

**Black River First Nation
Consolidated Financial Statements**
March 31, 2023

Black River First Nation
Consolidated Financial Statements - Table of Contents
For the year ended March 31, 2023

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Management's Responsibility

To the Members of Black River First Nation:

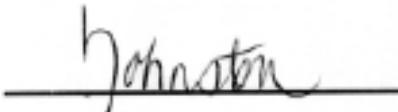
The accompanying consolidated financial statements of Black River First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

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

MNP LLP

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To the Members of Black River First Nation:

Qualified 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, 2023, and the consolidated statements of operations, 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.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2023, and the results of its consolidated operations, consolidated changes in its net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Section PS 3280 Asset Retirement Obligations of the Canadian Public Sector Accounting Standards ("PSAS") was adopted by the First Nation on April 1, 2022 with prospective application. This standard requires the recognition of an asset retirement obligation ("ARO") liability when there is a legal obligation that establishes a clear responsibility to incur retirement costs in relation to a tangible capital asset. The First Nation has not identified any ARO liabilities as at March 31, 2023 and we were unable to satisfy ourselves concerning the completeness of those liabilities by alternative means. Consequently, we were not able to determine whether any adjustments would be necessary to total liabilities, net debt, tangible capital assets, accumulated surplus, expenses, surplus (deficit), or change in net debt as at and for the year-ended March 31, 2023.

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 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Demand Loan Payable

We draw attention to Note 10 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 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 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.

May 13, 2024

Winnipeg, Manitoba

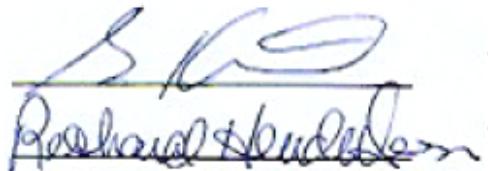
MNP LLP

Chartered Professional Accountants

Black River First Nation
Consolidated Statement of Financial Position
As at March 31, 2023

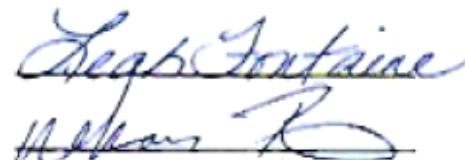
	2023	2022
		Restated
Financial assets		
Cash	8,132,425	7,455,879
Guaranteed Investment Certificate (Note 4)	1,141,145	1,112,766
Accounts receivable (Note 5)	423,301	717,908
Portfolio investments (Note 6)	80,202	80,202
Restricted cash (Note 7)	882,999	853,149
	10,660,072	10,219,904
Liabilities		
Accounts payable and accruals (Note 8)	1,385,836	2,685,195
Deferred revenue (Note 9)	3,007,654	2,727,648
Demand loan payable (Note 10)	3,439,875	3,439,875
Long-term debt (Note 11)	12,452,066	13,027,768
	20,285,431	21,880,486
Net debt	(9,625,359)	(11,660,582)
Contingencies (Note 12), (Note 13)		
Non-financial assets		
Tangible capital assets (Note 14), (Note 1)	34,131,428	35,944,539
Construction in progress (Note 15)	3,471,394	1,757,222
Prepaid expenses	77,599	180,829
	37,680,421	37,882,590
Accumulated surplus (Note 16)	28,055,062	26,222,008

Approved on behalf of the Chief and Council


Richard Henderson

Chief

Councillor


Legg Fontaine
Alexis R

Councillor

Councillor

Black River First Nation
Consolidated Statement of Operations
For the year ended March 31, 2023

	<i>Schedules</i>	2023 Budget	2023	2022 Restated
Revenue				
Indigenous Services Canada (ISC) (Note 17)		14,026,583	17,547,147	15,329,439
Other revenue		910,881	1,121,299	1,205,073
Canada Mortgage and Housing Corporation		-	370,394	365,206
Rent		-	192,499	280,725
Assembly of Manitoba Chiefs		-	388,440	257,502
Dividends on portfolio investments		-	1,000,000	168,628
Manitoba Justice		-	-	58,000
Tobacco tax rebates		-	202,108	215,376
Revenue deferred in prior year (Note 9)		-	2,727,648	2,087,425
Revenue deferred to subsequent year (Note 9)		-	(3,007,654)	(2,727,648)
		14,937,464	20,541,881	17,239,726
Segment expenses				
Housing	4	282,947	518,133	458,598
Subsidized Housing	5	-	756,185	839,285
Community Wellness	6	3,316,218	4,045,401	4,110,871
Governance and Administration	7	1,430,061	1,071,317	1,461,712
Economic Development	8	38,131	446,105	382,793
Education	9	4,706,153	5,729,509	4,573,882
Community Infrastructure	10	432,395	2,357,363	1,886,222
Fundraising	11	682,617	1,240,585	480,760
Social	12	1,387,209	2,210,764	1,249,765
Economic Enterprises	13	-	333,465	205,597
		12,275,731	18,708,827	15,649,485
Surplus		2,661,733	1,833,054	1,590,241

Black River First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2023

	2023	2022
		<i>Restated</i>
Accumulated surplus, beginning of year, as previously stated	26,222,008	26,374,142
Correction of an error (Note 22)	-	(1,742,375)
Accumulated surplus, beginning of year, as restated	26,222,008	24,631,767
Surplus	1,833,054	1,590,241
Accumulated surplus, end of year	28,055,062	26,222,008

Black River First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2023

	2023 Budget	2023	2022 Restated
Annual surplus	2,661,733	1,833,054	1,590,241
Purchases of tangible capital assets	-	(656,626)	(7,122,304)
Amortization of tangible capital assets	-	2,469,737	2,482,341
Cost of construction in progress	-	(1,714,172)	(1,197,040)
Acquisition of prepaid expenses	-	(77,599)	(180,829)
Use of prepaid expenses	-	180,829	132,330
	-	(1,610,942)	(1,245,539)
Decrease (increase) in net debt	2,661,733	2,035,223	(4,295,261)
Net debt, beginning of year	(11,660,582)	(11,660,582)	(7,365,321)
Net debt, end of year	(8,998,849)	(9,625,359)	(11,660,582)

Black River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2023

2023 **2022**
Restated

Cash provided by (used for) the following activities

Operating activities

Cash receipts from contributors	21,116,494	17,687,880
Cash paid to suppliers	(13,824,213)	(11,083,408)
Cash paid to employees	(3,070,917)	(3,271,644)
Interest on long-term debt and demand loans	(540,089)	(372,819)
	3,681,275	2,960,009

Financing activities

Promissory note advance	-	7,295,000
Repayment of long-term debt	(575,702)	(460,941)
Advances of demand loan payable	-	50,453
	(575,702)	6,884,512

Capital activities

Purchases of tangible capital assets	(656,626)	(7,122,304)
Costs of construction in progress	(1,714,172)	(1,197,040)
	(2,370,798)	(8,319,344)

Investing activities

Change in restricted cash	(29,850)	(368,509)
Re-investment of interest earned on guaranteed investment certificates	(28,379)	(4,873)
	(58,229)	(373,382)

Increase in cash resources

Cash resources, beginning of year	676,546	1,151,795
Cash resources, end of year	8,132,425	7,455,879

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

1. Operations

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, 2022, the First Nation adopted the following public sector accounting standards:

- 1) PS 3450 Financial Instruments
- 2) PS 3280 Asset Retirement Obligations
- 3) PS 3041 Portfolio Investments
- 4) PS 1201 Financial Statement Presentation

The related impact on the First Nation's significant accounting policies is described in Note 3.

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 separate legal entities:

- Black River Development Corporation
- Black River Land Development Ltd.

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.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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 consolidated 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. The cost of a tangible capital asset that is acquired, constructed or developed over time includes carrying costs directly attributable to the acquisition, construction or development activity. The First Nation has elected to not capitalize interest costs on loan financing obtained in order to acquire, construct or develop a capital asset.

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, 2023

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

Revenue recognition

Government transfers

Government transfer revenue, including but not limited to, Indigenous Services Canada (ISC), Manitoba Justice 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.

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.

Interest and dividends attributable to all financial instruments are reported in the consolidated statement of operations when received.

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.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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 Indigenous Services Canada

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

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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

Financial instruments

The First Nation has classified the following financial assets in the amortized cost category: cash, guaranteed investment certificate, accounts receivable, portfolio investments and restricted cash. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Cash, accounts receivable, guaranteed investment certificate, portfolio investments and restricted cash are subsequently measured at their amortized cost, using the effective interest rate method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal payments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectability.

The First Nation has classified the following liabilities in the amortized cost category: accounts payable and accruals, demand loan payable and long-term debt. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Accounts payable and accruals, demand loan payable and long-term debt are subsequently measured at amortized cost using the effective interest rate method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to their net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Consolidated Statement of Remeasurement Gains (losses)

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in government business entities are distinguished from revenues and expenses reported in the consolidated statement of operations. The consolidated statement of operations reports the extent to which revenues raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the statement of remeasurement gains and losses. Taken together, the two statements account for changes in the First Nation's net debt in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to all financial instruments are reported in the consolidated statement of operations.

As the First Nation did not have any items to be included on the consolidated statement of remeasurement gains (losses), the statement has been excluded in these consolidated financial statements.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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

Asset retirement obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

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.

Liability for contaminated site

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, 2023.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is 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.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

4. Guaranteed Investment Certificates

	2023	2022
A redeemable guaranteed investment certificate earning interest at 4.70% per annum, with a maturity date of June 12, 2023	1,116,145	1,087,766
A redeemable guaranteed investment certificate earning interest at 2.50% per annum, with a maturity date of June 12, 2023	<u>25,000</u>	<u>25,000</u>
	1,141,145	1,112,766

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.

	2023	2022
Indigenous Services Canada	34,910	69,910
Goods and Services Tax (GST)	26,742	11,064
Shawano Wapunong Investments Corp.	82,686	82,686
Members	89,225	91,716
Other	247,721	523,650
Canada Mortgage and Housing Corporation	31,242	30,598
Allowance for doubtful accounts (Members)	<u>(89,225)</u>	<u>(91,716)</u>
	423,301	717,908

6. Portfolio investments

In addition to the investments identified in the table below, 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 (2022- \$0).

	2023	2022 (Restated)
South Beach Management Services Ltd.	80,100	80,100
South Beach Capital Partners Limited Partnership	100	100
SBCP Inc.	1	1
South Beach Casino Inc.	<u>1</u>	<u>1</u>
	80,202	80,202

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

7. Restricted cash

	2023	2022
Ottawa Trust	39,138	36,432
CMHC Replacement Reserve	325,010	325,010
First Nations Finance Authority debt reserve fund	518,851	491,707
	882,999	853,149

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 (2022 - \$77) (2023 interest revenue - \$0; 2022 interest revenue - \$0)

Revenue Trust \$39,061 (2022 - \$36,354) (2023 interest revenue - \$2,706; 2022 interest revenue - \$1,604)

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 \$432,118 (2022 - \$434,065), but the amount in the designated bank account was \$325,010 (2022 - \$325,010), representing an underfunded portion of \$107,108 (2022 - \$109,055).

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 \$60,145 (2022 - \$89,909) 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 \$27,144 (2022 - \$16,957) on the cash restricted in this debt reserve fund.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

8. Accounts payable and accruals

	2023	2022
Indigenous Services Canada	23,076	23,076
Other payables and accruals	<u>1,362,760</u>	2,662,119
	1,385,836	2,685,195

9. Deferred revenue

	2023	2022
Indigenous Services Canada		
FN community representative	1,351,623	-
Community services - capital portion	80,000	-
Capital investments	200,000	-
FN representative services	289,509	-
Infrastructure construction landfill	169,058	-
DIR All EMAP (Inflation Funding)	233,150	-
Renovations	480,000	-
LEDSP Targeted Economic Development	21,238	-
Projects and capacity	36,576	-
Capacity Building	140,000	-
Law-Making	6,500	-
Housing construction - 7 unit project	-	365,551
Housing construction - 6 unit project	-	632,000
Jordan's Principle	-	187,484
Housing construction - major repairs	-	330,705
Home care	-	62,876
COVID-19 programs	-	969,475
Capacity development	-	179,557
	3,007,654	2,727,648

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 (6.70% (2022 - 2.45%)) 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 4, 2025

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.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

11. Long-term debt

	2023	2022
CMHC mortgage #1, with payments of \$1,615 per month including interest at 1.06%, maturing May 2025, with a scheduled renewal date of May 2025.	41,500	60,335
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.	118,330	142,875
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.	256,036	295,587
CMHC mortgage #4, with payments of \$1,815 per month including interest at 1.13%, maturing November 2030, with a scheduled renewal date of June 2026.	159,894	179,749
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.	643,373	698,890
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.	224,263	242,244
CMHC mortgage #7, with payments of \$1,791 per month including interest at 0.96%, maturing November 2034, with a scheduled renewal date of May 2026.	237,206	256,331
CMHC mortgage #9, with payments of \$1,894 per month including interest at 1.22%, maturing January 2036, with a scheduled renewal date of July 2026.	269,903	289,218
CMHC mortgage #10, with payments of \$4,010 per month including interest at 3.98%, maturing January 2037, with a scheduled renewal date of November 2027.	512,219	542,909
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.	431,880	454,924
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.	207,515	218,798
CMHC mortgage #13, with payments of \$3,718 per month including interest at 2.02%, maturing September 2041, with a scheduled renewal date of March 2027.	688,724	719,150
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.	748,559	798,540
First Nations Finance Authority loan, with payments of \$6,070 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.	798,540	847,065
First Nations Finance Authority loan, with payments of \$111,614 due semi-annually including interest at 3.06%, maturing June 2032, with a scheduled renewal date of June 2024, secured by a first charge against particular non-government transfer revenue earned by the First Nation.	<u>7,114,124</u>	<u>7,281,153</u>
	12,452,066	13,027,768

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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.

Mortgage #11 was renewed with payments of \$3,476 per month including interest at 5.57%, maturing February 1, 2024. Mortgage #5 was renewed with payments of \$6,903 per month including interest at 5.57%, maturing February 1, 2024. Mortgage #2 was renewed with payments of \$2,399 per month including interest at 4.13%, maturing September 1, 2027.

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:

2024	567,000
2025	563,000
2026	561,000
2027	561,000
2028	547,000
	2,799,000

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, 2023 might be recovered by these federal agencies.

At March 31, 2023, 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 consolidated 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.

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, 2023. 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.

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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:

	2023	2022
Subsidized Housing	2,438,860	2,812,433
Other Housing	<u>3,480,509</u>	3,734,326
Housing	5,919,369	6,546,759
Community Wellness	333,486	149,988
Education	3,613,326	4,229,392
Governance and Administration	395,483	373,837
Community Infrastructure	17,202,476	17,977,275
Economic Enterprises	<u>6,667,288</u>	6,667,288
	34,131,428	35,944,539

15. Construction in progress

	2023	2022
7 unit housing project	1,546,297	1,140,049
6 unit housing project	632,000	-
Cannabis project startup costs	<u>1,293,097</u>	617,173
	3,471,394	1,757,222

16. Accumulated surplus

	2023	2022 Restated
Invested in tangible capital assets	25,150,756	24,673,993
CMHC replacement reserve (required amount)	432,118	434,065
Investment in government business partnership	80,202	80,202
First Nations Finance Authority debt reserve fund	518,851	491,707
CMHC operating surplus (required amount)	60,145	89,909
Ottawa Trust	39,138	36,432
Accumulated costs of legal claim	(3,439,875)	(3,439,875)
Accumulated surplus from operations	<u>5,213,727</u>	3,855,575
	28,055,062	26,222,008

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

17. ISC revenue reconciliation

	2023	2022
ISC revenue per funding agreement	17,547,147	15,329,439
ISC revenue recognized in consolidated financial statements	17,547,147	15,294,439

18. Related party transactions

The First Nation paid \$135,412 (2022 - \$144,302) 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.

19. 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.

20. 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.

21. Comparative figures

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

Black River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

22. Correction of an error

During the year, the First Nation determined that its investment in the Southbeach Casino Limited Partnership did not meet the definition of an investment in a government business enterprise. As a result, management has restated the figures presented as at and for the year ended March 31, 2022.

The following figures have been restated as at March 31, 2022 and for the year then ended:

	<i>As previously stated</i>	<i>Correction</i>	<i>As restated</i>
Accumulated surplus, beginning of year	\$26,374,142	\$1,742,375	\$24,631,767
Portfolio investments	\$3,027,750	\$2,947,548	\$80,202
Dividends on portfolio investments	\$1,373,801	\$1,205,173	\$168,628
Surplus	\$2,795,414	\$1,205,173	\$1,590,241
Accumulated surplus, end of year	\$29,169,556	\$2,947,548	\$26,222,008

23. Fair value of financial instruments

Fair value hierarchy:

Assets and liabilities recorded at fair value on the statement of financial position are measured and classified in the hierarchy consisting of three levels for disclosure purposes. The three levels are based on the priority of the inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation. The input levels are defined as follows:

- Level 1: Unadjusted quoted prices in an active market for identical assets and liabilities

There are no assets of the First Nation measured at fair value classified as Level 1.

- Level 2: Quoted prices in markets that are not active or inputs that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 2 inputs include quoted prices for assets in markets that are considered less active.

There are no assets of the First Nation measured at fair value classified as Level 2.

- Level 3: Unobservable inputs that are supported by little or no market activity and are significant to the estimated fair value of the assets or liabilities.

Level 3 assets and liabilities would include financial instruments whose values are determined using pricing models, discounted methodologies, or similar techniques, as well as instruments for which the determination of estimated fair value requires significant management judgment or estimation.

There are no assets of the First Nation measured at fair value classified as Level 3.

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<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	1,329,426	3,464,849	525,312	160,436	987,189	16,441,995	22,909,207
Acquisition of tangible capital assets	337,276	-	-	319,350	-	-	656,626
Balance, end of year	1,666,702	3,464,849	525,312	479,786	987,189	16,441,995	23,565,833
Accumulated amortization							
Balance, beginning of year	1,233,852	1,272,933	525,312	86,153	985,097	9,485,594	13,588,941
Annual amortization	174,367	78,748	-	40,017	2,092	789,808	1,085,032
Balance, end of year	1,408,219	1,351,681	525,312	126,170	987,189	10,275,402	14,673,973
Net book value of tangible capital assets	258,483	2,113,168	-	353,616	-	6,166,593	8,891,860
2022 Net book value of tangible capital assets	95,574	2,191,916	-	74,283	2,092	6,956,401	9,320,266

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Infrastructure</i>	<i>Housing and rental properties</i>	<i>Land improvements</i>	<i>Bridges</i>	<i>Subsidized housing</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	22,909,207	19,433,629	6,350,240	188,261	1,019,700	8,221,597	58,122,634
Acquisition of tangible capital assets	656,626	-	-	-	-	-	656,626
Balance, end of year	23,565,833	19,433,629	6,350,240	188,261	1,019,700	8,221,597	58,779,260
Accumulated amortization							
Balance, beginning of year	13,588,941	6,125,374	2,615,914	188,261	917,729	5,409,164	28,845,383
Annual amortization	1,085,032	706,330	253,817	-	50,985	373,573	2,469,737
Balance, end of year	14,673,973	6,831,704	2,869,731	188,261	968,714	5,782,737	31,315,120
Net book value of tangible capital assets	8,891,860	12,601,925	3,480,509	-	50,986	2,438,860	27,464,140
2022 Net book value of tangible capital assets	9,320,266	13,308,255	3,734,326	-	101,971	2,812,433	29,277,251

Black River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Land</i>	2023	2022
Cost				
Balance, beginning of year	58,122,634	6,667,288	64,789,922	57,667,618
Acquisition of tangible capital assets	656,626	-	656,626	7,122,304
Balance, end of year	58,779,260	6,667,288	65,446,548	64,789,922
Accumulated amortization				
Balance, beginning of year	28,845,383	-	28,845,383	26,363,042
Annual amortization	2,469,737	-	2,469,737	2,482,341
Balance, end of year	31,315,120	-	31,315,120	28,845,383
Net book value of tangible capital assets	27,464,140	6,667,288	34,131,428	35,944,539
2022 Net book value of tangible capital assets	29,277,251	6,667,288	35,944,539	

Black River First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2023

	2023	2022
Consolidated expenses by object		
Amortization	2,469,737	2,482,341
Bad debts (recovery)	(2,491)	15,088
Bank charges and interest	23,630	17,652
Honourariums	291,547	327,775
Insurance	195,419	180,691
Interest on long-term debt	540,089	372,819
Member activities and disbursements	908,115	410,472
Professional fees	530,926	533,491
Property tax	5,164	3,321
Repairs and maintenance	991,888	768,905
Salaries and benefits	3,070,917	3,271,645
Social assistance	2,820,576	1,441,309
Student allowances	153,873	135,394
Supplies	871,739	1,107,507
Telephone	47,869	50,024
Tobacco tax transfers to private enterprises (Note 18)	135,412	144,302
Training	191,552	129,998
Travel	1,044,991	703,496
Tuition	4,236,005	3,362,129
Utilities	181,869	191,126
	18,708,827	15,649,485

Black River First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2023

	Revenue	Expenses	Transfers	2023 Surplus (Deficit)	2022 Surplus (Deficit)
Segments (schedules 4 to 13)					
Housing	1,652,858	518,133	-	1,134,725	646,189
Subsidized Housing	562,893	756,185	98,177	(95,115)	(144,560)
Community Wellness	6,319,587	4,045,401	-	2,274,186	1,787,235
Governance and Administration	611,771	1,071,317	-	(459,546)	(958,170)
Economic Development	172,566	446,105	-	(273,539)	(181,617)
Education	6,491,202	5,729,509	-	761,693	962,374
Community Infrastructure	1,298,818	2,357,363	-	(1,058,545)	(928,349)
Fundraising	1,549,502	1,240,585	(98,177)	210,740	245,964
Social	1,701,164	2,210,764	-	(509,600)	185,251
Economic Enterprises	181,520	333,465	-	(151,945)	(24,076)
	20,541,881	18,708,827	-	1,833,054	1,590,241

Black River First Nation
Housing
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	796,775	1,374,814
Other revenue	7,827	112,811
Revenue deferred in prior year	1,328,256	945,418
Revenue deferred to subsequent year	(480,000)	(1,328,256)
	1,652,858	1,104,787
Expenses		
Amortization	251,927	251,927
Honourariums	13,046	1,300
Insurance	22,568	-
Interest on long-term debt	8,080	-
Repairs and maintenance	162,312	162,061
Salaries and benefits	1,473	16,638
Supplies	35,460	21,920
Training	1,900	-
Travel	8,050	4,385
Utilities	13,317	367
	518,133	458,598
Surplus	1,134,725	646,189

Black River First Nation
Subsidized Housing
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Canada Mortgage and Housing Corporation	370,394	365,206
Rent	192,499	280,725
Other revenue	-	87
	562,893	646,018
Expenses		
Amortization	373,573	398,363
Bank charges and interest	539	382
Insurance	74,391	60,773
Interest on long-term debt	80,845	70,228
Professional fees	-	12,000
Repairs and maintenance	226,614	297,539
Travel	223	-
	756,185	839,285
Deficit before transfers	(193,292)	(193,267)
Transfers between programs		
Minimum revenue contribution	98,177	48,707
Deficit	(95,115)	(144,560)

Black River First Nation
Community Wellness
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	5,387,543	5,668,209
Other revenue	82,302	163,280
Assembly of Manitoba Chiefs	-	257,502
Revenue deferred in prior year	1,282,892	1,092,007
Revenue deferred to subsequent year	(433,150)	(1,282,892)
	6,319,587	5,898,106
Expenses		
Amortization	153,778	80,478
Bank charges and interest	627	-
Honourariums	4,125	3,879
Insurance	14,867	17,443
Member activities and disbursements	105,356	237,414
Professional fees	-	14,842
Repairs and maintenance	124,919	165,989
Salaries and benefits	1,804,288	2,317,312
Social assistance	664,279	223,289
Supplies	569,693	675,034
Telephone	11,209	18,413
Training	162,528	94,549
Travel	402,513	211,248
Utilities	27,219	50,981
	4,045,401	4,110,871
Surplus	2,274,186	1,787,235

Black River First Nation
Governance and Administration
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous and Northern Affairs Canada	2,265,549	550,793
Other revenue	97,354	11,249
Manitoba Justice	-	58,000
Revenue deferred in prior year	116,500	-
Revenue deferred to subsequent year	(1,867,632)	(116,500)
	611,771	503,542
Expenses		
Amortization	105,915	167,347
Bad debts (recovery)	(2,491)	15,088
Bank charges and interest	22,393	17,123
Honourariums	251,350	287,405
Insurance	5,053	5,932
Interest on long-term debt	(49)	-
Professional fees	(56,283)	479,281
Repairs and maintenance	33,213	10,278
Salaries and benefits	416,553	290,773
Supplies	99,976	78,007
Telephone	34,478	28,524
Training	1,057	7,861
Travel	160,152	74,093
	1,071,317	1,461,712
Deficit	(459,546)	(958,170)

Black River First Nation
Economic Development
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	84,028	94,382
Other	88,538	106,794
	172,566	201,176
 Expenses		
Honourariums	1,642	985
Member activities and disbursements	262	1,255
Professional fees	2,260	-
Repairs and maintenance	21,609	29,324
Salaries and benefits	328,998	269,663
Supplies	27,719	52,528
Telephone	1,315	1,563
Training	21,990	11,905
Travel	40,310	15,570
	446,105	382,793
 Deficit	(273,539)	(181,617)

Black River First Nation
Education
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous and Northern Affairs Canada	6,137,775	5,424,105
Assembly of Manitoba Chiefs	388,440	-
Other revenue	22,801	62,151
Revenue deferred in prior year	-	50,000
Revenue deferred to subsequent year	(57,814)	-
	6,491,202	5,536,256
Expenses		
Amortization	609,141	609,141
Honourariums	12,679	757
Insurance	2,089	-
Professional fees	255,991	9,281
Repairs and maintenance	-	10
Salaries and benefits	66,468	61,674
Student allowances	153,873	135,394
Supplies	35,314	40,072
Telephone	-	667
Training	360	7,913
Travel	360,186	340,411
Tuition	4,228,531	3,362,129
Utilities	4,877	6,433
	5,729,509	4,573,882
Surplus	761,693	962,374

Black River First Nation
Community Infrastructure
Schedule 10 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous and Northern Affairs Canada	1,153,012	782,120
Other	314,864	175,753
Revenue deferred to subsequent year	(169,058)	-
	1,298,818	957,873
Expenses		
Amortization	975,403	975,085
Honourariums	1,300	29,832
Insurance	76,451	93,484
Member activities and disbursements	105,600	-
Professional fees	91,924	3,655
Repairs and maintenance	423,222	103,703
Salaries and benefits	394,369	261,661
Supplies	87,884	226,369
Telephone	868	858
Training	1,616	2,700
Travel	62,269	55,527
Utilities	136,457	133,348
	2,357,363	1,886,222
Deficit	(1,058,545)	(928,349)

Black River First Nation
Fundraising
Schedule 11 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022 <i>Restated</i>
Revenue		
Indigenous Services Canada	23,401	-
Tobacco tax rebates	202,108	215,376
Other	323,993	391,428
Dividend earned on portfolio investments	1,000,000	168,627
	1,549,502	775,431
Expenses		
Honourariums	7,407	3,617
Insurance	-	3,059
Interest on long-term debt	126,982	101,662
Member activities and disbursements	696,897	171,803
Professional fees	233,034	13,231
Salaries and benefits	20,464	22,635
Supplies	5,453	13,575
Tobacco tax transfers to private enterprises	135,412	144,302
Training	-	5,070
Travel	7,461	1,806
Tuition	7,475	-
	1,240,585	480,760
Surplus before transfers	308,917	294,671
Transfers between programs		
Minimum revenue contribution	(98,177)	(48,707)
Surplus	210,740	245,964

Black River First Nation
Social
Schedule 12 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous and Northern Affairs Canada	1,699,064	1,435,016
Other revenue	2,100	-
	1,701,164	1,435,016
Expenses		
Salaries and benefits	38,304	31,290
Social assistance	2,156,297	1,218,019
Supplies	10,235	-
Training	2,100	-
Travel	3,828	456
	2,210,764	1,249,765
Surplus (deficit)	(509,600)	185,251

Black River First Nation
Economic Enterprises
Schedule 13 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Other revenue	181,520	181,521
Expenses		
Bank charges and interest	71	147
Interest on long-term debt	324,230	200,929
Professional fees	4,000	1,200
Property tax	5,164	3,321
	333,465	205,597
Deficit	(151,945)	(24,076)