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# BUNIBONIBEE CREE NATION

## CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

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# BUNIBONIBEE CREE NATION

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MARCH 31, 2021

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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.

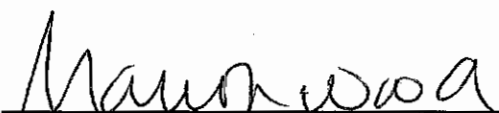
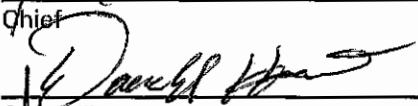
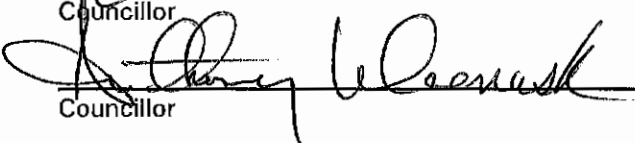
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are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

  
Councillor  
  
Councillor  
  
Councillor

**INDEPENDENT AUDITOR'S REPORT**

To the Chief, Council and Membership  
Bunibonibee Cree Nation

**Opinion**

We have audited the accompanying consolidated financial statements of Bunibonibee Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Bunibonibee Cree Nation as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Bunibonibee Cree 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 opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing Bunibonibee Cree 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 Bunibonibee Cree Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Bunibonibee Cree Nation's financial reporting process.

*(continued.....)*

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 Bunibonibee Cree 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 Bunibonibee Cree 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 Bunibonibee Cree Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*Baker Tilly HMA LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
October 20, 2023

**BUNIBONIBEE CREE NATION**

STATEMENT 1

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MARCH 31**

	2021	2020
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**FINANCIAL ASSETS**

Cash	\$ 16,226,411	\$ 20,899,102
Restricted cash (Note 2)	728,561	538,473
Accounts receivable (Note 3)	1,226,544	2,956,993
Inventory (Note 4)	1,028,425	1,020,709
Long term investments (Note 5)	-	(243,792)
Total financial assets	<u>19,209,941</u>	<u>25,171,485</u>

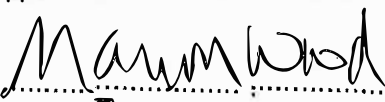
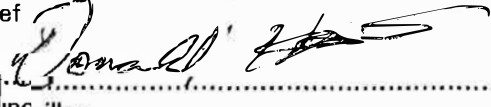

**LIABILITIES**

Accounts payable and accrued liabilities (Note 6)	15,002,137	18,333,599
Deferred revenue (Note 7)	13,254,058	12,733,339
Long term debt (Note 8)	<u>19,807,424</u>	<u>21,193,998</u>
Total liabilities	<u>48,063,619</u>	<u>52,260,936</u>
Net debt	<u>(28,853,678)</u>	<u>(27,089,451)</u>

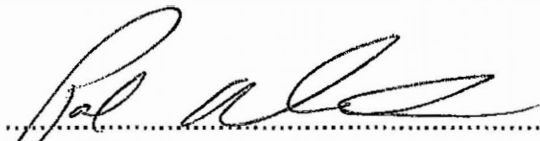
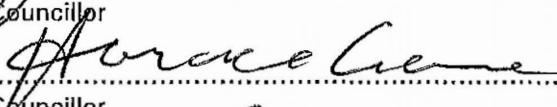
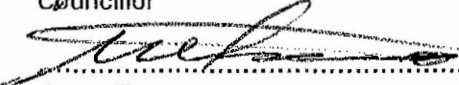
**NON-FINANCIAL ASSETS**

Tangible capital assets (Note 9)	69,261,026	68,021,153
Construction in progress (Note 10)	73,961,756	51,952,895
Prepaid expenses	<u>301,589</u>	<u>222,175</u>
Total non-financial assets	<u>143,524,371</u>	<u>120,196,223</u>
Accumulated surplus	<u>\$ 114,670,693</u>	<u>\$ 93,106,772</u>

Approved on behalf of Council

for   
Chief  
  
Councillor  
  
Councillor

Councillor

  
Councillor  
  
Councillor  
  
Councillor

Councillor

## CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 1	2 0 2 0
REVENUE			
Indigenous Services Canada	\$ 30,845,957	\$ 62,204,676	\$ 70,631,766
First Nations and Inuit Health		4,973,981	4,105,846
Canada Mortgage and Housing Corporation	1,007,978	1,226,797	837,264
Province of Manitoba		1,359,528	1,191,762
Administration fees	1,908,000	2,496,236	2,773,482
Income from joint venture		2,000,000	
Other revenue	1,182,000	1,285,000	1,167,636
Rental and user fees	261,600	553,919	711,218
Sales	84,300	2,444,116	2,135,492
Assembly of Manitoba Chiefs		56,635	
Keewatin Tribal Council	30,000	538,074	273,410
Elimination	-	( 2,958,511)	( 2,309,801)
	<u>35,319,835</u>	<u>76,180,451</u>	<u>81,518,075</u>
EXPENSES			
Governance and administration	3,996,685	6,693,533	5,754,836
Economic development	256,011	438,907	214,551
Social services	9,078,984	9,146,805	8,192,275
Employment, training and childcare	14,400	507,052	414,077
Health		8,842,147	4,333,055
Community services	1,260,743	2,811,187	1,940,280
Capital and capital projects	1,607,915	6,362,791	2,257,800
Band funds	984,000	3,593,073	2,791,350
Education	10,921,050	12,423,012	12,562,677
Care Home	4,547,248	5,160,461	5,123,220
Housing	1,378,881	1,596,073	1,359,925
Elimination	-	( 2,958,511)	( 2,309,801)
	<u>34,045,917</u>	<u>54,616,530</u>	<u>42,634,245</u>
ANNUAL SURPLUS	1,273,918	21,563,921	38,883,830
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>93,106,772</u>	<u>93,106,772</u>	<u>54,222,942</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 94,380,690</u>	<u>\$ 114,670,693</u>	<u>\$ 93,106,772</u>

## CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 1	2 0 2 0
Annual surplus	\$ <u>1,273,918</u>	\$ <u>21,563,921</u>	\$ <u>38,883,830</u>
Acquisition of tangible capital assets and construction in progress		( <u>28,137,601</u> )	( <u>43,756,673</u> )
Amortization of tangible capital assets	<u>-</u>	<u>4,888,867</u>	<u>3,987,077</u>
	<u>-</u>	( <u>23,248,734</u> )	( <u>39,769,596</u> )
Acquisition of prepaid expenses		( <u>301,589</u> )	( <u>222,175</u> )
Consumption of prepaid expenses	<u>-</u>	<u>222,175</u>	<u>746,347</u>
	<u>-</u>	( <u>79,414</u> )	<u>524,172</u>
CHANGE IN NET DEBT FOR YEAR	1,273,918	( <u>1,764,227</u> )	( <u>361,594</u> )
NET DEBT, <i>beginning of year</i>	( <u>27,089,451</u> )	( <u>27,089,451</u> )	( <u>26,727,857</u> )
NET DEBT, <i>end of year</i>	( <u>25,815,533</u> )	( <u>28,853,678</u> )	( <u>27,089,451</u> )



# BUNIBONIBEE CREE NATION

STATEMENT 4

## CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2021	2020
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 78,423,902	\$ 91,466,212
Cash paid to suppliers and employees	( 52,366,674)	( 57,329,557)
Interest paid	( 1,015,656)	( 1,229,311)
	<u>25,041,572</u>	<u>32,907,344</u>
<i>CAPITAL ACTIVITY</i>		
Acquisition of tangible capital assets and construction in progress	( 28,137,601)	( 28,526,837)
<i>FINANCING ACTIVITIES</i>		
Proceeds from long term debt	104,460	12,038,676
Repayment of long term debt	( 1,491,034)	( 863,559)
	<u>( 1,386,574)</u>	<u>11,175,117</u>
NET INCREASE (DECREASE) IN CASH DURING YEAR	( 4,482,603)	15,555,624
CASH, <i>beginning of year</i>	<u>21,437,575</u>	<u>5,881,951</u>
CASH, <i>end of year</i>	\$ <u>16,954,972</u>	\$ <u>21,437,575</u>
CASH COMPRISED OF		
Cash	\$ 16,226,411	\$ 20,899,102
Restricted cash	<u>728,561</u>	<u>538,473</u>
	\$ <u>16,954,972</u>	\$ <u>21,437,575</u>

# BUNIBONIBEE CREE NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

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### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared 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.

#### *REPORTING ENTITY*

The Bunibonibee Cree Nation reporting entity includes the Bunibonibee Cree Nation (the Cree Nation) government and all related entities which are accountable to the Cree Nation and are either owned or controlled by the Cree Nation.

These consolidated financial statements combine the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to combination:

B.C.N. Programs:

- Bunibonibee Cree Nation Operating Fund
- Bunibonibee Cree Nation Housing Authority
- George Colon Memorial Home Inc.
- Oxford House Road Authority Ltd.
- Oxford House Board of Education Inc.

Incorporated business entities which are owned and controlled by the Cree Nation but which are not dependent on the First Nation for their continuing operations and joint ventures are included in the consolidated financial statements using the modified equity method. These include:

- Super B's Convenience Store
- B.C.N./Arnason Industries Ltd. Joint Venture (51 % share)

#### *ASSET CLASSIFICATION*

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, construction in progress and prepaid expenses.

#### *CASH AND CASH EQUIVALENTS*

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

#### *INVENTORY*

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

#### *INVESTMENTS*

Portfolio investments are recorded at fair market value. The Cree Nation's investments in various commercial enterprises and joint ventures are accounted for using the modified equity method. Under the modified equity, the cost of the investments are adjusted for The Cree Nation's share of the commercial enterprises' income or loss less dividends.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**NET DEBT*

The Cree Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the Cree Nation is determined by its liabilities less its financial assets. Net debt combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

*TANGIBLE CAPITAL ASSETS*

Tangible capital assets are stated at cost and recorded in the capital assets. Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long term debt. Amortization of tangible capital assets is recorded on a declining balance basis at the following annual rates:

Buildings	4 - 30%
Computers	30%
Equipment	10 - 30%
Furniture	20%
Roads	4 - 8%
Vehicles	15 - 30%
Water and sewer	4%

Amortization is computed at one-half of the annual amortization in the year of acquisition.

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

*REVENUE RECOGNITION*

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue.

Funding received under the terms of contribution agreements with the federal government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the federal government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

*FINANCIAL INSTRUMENTS*

Financial instruments include cash, accounts receivable, accounts payable and accrued liabilities and long term debt. Unless otherwise stated, it is management's opinion that the Cree Nation is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the carrying value of Cree Nation's financial assets and liabilities approximates their fair value.

*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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

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.

## 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, 2021, \$117,158 (2020 - \$103,358) had been deposited into separate accounts leaving an unfunded balance of \$2,025,446 (2020 - \$1,889,958).

## 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.

	2021	2020
CMHC Replacement Reserve		
George Colon Memorial Home Inc.	\$ 116,821	\$ 103,021
Bunibonibee Cree Nation Housing Authority	337	337
Fund Held in Trust	347,038	201,893
Ottawa Trust Fund	<u>264,365</u>	<u>233,222</u>
	<u>\$ 728,561</u>	<u>\$ 538,473</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 3. ACCOUNTS RECEIVABLE

	2 0 2 1	2 0 2 0
Indigenous Services Canada		
A&C Water > \$1.5M	\$	\$ 326,100
Basic Needs		168,720
Capacity Building		15,500
Community Facilities O&M	5,465	3,573
Contribution Equipment		136,008
COVID-19 ICSF Perimeter Security	148,195	
Fit Up Education Facilities		160,888
Health Planning Management	5,385	3,519
Law Making Governance		25,000
Major Renovations		222,881
Planning and Design		50,000
Roads and Bridges		300,000
First Nations and Inuit Health		
Aboriginal Head Start	12,414	
Brighter Future		4,163
Building Healthy Communities		3,500
Canada Prenatal Nutrition Program	1,736	1,134
CCC Other Direct Service Delivery	2,911	1,903
Community Health Plan	16,293	
COVID Response		257,655
Home Community Care	17,066	11,154
National Native Alcohol and Drug Abuse Program		2,295
National Youth Solvent Abuse Program Treatment Centre		691
Maternal Child Health	25,000	
Medical Transportation	12,500	
Medical Transportation Van	221,060	
Public Health NS and CHRS	4,746	3,102
Canada Mortgage and Housing Corporation	357,779	496,167
Goods and services tax	106,344	80,872
Keewatin Tribal Council	309,195	276,456
Provincial sales tax	5,208	5,208
Super B's Convenience Store		403,764
Trade and other	<u>608,096</u>	<u>436,704</u>
Subtotal	<u>1,859,393</u>	<u>3,396,957</u>
Less: Allowance for doubtful accounts	( <u>632,849</u> )	( <u>439,964</u> )
	<u>\$ 1,226,544</u>	<u>\$ 2,956,993</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 4. INVENTORY

	2 0 2 1	2 0 2 0
Fuel for resale	\$ <u>1,028,425</u>	\$ <u>1,020,709</u>

## 5. INVESTMENTS

	2 0 2 1	2 0 2 0
Super B's Convenience Store	\$ <u>-</u>	\$ <u>(243,792)</u>

## 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 1	2 0 2 0
Indigenous Services Canada	\$ 1,928	\$ 1,928
Accrued liabilities	36,235	35,341
Payroll liabilities	322,564	556,329
Residents payable	596,410	474,894
Trade and other	2,790,397	6,846,296
Capital projects payable	<u>11,254,603</u>	<u>10,418,811</u>
	\$ <u>15,002,137</u>	\$ <u>18,333,599</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 7. DEFERRED REVENUE

	2 0 2 1	2 0 2 0
Indigenous Services Canada		
New School Fire Flow Upgrade	\$ 955,189	\$ 1,987,890
Roads and Bridges - MSI Housing Units		300,000
Teacherages Renovations	2,056,240	858,412
COVID-19 - Preparedness and Response	304,583	231,855
Social Services	986,078	
Special Needs	35,783	
COVID-19 Service Delivery	166,701	
Wastewater/Water Treatment Plant Repairs	1,919,955	
MSI - School Renovations	886,496	934,680
MSI - New School	3,660,549	3,023,761
Cultural & Language - Improving School Effectiveness		156,789
Cultural & Language - Parental Community		259,500
School Effectiveness - Information Communication		52,209
Cultural & Language - Capacity Development		30,000
Post Secondary		410,743
Instructional		2,469,515
Community Based Initiatives	149,512	481,180
ESA - Contaminated Sites - Steps 5-6	12,786	
Capacity/Innovation	58,321	
Skills Link - Career and Promotion	105,504	
Community Comprehensive Plan	25,051	
PIDP - Community Led Planning Pilot	233,887	
Clients Supports	47,262	
Capital Planning - Manitoba School Initiative	199,526	199,535
Student Transportation		284,359
School O&M		394,487
Capacity Building		15,500
First Nations and Inuit Health		
Jordan's Principle		274,194
Community Health Plan		14,525
CDE Planning and Response		4,761
Other		
Child Care	705,747	349,444
C.M.H.C. Supplementary Repair	89,698	
Aboriginal Headstart - ELCC	655,190	-
	<u>\$ 13,254,058</u>	<u>\$ 12,733,339</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 8. LONG TERM DEBT

	2 0 2 1	2 0 2 0
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.	\$ 268,415	\$ 401,895
Peace Hills Trust mortgage, 3.50%, repayable in monthly installments of \$6,191 (P & I), due June 2020, secured by Ministerial Guarantee and assignment of all risks insurance.		18,535
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.	38,150	102,967
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.	388,050	438,420
C.M.H.C. mortgage, 2.48%, repayable in monthly installments of \$3,379 (P & I), due August 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	263,235	296,847
C.M.H.C. mortgage, interest at 2.52%, repayable in monthly installments of \$1,800 (P & I), due September 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	144,539	162,281
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$5,962 (P & I), due July 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	568,792	633,542
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$3,676 (P & I), due July 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	390,614	430,091
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.	1,015,418	1,098,386
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.	1,098,861	1,188,646
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.	583,486	623,294
C.M.H.C. mortgage, interest at 2.06%, repayable in monthly installments of \$11,793 (P & I), due January 2025, secured by Ministerial Guarantee and assignment of all risks insurance.	2,111,824	2,209,028



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

8. LONG TERM DEBT *(continued)*

	2 0 2 1	2 0 2 0
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.	999,272	1,053,229
C.M.H.C. mortgage, interest at 0.7%, repayable in monthly installments of \$3,693 (P & I), due September 2025, secured by Ministerial Guarantee and assignment of all risks insurance.	781,747	818,620
C.M.H.C. mortgage, interest at 1.13%, repayable in monthly installments of \$5,179 (P & I), due July 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	768,947	822,114
First Nation Bank demand interim variable rate loan, interest at prime plus 2%, repayable in monthly interest only installments, due May 2020, secured by General Security Agreement and assignment of tobacco tax rebates from the Province of Manitoba.	9,085,511	9,700,000
Demand loan payable to First People Economic Growth Fund Inc. 0%, repayable in monthly installments of \$6,534.38	104,460	
C.M.H.C. mortgage advances	<u>1,196,103</u>	<u>1,196,103</u>
	<u>\$ 19,807,424</u>	<u>\$ 21,193,998</u>

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

March 31, 2022	\$ 3,202,337
2023	1,973,716
2024	1,885,456
2025	1,956,871
2026	2,031,540

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2021**

**9. TANGIBLE CAPITAL ASSETS**

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2 0 2 1	Total 2 0 2 0
Buildings	\$ 94,305,955	\$ 2,175,083	\$ 96,481,038	\$ 40,332,142	\$ 3,147,084	\$ 43,479,226	\$ 53,001,812	\$ 53,973,813
Computers	830,171		830,171	656,363	50,976	707,339	122,832	173,808
Equipment	520,723	1,494,936	2,015,659	312,449	210,984	523,433	1,492,226	208,274
Furniture	833,116	119,177	952,293	438,978	111,357	550,335	401,958	394,138
Land	30,000		30,000				30,000	30,000
Roads	4,947,955		4,947,955	3,892,262	86,473	3,978,735	969,220	1,055,693
Vehicles	11,293,743	2,176,091	13,469,834	7,770,731	932,227	8,702,958	4,766,876	3,523,012
Water and sewer	13,291,270	163,453	13,454,723	4,628,855	349,766	4,978,621	8,476,102	8,662,415
	<u>\$ 126,052,933</u>	<u>\$ 6,128,740</u>	<u>\$ 132,181,673</u>	<u>\$ 58,031,780</u>	<u>\$ 4,888,867</u>	<u>\$ 62,920,647</u>	<u>\$ 69,261,026</u>	<u>\$ 68,021,153</u>

**10. CONSTRUCTION IN PROGRESS**

	2 0 2 1	2 0 2 0
7 Unit ISC Housing Project	\$	\$ 1,931,451
ISC School Fire Flow Project	<b>4,038,190</b>	238,665
MSI - New School Project	<b>56,894,741</b>	49,782,779
Band - Funded 21 Unit 2020	<b>6,833,818</b>	
Band - Funded 21 Unit 2021	<b>6,195,007</b>	-
	<u><b>\$ 73,961,756</b></u>	<u>\$ 51,952,895</u>

Construction in progress will be transferred to tangible capital assets upon completion and will be amortized accordingly.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 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) 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 2 1	2 0 2 0
Agreement No. 2021-MB-000008:	\$ 66,835,511	\$ 83,272,968
Plus: Revenue deferred from previous years	12,383,896	6,308,312
Less: Revenue deferred to subsequent year	( 11,803,424)	( 12,383,896)
Advance on 2019/2020 MSI Funding		( 2,265,199)
Clients Supports recovery		( 90,430)
Services Delivery Infrastructure recovery		( 56,623)
Case Management Capacity recovery		( 47,520)
Health Planning Management recovery	( 32,826)	
Community Building recovery	( 204,500)	-
TOTAL I.S.C. AND F.N.I.H REVENUE PER FINANCIAL STATEMENTS	\$ <u>67,178,657</u>	\$ <u>74,737,612</u>
REVENUE PER STATEMENT OF OPERATIONS ( <i>Statement 2</i> )		
Indigenous Services Canada	\$ 62,204,676	\$ 70,631,766
First Nations and Inuit Health	<u>4,973,981</u>	<u>4,105,846</u>
	\$ <u>67,178,657</u>	\$ <u>74,737,612</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, 2021

## 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 2 1	2 0 2 0
Administration	\$ 2,497,191	\$ 2,772,869
Amortization of capital assets	4,888,867	3,987,077
Bad debts	228,473	236,010
Bank and interest charges	179,800	1,078,947
Community activities	2,072,233	1,003,624
Contract services	3,625,337	320,881
Cost of sales	2,437,604	2,261,697
Equipment	337,264	294,670
Insurance	389,036	326,407
Interest on long term debt	835,757	275,865
Legal settlement		50,000
Office expenses	564,456	234,607
Other	771,483	661,921
Professional development	20,717	
Professional fees	1,398,547	1,057,780
Program costs	11,250	91,985
Repairs and maintenance	1,626,982	1,127,904
Rent	9,945	36,765
Salaries and benefits	21,722,382	16,642,931
Social assistance	7,853,157	6,905,307
Student support	314,261	712,070
Supplies	3,553,822	1,487,658
Telephone	215,789	125,496
Travel	465,656	1,440,285
Training	344,566	468,741
Tuition	102,268	65,894
Utilities	1,108,198	1,276,655
Eliminations	( 2,958,511)	( 2,309,801)
	<u>\$ 54,616,530</u>	<u>\$ 42,634,245</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 16. 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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues										
Federal Government										
I.S.C.	\$ 1,914,052	\$ 2,988,180	\$	\$	\$ 346,743	\$ 210,365	\$ 4,145,046	\$ 271,655	\$12,984,021	\$ 5,498,552
F.N.I.H.							4,973,981	4,021,291		84,555
C.M.H.C.			912,981	837,264					41,788	
Other	-	-	-	-	-	-	-	-	-	-
Subtotal	1,914,052	2,988,180	912,981	837,264	346,743	210,365	9,119,027	4,292,946	13,025,809	5,583,107
Other revenue	<u>4,354,860</u>	<u>2,820,678</u>	<u>901,670</u>	<u>1,209,494</u>	<u>-</u>	<u>4,186</u>	<u>101,199</u>	<u>50,884</u>	<u>336,577</u>	<u>463</u>
Total revenue	<u>6,268,912</u>	<u>5,808,858</u>	<u>1,814,651</u>	<u>2,046,758</u>	<u>346,743</u>	<u>214,551</u>	<u>9,220,226</u>	<u>4,343,830</u>	<u>13,362,386</u>	<u>5,583,570</u>
Expenses										
Amortization	3,072,764	2,466,462	743,065	704,391						
Debt servicing	506,129	125,502	146,684	135,074						
Other	1,995,999	2,123,273	688,293	396,320	225,950	164,405	2,970,938	1,454,330	5,548,636	1,341,245
Salaries and benefits	<u>1,118,641</u>	<u>1,039,599</u>	<u>18,031</u>	<u>124,140</u>	<u>212,957</u>	<u>50,146</u>	<u>5,871,209</u>	<u>2,878,725</u>	<u>814,155</u>	<u>916,555</u>
Total expenses	<u>6,693,533</u>	<u>5,754,836</u>	<u>1,596,073</u>	<u>1,359,925</u>	<u>438,907</u>	<u>214,551</u>	<u>8,842,147</u>	<u>4,333,055</u>	<u>6,362,791</u>	<u>2,257,800</u>
Surplus (Deficit)	<u>\$ ( 424,621)</u>	<u>\$ 54,022</u>	<u>\$ 218,578</u>	<u>\$ 686,833</u>	<u>\$ ( 92,164)</u>	<u>\$ -</u>	<u>\$ 378,079</u>	<u>\$ 10,775</u>	<u>\$ 6,999,595</u>	<u>\$ 3,325,770</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 16. SEGMENT DISCLOSURE (continued)

	Employment, Training and Child Care		Social Services		Community Services		Own Source Programs		Education	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues										
Federal Government										
I.S.C.	\$ 103,354	\$ 142,920	\$ 9,146,805	\$ 7,699,175	\$ 2,661,680	\$ 1,615,816	\$	\$	\$ 26,657,414	\$ 47,959,542
F.N.I.H.										
C.M.H.C.										
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	103,354	142,920	9,146,805	7,699,175	2,661,680	1,615,816	-	-	26,657,414	47,959,542
Other revenue	<u>521,910</u>	<u>242,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,139</u>	<u>4,153,370</u>	<u>3,269,960</u>	<u>28,787</u>	<u>33,357</u>
Total revenue	<u>625,264</u>	<u>385,773</u>	<u>9,146,805</u>	<u>7,699,175</u>	<u>2,661,680</u>	<u>1,691,955</u>	<u>4,153,370</u>	<u>3,269,960</u>	<u>26,686,201</u>	<u>47,992,899</u>
Expenses										
Amortization							23,836		920,188	609,252
Debt servicing							172,093	119		
Other	106,490	81,231	8,627,344	7,952,059	1,221,432	1,060,605	2,970,076	2,648,303	4,262,000	5,392,220
Salaries and benefits	<u>400,562</u>	<u>332,846</u>	<u>519,461</u>	<u>240,216</u>	<u>1,589,755</u>	<u>879,675</u>	<u>427,068</u>	<u>142,928</u>	<u>7,240,824</u>	<u>6,561,205</u>
Total expenses	<u>507,052</u>	<u>414,077</u>	<u>9,146,805</u>	<u>8,192,275</u>	<u>2,811,187</u>	<u>1,940,280</u>	<u>3,593,073</u>	<u>2,791,350</u>	<u>12,423,012</u>	<u>12,562,677</u>
Surplus (Deficit)	\$ <u>118,212</u>	\$ <u>(28,304)</u>	\$ <u>-</u>	\$ <u>(493,100)</u>	\$ <u>(149,507)</u>	\$ <u>(248,325)</u>	\$ <u>560,297</u>	\$ <u>478,610</u>	\$ <u>14,263,189</u>	\$ <u>35,430,222</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 16. SEGMENT DISCLOSURE *(continued)*

	Care Home		Elimination		TOTAL	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Federal Government						
I.S.C.	\$ 4,245,561	\$ 4,245,561	\$	\$	\$ 62,204,676	\$ 70,631,766
F.N.I.H.					4,973,981	4,105,846
C.M.H.C.	272,028				1,226,797	837,264
Other	-	-	-	-	-	-
Subtotal	4,517,589	4,245,561			68,405,454	75,574,876
Other revenue	335,135	544,986	( 2,958,511)	( 2,309,801)	7,774,997	5,943,199
Total revenue	<u>4,852,724</u>	<u>4,790,547</u>	<u>( 2,958,511)</u>	<u>( 2,309,801)</u>	<u>76,180,451</u>	<u>81,518,075</u>
Expenses						
Amortization	129,014	206,972			4,888,867	3,987,077
Debt servicing	10,851	15,170			835,757	275,865
Other	1,510,877	1,424,182	( 2,958,511)	( 2,309,801)	27,169,524	21,728,372
Salaries and benefits	3,509,719	3,476,896	-	-	21,722,382	16,642,931
Total expenses	<u>5,160,461</u>	<u>5,123,220</u>	<u>( 2,958,511)</u>	<u>( 2,309,801)</u>	<u>54,616,530</u>	<u>42,634,245</u>
Surplus (Deficit)	<u>\$ ( 307,737)</u>	<u>\$ ( 332,673)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,563,921</u>	<u>\$ 38,883,830</u>