	1,935,998	(946,175)
Community Infrastructure	843,597	1,829,019	(985,422)	7,036,877
Fundraising	875,198	1,001,221	(126,023)	532,227
Social	1,454,538	1,349,952	104,586	(6,923)
Economic Enterprises	12,865	24,251	(11,386)	(12,967)
	13,421,166	13,204,442	216,724	6,285,417

Black River First Nation
Housing
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	552,900	123,616
Other	55,554	161,575
Rent	13,892	19,387
	622,346	304,578
Expenses		
Amortization	240,625	238,625
Honourariums	750	20,790
Insurance	123,901	69,481
Interest on long-term debt	-	3,910
Manitoba Hydro transmission project services	9,000	235
Professional fees	20,319	17,495
Repairs and maintenance	404,547	110,869
Salaries and benefits	57,610	12,401
Supplies	183,632	53,044
Training	34,578	110,013
Travel	8,855	8,871
Utilities	270	985
Telephone	175	-
	1,084,262	646,719
Deficit	(461,916)	(342,141)

Black River First Nation
Subsidized Housing
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Canada Mortgage and Housing Corporation	367,098	487,149
Rent	167,569	153,124
Other revenue	132	141
	534,799	640,414
Expenses		
Amortization	411,080	401,679
Bank charges and interest	416	456
Insurance	50,078	41,697
Interest on long-term debt	86,230	87,700
Professional fees	12,075	12,600
Repairs and maintenance	176,450	130,621
Supplies	1,642	1,161
Travel	3,176	14,344
	741,147	690,258
Deficit	(206,348)	(49,844)

Black River First Nation
Community Wellness
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	2,971,338	2,231,385
Other revenue	94,290	17,205
Recovery by funding agency	-	(12,952)
Revenue deferred in prior year	37,449	-
Revenue deferred to subsequent year	(84,960)	(37,449)
	3,018,117	2,198,189
Expenses		
Amortization	68,724	61,875
Bank charges and interest	-	200
Honourariums	18,518	3,104
Insurance	19,853	6,794
Member activities and disbursements	24,004	29,587
Professional fees	10,680	10,752
Repairs and maintenance	18,099	16,608
Salaries and benefits	1,389,429	1,160,968
Supplies	375,477	280,589
Telephone	16,859	18,008
Training	93,862	87,508
Travel	182,319	192,615
Utilities	24,154	17,836
	2,241,978	1,886,444
Surplus	776,139	311,745

Black River First Nation
Governance and Administration
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	391,589	849,217
Other revenue	5,987	54,374
Manitoba Justice	61,240	60,851
Revenue deferred in prior year	80,620	-
Revenue deferred to subsequent year	-	(80,620)
	539,436	883,822
Expenses		
Amortization	107,756	59,790
Bad debts	78,559	-
Bank charges and interest	19,216	18,353
Honourariums	255,116	250,701
Insurance	5,000	4,926
Professional fees	285,711	134,560
Repairs and maintenance	2,286	734
Salaries and benefits	258,704	370,609
Supplies	58,671	20,294
Telephone	23,173	39,083
Training	12,085	48,673
Travel	72,201	59,457
	1,178,478	1,007,180
Deficit	(639,042)	(123,358)

Black River First Nation
Economic Development
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Other	153,763	231,790
Indigenous Services Canada	90,761	24,783
	244,524	256,573
Expenses		
Honourariums	50	17,292
Professional fees	3,062	-
Salaries and benefits	227,948	263,547
Supplies	91,697	28,211
Telephone	2,068	1,008
Training	71,428	33,909
Travel	11,382	11,331
Utilities	6,751	15,299
	414,386	370,597
Deficit	(169,862)	(114,024)

Black River First Nation
Education
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	5,194,970	592,576
Other revenue	4,987	6,901
Revenue deferred in prior year	75,789	-
Revenue deferred to subsequent year	-	(75,789)
	5,275,746	523,688
Expenses		
Amortization	625,852	694,030
Member activities and disbursements	-	9,576
Professional fees	7,480	5,929
Salaries and benefits	48,256	64,250
Student allowances	197,251	222,782
Supplies	125,535	17,245
Training	1,806	68,744
Travel	256,879	17,342
Tuition	2,075,383	369,857
Utilities	1,306	108
	3,339,748	1,469,863
Surplus (deficit)	1,935,998	(946,175)

Black River First Nation
Community Infrastructure
Schedule 10 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	488,858	6,434,787
Other	97,351	176,725
Revenue deferred in prior year	257,388	2,011,573
Revenue deferred to subsequent year	-	(257,388)
	843,597	8,365,697
Expenses		
Amortization	921,871	900,315
Honourariums	70,626	1,750
Insurance	-	43,684
Professional fees	5,503	860
Repairs and maintenance	211,365	107,212
Salaries and benefits	298,211	165,215
Supplies	172,952	27,901
Telephone	856	2,101
Training	472	4,194
Travel	62,401	10,357
Utilities	84,762	65,231
	1,829,019	1,328,820
Surplus (deficit)	(985,422)	7,036,877

Black River First Nation
Fundraising
Schedule 11 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Income from South Beach Group of Partnerships	341,074	499,893
Other	362,810	739,740
Tobacco tax rebates	171,314	183,806
Revenue deferred in prior year	-	30,000
	875,198	1,453,439
Expenses		
Honourariums	5,385	-
Insurance	60,488	4,897
Interest on long-term debt	139,785	184,094
Member activities and disbursements	465,766	413,471
Professional fees	159,602	130,388
Repairs and maintenance	(2,775)	33,118
Salaries and benefits	8,831	-
Supplies	2,309	7,279
Tobacco tax transfers to private enterprises	117,282	123,150
Training	3,781	-
Travel	1,849	321
Utilities	38,918	24,494
	1,001,221	921,212
Surplus (deficit)	(126,023)	532,227

Black River First Nation
Social
Schedule 12 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	1,454,538	1,373,432
Indigenous Services Canada debt forgiveness	-	60,126
	1,454,538	1,433,558
Expenses		
Salaries and benefits	43,150	80,980
Social assistance	1,301,378	1,327,631
Supplies	325	21,000
Training	1,113	3,394
Travel	3,986	7,476
	1,349,952	1,440,481
Surplus (deficit)	104,586	(6,923)

Black River First Nation
Economic Enterprises
Schedule 13 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Transmission line construction revenue	12,865	400,164
Expenses		
Bad debts	-	67,861
Bank charges and interest	330	1,068
Manitoba Hydro transmission project services	-	65,035
Professional fees	8,276	-
Salaries and benefits	14,595	249,317
Supplies	1,050	18,496
Travel	-	11,354
	24,251	413,131
Deficit	(11,386)	(12,967)