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# BUNIBONIBEE CREE NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

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# BUNIBONIBEE CREE NATION

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MARCH 31, 2018

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Bunibonibee Cree Nation and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.


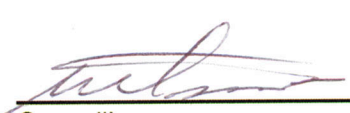
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

The Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditors' report.

The external auditors, Baker Tilly HMA LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Bunibonibee Cree Nation and meet when required.

  
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Chief  
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Councillor  
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Councillor  
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Councillor  
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Councillor

## INDEPENDENT AUDITORS' REPORT

To the Chief, Council and Membership  
Bunibonibee Cree Nation

**Baker Tilly HMA LLP**  
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Winnipeg, MB R3C 0C4

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We have audited the accompanying consolidated financial statements of Bunibonibee Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Bunibonibee Cree Nation as at March 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Baker Tilly HMA LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
February 26, 2019

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31


	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,840,217	\$ 2,785,026
Restricted cash (Note 2)	501,682	546,757
Accounts receivable (Note 3)	2,862,901	1,768,588
Inventory (Note 4)	849,336	721,003
Investments (Note 5)	( 393,792)	-
Total financial assets	<u>5,660,344</u>	<u>5,821,374</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	13,746,249	14,044,485
Deferred revenue (Note 7)	2,543,588	2,982,602
Long term debt (Note 8)	<u>16,803,689</u>	<u>14,401,736</u>
Total liabilities	<u>33,093,526</u>	<u>31,428,823</u>
Net debt	<u>( 27,433,182)</u>	<u>( 25,607,449)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 9)	46,061,999	47,216,485
Construction in progress (Note 10)	6,602,607	1,429,959
Prepaid expenses	<u>1,035,963</u>	<u>667,900</u>
Total non-financial assets	<u>53,700,569</u>	<u>49,314,344</u>
Accumulated surplus	<u>\$ 26,267,387</u>	<u>\$ 23,706,895</u>

Contingent liabilities (Note 11)


Approved on behalf of Council

  
 Chief

  
 Councillor


  
 Councillor

  
 Councillor

  
 Councillor

  
 Councillor

  
 Councillor

  
 Councillor

**BUNIBONIBEE CREE NATION**

STATEMENT 2

**CONSOLIDATED STATEMENT OF OPERATIONS**

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 1 8	2 0 1 7
<b>REVENUE</b>			
Indigenous Services Canada	\$ 20,585,173	\$ 28,911,448	\$ 25,973,424
First Nations and Inuit Health	3,073,383	3,810,329	2,457,149
Canada Mortgage and Housing Corporation	86,500	1,488,854	806,732
Heritage Canada		50,000	
Province of Manitoba	524,000	1,491,626	1,412,586
Keewatin Tribal Council		1,202,002	619,182
Administration fees	1,139,934	1,303,967	1,235,340
Investment income		159,407	
Other revenue	273,568	1,200,822	813,364
Rental income and user fees	530,330	838,024	1,066,585
Sales	303,000	1,449,161	756,829
Debt forgiveness	-	522,502	
Eliminations	-	( 1,939,379)	( 1,938,862)
	<u>26,515,888</u>	<u>40,488,763</u>	<u>33,202,329</u>
<b>EXPENDITURES</b>			
Governance and administration	1,911,841	4,771,121	5,564,412
Economic development	197,917	188,256	104,534
Social services	7,173,754	7,566,802	6,633,451
Employment, training and child care		415,270	715,016
Health	3,172,417	2,871,280	2,402,456
Community services	1,502,942	2,060,626	2,066,601
Capital and capital projects	528,086	2,483,039	1,657,559
Own source programs	255,000	3,515,741	1,433,012
Education	7,107,439	9,277,952	9,460,838
Care Home	4,824,191	4,790,406	4,718,935
Housing		1,927,157	1,506,375
Eliminations	-	( 1,939,379)	( 1,938,862)
	<u>26,673,587</u>	<u>37,928,271</u>	<u>34,324,327</u>
ANNUAL SURPLUS (DEFICIT)	( 157,699)	2,560,492	( 1,121,998)
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>23,706,895</u>	<u>23,706,895</u>	<u>24,828,893</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 23,549,196</u>	<u>\$ 26,267,387</u>	<u>\$ 23,706,895</u>

## CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 1 8	2 0 1 7
Annual surplus	\$ ( 157,699)	\$ <u>2,560,492</u>	\$ ( 1,121,998)
Acquisition of tangible capital assets and construction in progress		( 7,391,889)	( 2,989,053)
Amortization of tangible capital assets		3,187,280	2,897,305
Disposal of tangible capital assets		5,000	53,387
Transfer of tangible capital assets	-	181,447	-
	-	( 4,018,162)	( 38,361)
Acquisition of prepaid expenses		( 1,035,963)	( 667,900)
Consumption of prepaid expenses	-	667,900	302,499
	-	( 368,063)	( 365,401)
CHANGE IN NET DEBT FOR YEAR	( 157,699)	( 1,825,733)	( 1,525,760)
NET DEBT, <i>beginning of year</i>	( 25,607,449)	( 25,607,449)	( 24,081,689)
NET DEBT, <i>end of year</i>	\$ ( 25,765,148)	\$ ( 27,433,182)	\$ ( 25,607,449)

**BUNIBONIBEE CREE NATION**

STATEMENT 4

**CONSOLIDATED STATEMENT OF CASH FLOWS**

YEAR ENDED MARCH 31

	2018	2017
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 39,788,242	\$ 36,754,417
Cash paid to suppliers and employees	( 33,778,192)	( 29,116,661)
Interest paid	( 2,009,998)	( 1,376,468)
	<u>4,000,052</u>	<u>6,261,288</u>
<i>CAPITAL ACTIVITIES</i>		
Acquisition of tangible capital assets and construction in progress	( 7,391,889)	( 2,989,053)
Sale of tangible capital assets	<u>-</u>	<u>36,000</u>
	<u>( 7,391,889)</u>	<u>( 2,953,053)</u>
<i>FINANCING ACTIVITIES</i>		
Proceeds from long term debt	5,346,709	790,439
Repayment of long term debt	( 2,944,756)	( 2,143,169)
	<u>2,401,953</u>	<u>( 1,352,730)</u>
NET INCREASE (DECREASE) IN CASH DURING YEAR	( 989,884)	1,955,505
CASH, <i>beginning of year</i>	<u>3,331,783</u>	<u>1,376,278</u>
CASH, <i>end of year</i>	<u>\$ 2,341,899</u>	<u>\$ 3,331,783</u>
CASH COMPRISED OF		
Cash	\$ 1,840,217	\$ 2,785,026
Restricted cash	<u>501,682</u>	<u>546,757</u>
	<u>\$ 2,341,899</u>	<u>\$ 3,331,783</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**FAIR VALUE*

Due to the short term nature of all financial instruments other than long term debt and long term investments, the carrying value as presented in financial statements are reasonable estimates of fair value. Management has estimated fair value by reference to established financial markets. As is true for all estimates, actual fair value could differ from this estimate, and if so any difference would be accounted for in the period in which it becomes known. For long term investments and long term debt it is not practicable within constraints of timeliness or cost to determine the fair value with sufficient reliability because the instruments are not traded in an organized financial market.

*USE OF ESTIMATES*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of financial statements and the reported amounts of certain revenue and expenses during the year. Actual results could differ from those estimates.

## 2. RESTRICTED CASH

## CMHC Replacement Reserve

As required as part of the Cree Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to tangible capital assets. Under the terms of the agreements with 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. At March 31, 2018, \$259,934 \$ (2017 - \$125,986) had been deposited into separate accounts leaving an unfunded balance of \$1,568,224 (2017 - \$1,341,493).

## Fund Held in Trust

The George Colon Memorial Home holds funds in trust for their residents. Monthly rent for the Memorial Home and living expenses are subtracted from pension monies received for each resident.

## Ottawa Trust Fund

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

	2 0 1 8	2 0 1 7
CMHC Replacement Reserve		
George Colon Memorial Home Inc.	\$ 138,734	\$ 125,986
Bunibonibee Cree Nation Housing Authority	121,200	
Fund Held in Trust	75,908	284,611
Ottawa Trust Fund	<u>165,840</u>	<u>136,160</u>
	<u>\$ 501,682</u>	<u>\$ 546,757</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

## 3. ACCOUNTS RECEIVABLE

	2 0 1 8	2 0 1 7
Indigenous Services Canada		
Basic Needs	\$ 204,361	\$
Capital Planning	297,426	
Corporation Business Planning	47,798	
Design Construction	1,000	1,000
Economic Development Allocation	148,973	
Professional and Institutional Development		26,120
First Nation Inuit Health		
Nurse Support		97,000
Medical Transportation		78,048
Headstart Building		160,000
Canada Mortgage and Housing Corporation	359,428	161,452
Goods and services tax	70,893	63,569
Keewatin Tribal Council	485,716	545,084
Province of Manitoba	491,121	362,038
Provincial sales tax	23,426	5,401
Super B's Convenience Store	342,217	
Trade and other	<u>541,413</u>	<u>355,692</u>
Subtotal	<u>3,013,772</u>	<u>1,855,404</u>
Less: Allowance for doubtful accounts	<u>( 150,871)</u>	<u>( 86,816)</u>
	<u>\$ 2,862,901</u>	<u>\$ 1,768,588</u>

## 4. INVENTORY

	2 0 1 8	2 0 1 7
Fuel for resale	\$ 849,336	\$ 666,333
Other	<u>-</u>	<u>54,670</u>
	<u>\$ 849,336</u>	<u>\$ 721,003</u>

## 5. INVESTMENTS

	2 0 1 8	2 0 1 7
Super B's Convenience Store	<u>\$ ( 393,792)</u>	<u>\$ -</u>

## 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 1 8	2 0 1 7
Indigenous Services Canada		
Basic needs	\$ 615,376	\$ 1,553,299
First Nations and Inuit Health	8,367	
Accrued liabilities	231,894	246,756
Payroll liabilities	1,412,333	1,211,160
Residents payable	443,923	406,056
Trade and other	<u>11,034,356</u>	<u>10,627,214</u>
	<u>\$ 13,746,249</u>	<u>\$ 14,044,485</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

## 7. DEFERRED REVENUE

	2 0 1 8	2 0 1 7
Indigenous Services Canada		
Water Treatment Plant Repairs	\$	\$ 36,649
Band Based Capital		78,300
3 Duplexes	405,658	780,000
Lot Servicing	17,414	150,000
10 Units Rental Housing Renovations		195,000
Youth Employment	37,026	37,026
Community Opportunity Readiness Program	26,120	26,120
Business Planning	12,000	
Capital - Construction of Multi Unit Housing	246,340	
Band Operated School	548,024	
Cultural & Language - Capacity Development	30,000	
Cultural & Language - Parental and Community	259,500	
School Effectiveness - Parental & Community	8,487	
Improving School Effectiveness	7,568	
School Effectiveness - Information and Communication	52,209	
Professional and Institutional Development - HR	7,406	
Professional and Institutional Development - Other	<u>29,766</u>	<u>-</u>
	1,687,518	1,303,095
Other Programs		
Headstart Building - F.N.I.H.	151,521	785,000
Jordan's Principle - F.N.I.H.	335,888	
Resident Renovation - F.N.I.H.	187,470	272,000
Childcare - KTC	<u>181,191</u>	<u>622,507</u>
	<u>\$ 2,543,588</u>	<u>\$ 2,982,602</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

## 8. LONG TERM DEBT

	2 0 1 8	2 0 1 7
CIBC mortgage at 3.31%, repayable in monthly installments of \$12,058 (P & I), due February 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	\$ 656,061	\$ 771,397
Peace Hills Trust mortgage, 3.95%, repayable in monthly installments of \$6,202 (P & I), due June 2018, secured by Ministerial Guarantee and assignment of all risks insurance.	160,960	227,888
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$5,470 (P & I), due July 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	230,422	293,082
C.M.H.C. mortgage, interest at 2.39%, repayable in monthly installments of \$5,019 (P & I), due March 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	535,571	584,524
C.M.H.C. mortgage, 1.67%, repayable in monthly installments of \$3,253 (P & I), due June 2018, secured by Ministerial Guarantee and assignment of all risks insurance.	362,160	394,875
C.M.H.C. mortgage, interest at 2.35%, repayable in monthly installments of \$1,786 (P & I), due September 2018, secured by Ministerial Guarantee and assignment of all risks insurance.	196,511	213,131
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$5,926 (P & I), due July 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	760,827	823,410
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$3,676 (P & I), due July 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	507,690	545,844
C.M.H.C. mortgage, interest at 1.50%, repayable in monthly installments of \$8,233 (P & I), due July 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	1,260,539	1,339,528
C.M.H.C. mortgage, interest at 1.50%, repayable in monthly installments of \$8,909 (P & I), due July 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	1,364,124	1,449,604
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$3,885 (P & I), due July 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	701,529	739,999
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$5,179 (P & I), due July 2034, secured by Ministerial Guarantee and assignment of all risks insurance.	926,606	977,986
C.M.H.C. mortgage, interest at 1.50%, repayable in monthly installments of \$5,775 (P & I), due July 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	1,158,650	1,209,958
C.M.H.C. mortgage, interest at 1.67%, repayable in monthly installments of \$4,041 (P & I), due January 2040, secured by Ministerial Guarantee and assignment of all risks insurance.	887,132	920,558
Kitayan CFDC equipment loan, interest at 14%, repayable in monthly installments of \$6,376 (P & I), due June 2017, secured by a general security agreement and a demand promissory note		

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

8. LONG TERM DEBT *(continued)*

	2 0 1 8	2 0 1 7
Unsecured short term demand loan, non-interest bearing	2,386	66,557
Unsecured short term demand loan, interest at 3%.	890,000	645,000
Demand loan payable, interest at 16%, no terms of repayment of principal, secured by a BCR authorizing a general security agreement and an irrevocable assignment of tobacco tax rebates	5,089,949	3,179,816
C.M.H.C. mortgage advances	<u>1,112,572</u>	<u>-</u>
	<u>\$ 16,803,689</u>	<u>\$ 14,401,736</u>

The scheduled principal amounts payable within the next five years to meet retirement provisions is estimated to be as follows:

March 31, 2019	\$ 6,814,155
2020	848,227
2021	809,584
2022	776,856
2023	740,805

# BUNIBONIBEE CREE NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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MARCH 31, 2018

### 9. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Disposals, Write-offs & Adjustments	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2 0 1 8	Total 2 0 1 7
Buildings	\$ 66,600,244	\$ 1,029,018	\$	\$ 67,629,262	\$ 33,813,611	\$ 1,895,030	\$ 35,708,641	\$ 31,920,621	\$ 32,786,633
Computers	661,234	130,635		791,869	381,316	106,330	487,646	304,223	279,918
Equipment	394,945	68,567	( 181,447)	282,065	145,549	14,038	159,587	122,478	249,396
Furniture	656,456	59,731		716,187	279,231	81,418	360,649	355,538	377,225
Land	30,000			30,000				30,000	30,000
Roads	4,947,955			4,947,955	3,559,839	111,049	3,670,888	1,277,067	1,388,116
Vehicles	8,116,135	931,290	( 5,000)	9,042,425	5,801,899	587,776	6,389,675	2,652,750	2,314,236
Water and sewer	13,291,270	-	-	13,291,270	3,500,309	391,639	3,891,948	9,399,322	9,790,961
	<u>\$ 94,698,239</u>	<u>\$ 2,219,241</u>	<u>\$ ( 186,447)</u>	<u>\$ 96,731,033</u>	<u>\$ 47,481,754</u>	<u>\$ 3,187,280</u>	<u>\$ 50,669,034</u>	<u>\$ 46,061,999</u>	<u>\$ 47,216,485</u>

### 10. CONSTRUCTION IN PROGRESS

	2 0 1 8	2 0 1 7
5 Unit ISC Housing Duplex Project	\$ 1,498,873	\$
10 Unit ISC Housing Project	302,591	
3 Unit ISC Housing Duplex Project	1,026,928	
Headstart Building Project - FNIH	800,469	66,260
Nurses Residence Renovation FNIH	89,543	28,015
8 Unit CMHC Housing Project	1,428,767	456,138
11 Unit CMHC Housing Project	1,455,436	
CMHC Retrofit		333,432
Fire Hall - ISC	-	546,114
	<u>\$ 6,602,607</u>	<u>\$ 1,429,959</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

## 11. CONTINGENT LIABILITIES

- (a) The Cree Nation receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs. In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their agreements. At this time no estimate of the requirements, if any, to reimburse the agencies can be made. For accounting purposes any amounts assessed or claims paid will be accounted for in the year of determination.
- (b) As at March 31, 2018, certain legal actions and other contingent liabilities are pending against the Cree Nation. The final outcome of the outstanding claims cannot be determined at this time. However, management believes that ultimate disposition of these matters will not materially exceed the amounts recorded in these consolidated financial statements.

Estimated costs to settle claims are based on available information and projections of estimated future expenses developed based on the Cree Nation's historical experience. Claims are reported as an expenditure in the year of the loss, where the costs are deemed to be likely and can be reasonably determined.

- (c) The Cree Nation entered into a Joint Venture agreement on September 20, 2017 to carry out work related to various construction projects. The Cree Nation holds a 51% share and shall participate in the net gains and profits and share in the losses and liabilities of the joint venture. Losses, if any, will be accounted for in the year of determination.

## 12. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUE

	2 0 1 8	2 0 1 7
Agreement:	\$ 29,122,292	\$ 27,703,324
Plus: Revenue deferred from previous years	1,303,095	218,182
Basic Needs Top Up 2017/2018	204,361	
Less: Revenue deferred to subsequent year	( 1,687,518)	( 1,303,095)
Capital Planning recovery		( 15,000)
Road O & M recovery		( 121,000)
Basic needs recovery		( 508,987)
Skill Link recovery	( 30,782)	-
TOTAL I.S.C. REVENUE PER FINANCIAL STATEMENTS	\$ <u>28,911,448</u>	\$ <u>25,973,424</u>

## 13. ECONOMIC DEPENDENCE

Bunibonibee Cree Nation received a substantial portion of its revenue pursuant to a funding agreement with Indigenous Services Canada (I.S.C.) and First Nations and Inuit Health (F.N.I.H.).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2018

## 14. RELATED PARTY TRANSACTIONS

In the normal course of business the Cree Nation enters into transactions with related parties. Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Due to the significant volume of transactions between the Cree Nation and related parties aggregate revenue and expenditures derived from related parties is not determinable.

## 15. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 1 8	2 0 1 7
Administration	\$ 1,264,814	\$ 1,231,943
Amortization of capital assets	3,187,160	2,897,305
Bad debts	95,275	7,992
Bank and interest charges	1,767,977	1,612,162
Community activities	368,304	507,370
Contract services	1,241,262	885,733
Cost of sales	933,461	260,059
Donations	25,015	36,034
Equipment	247,972	114,500
Insurance	240,110	390,693
Interest on long term debt	546,272	211,576
Office expenses	42,900	57,243
Other	1,642,519	1,326,317
Professional fees	351,240	349,513
Program costs	48,396	83,165
Repairs and maintenance	1,981,006	707,958
Rent	350,504	305,989
Salaries and benefits	14,825,860	14,789,303
Social assistance	6,308,957	5,579,032
Student support	473,037	415,301
Supplies	1,090,374	1,438,047
Telephone	120,691	137,835
Travel	768,106	1,036,749
Training	184,430	180,515
Tuition	76,823	231,969
Utilities	1,685,185	1,468,886
Eliminations	( 1,939,379)	( 1,938,862)
	<u>\$ 37,928,271</u>	<u>\$ 34,324,327</u>

## 16. COMPARATIVE FIGURES

The comparative figures were audited by another firm of Chartered Professional Accountants, certain comparative amounts have been reclassified where necessary to conform to the presentation adopted for the current year.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2018

17. SEGMENT DISCLOSURE

Bunibonibee Cree Nation provides a range of services to its members. For management reporting purposes, operations and activities are reported by department. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the year are as follows:

	Government and Administration		Housing		Economic Development		Health		Capital and Capital Projects	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues										
Federal Government										
I.S.C.	\$ 1,996,424	\$ 1,369,354	\$	\$	\$ 234,163	\$ 215,401	\$ 14,000	\$ 14,000	\$ 4,580,903	\$ 1,719,844
F.N.I.H.							2,986,590	2,457,149	823,739	
C.M.H.C.			1,379,415	724,029					45,900	18,000
Other	-	-	-	-	-	-	-	-	-	-
Subtotal	1,996,424	1,369,354	1,379,415	724,029	234,163	215,401	3,000,590	2,471,149	5,450,542	1,737,844
Other revenue	<u>1,311,516</u>	<u>1,344,606</u>	<u>965,218</u>	<u>796,681</u>	<u>104,110</u>	<u>46,162</u>	<u>29,652</u>	<u>26,263</u>	<u>1,083,973</u>	<u>64,000</u>
Total revenue	<u>3,307,940</u>	<u>2,713,960</u>	<u>2,344,633</u>	<u>1,520,710</u>	<u>338,273</u>	<u>261,563</u>	<u>3,030,242</u>	<u>2,497,412</u>	<u>6,534,515</u>	<u>1,801,844</u>
Expenses										
Amortization	2,107,357	2,084,156	667,666	575,265						
Debt servicing	467,090	1,166,775	5,392	744			16	700	( 9)	( 46)
Other	1,348,202	1,474,916	1,212,267	879,983	140,660	49,561	1,146,103	766,102	1,445,793	537,380
Salaries and benefits	<u>848,472</u>	<u>838,565</u>	<u>41,832</u>	<u>50,383</u>	<u>47,596</u>	<u>54,973</u>	<u>1,725,161</u>	<u>1,635,654</u>	<u>1,037,255</u>	<u>1,120,225</u>
Total expenses	<u>4,771,121</u>	<u>5,564,412</u>	<u>1,927,157</u>	<u>1,506,375</u>	<u>188,256</u>	<u>104,534</u>	<u>2,871,280</u>	<u>2,402,456</u>	<u>2,483,039</u>	<u>1,657,559</u>
Surplus (Deficit)	<u>\$ ( 1,463,181)</u>	<u>\$ ( 2,850,452)</u>	<u>\$ 417,476</u>	<u>\$ 14,335</u>	<u>\$ 150,017</u>	<u>\$ 157,029</u>	<u>\$ 158,962</u>	<u>\$ 94,956</u>	<u>\$ 4,051,476</u>	<u>\$ 144,285</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2018

17. SEGMENT DISCLOSURE (continued)

	Employment, Training and Child Care		Social Services		Community Services		Own Source Programs		Education	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues										
Federal Government										
I.S.C.	\$ 260,206	\$ 140,122	\$ 7,582,233	\$ 6,996,513	\$ 1,196,507	\$ 831,741	\$	\$	\$ 8,862,068	\$ 10,560,645
F.N.I.H.										
C.M.H.C.										
Other	-	-	-	-	-	-	50,000	-	-	-
Subtotal	260,206	140,122	7,582,233	6,996,513	1,196,507	831,741	50,000	-	8,862,068	10,560,645
Other revenue	<u>212,504</u>	<u>619,182</u>	<u>522,502</u>	<u>1,878</u>	<u>833,674</u>	<u>611,625</u>	<u>2,456,980</u>	<u>1,648,324</u>	<u>13,189</u>	<u>34,864</u>
Total revenue	<u>472,710</u>	<u>759,304</u>	<u>8,104,735</u>	<u>6,998,391</u>	<u>2,030,181</u>	<u>1,443,366</u>	<u>2,506,980</u>	<u>1,648,324</u>	<u>8,875,257</u>	<u>10,595,509</u>
Expenses										
Amortization								6,386	171,980	92,829
Debt servicing			248,843	54,978		41	999,851	297,578	29,055	80,251
Other	167,621	561,559	7,066,870	6,283,307	910,567	725,555	2,357,221	916,386	2,892,850	3,268,538
Salaries and benefits	<u>247,649</u>	<u>153,457</u>	<u>251,089</u>	<u>295,166</u>	<u>1,150,059</u>	<u>1,341,005</u>	<u>158,669</u>	<u>212,662</u>	<u>6,184,067</u>	<u>6,019,220</u>
Total expenses	<u>415,270</u>	<u>715,016</u>	<u>7,566,802</u>	<u>6,633,451</u>	<u>2,060,626</u>	<u>2,066,601</u>	<u>3,515,741</u>	<u>1,433,012</u>	<u>9,277,952</u>	<u>9,460,838</u>
Surplus (Deficit)	\$ <u>57,440</u>	\$ <u>44,288</u>	\$ <u>537,933</u>	\$ <u>364,940</u>	\$ <u>(30,445)</u>	\$ <u>(623,235)</u>	\$ <u>(1,008,761)</u>	\$ <u>215,312</u>	\$ <u>(402,695)</u>	\$ <u>1,134,671</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2018**

17. SEGMENT DISCLOSURE *(continued)*

	Care Home		Elimination		TOTAL	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues						
Federal Government						
I.S.C.	\$ 4,184,944	\$ 4,125,804	\$	\$	\$ 28,911,448	\$ 25,973,424
F.N.I.H.					3,810,329	2,457,149
C.M.H.C.	63,539	64,703			1,488,854	806,732
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Subtotal	4,248,483	4,190,507			34,260,631	29,237,305
Other revenue	<u>634,193</u>	<u>710,301</u>	<u>( 1,939,379)</u>	<u>( 1,938,862)</u>	<u>6,228,132</u>	<u>3,965,024</u>
Total revenue	<u>4,882,676</u>	<u>4,900,808</u>	<u>( 1,939,379)</u>	<u>( 1,938,862)</u>	<u>40,488,763</u>	<u>33,202,329</u>
Expenses						
Amortization	240,157	138,669			3,187,160	2,897,305
Debt servicing	17,739	11,141			1,767,977	1,612,162
Other	1,398,499	1,501,132	( 1,939,379)	( 1,938,862)	18,147,274	15,025,557
Salaries and benefits	<u>3,134,011</u>	<u>3,067,993</u>	<u>-</u>	<u>-</u>	<u>14,825,860</u>	<u>14,789,303</u>
Total expenses	<u>4,790,406</u>	<u>4,718,935</u>	<u>( 1,939,379)</u>	<u>( 1,938,862)</u>	<u>37,928,271</u>	<u>34,324,327</u>
Surplus (Deficit)	\$ <u>92,270</u>	\$ <u>181,873</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,560,492</u>	\$ <u>( 1,121,998)</u>