

RED EARTH CREE NATION
Consolidated Financial Statements
Year Ended March 31, 2020

RED EARTH CREE NATION
Index to Consolidated Financial Statements
Year Ended March 31, 2020

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 4
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations and Accumulated Surplus	6
Consolidated Statement of Changes in Net Financial Debt	7
Consolidated Statement of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 24
Consolidated Schedule of Tangible Capital Assets by Object (<i>Schedule 1</i>)	25
Consolidated Schedule of Tangible Capital Assets by Function (<i>Schedule 2</i>)	26
Consolidated Schedule of Expenditures by Object (<i>Schedule 3</i>)	27
Consolidated Schedule of Revenue and Expenses - Social Development (<i>Schedule 4</i>)	28
Consolidated Schedule of Revenue and Expenses - Band Government (<i>Schedule 5</i>)	29
Consolidated Schedule of Revenue and Expenses - Community Infrastructure (<i>Schedule 6</i>)	30
Consolidated Schedule of Revenue and Expenses - Education (<i>Schedule 7</i>)	31
Consolidated Schedule of Revenue and Expenses - Housing and Capital (<i>Schedule 8</i>)	32
Consolidated Schedule of Revenue and Expenses - CMHC Rental Housing (<i>Schedule 9</i>)	33
Consolidated Schedule of Revenue and Expenses - Community Health (<i>Schedule 10</i>)	34
Consolidated Schedule of Revenue and Expenses - Economic Development (<i>Schedule 11</i>)	35
Consolidated Schedule of Revenue and Expenses - Other Programs (<i>Schedule 12</i>)	36

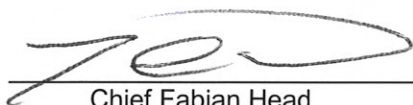
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Red Earth Cree Nation have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

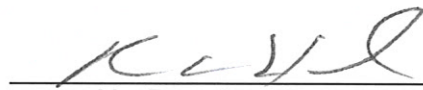
The integrity and reliability of Red Earth Cree Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The First Nation Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the First Nation Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Grant Thornton LLP, in accordance with Canadian public sector accounting standards.



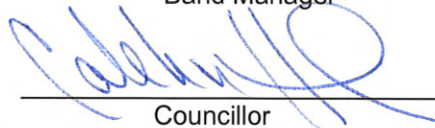
Chief Fabian Head



Ms. Rose Anne Daniels,
Band Manager



Councillor



Councillor

Red Earth, SK

Date:

Feb 3/21

INDEPENDENT AUDITOR'S REPORT

To the Members of Red Earth Cree Nation

Opinion

We have audited the consolidated financial statements of Red Earth Cree Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, changes in net financial 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 financial position of the First Nation as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3 to the consolidated financial statements, which explains that certain comparative information for the year ended March 31, 2019 has been restated. The consolidated financial statements for the year ended March 31, 2019 (prior to the adjustments that were applied to restate certain comparative information explained in Note 3) were audited by Cogent Chartered Professional Accountants LLP who expressed an unmodified opinion on those consolidated financial statements on August 8, 2019. The partners and staff of Cogent Chartered Professional Accountants LLP joined Grant Thornton LLP on November 1, 2019. Our opinion is not modified in respect of this matter.

Other Matter - Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 4 through 12 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation and the organizations it controls 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.

(continues)

Independent Auditor's Report to the Members of Red Earth Cree Nation *(continued)*

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.

Saskatoon, Canada
February 3, 2021

The signature of Grant Thornton LLP is written in a cursive, handwritten style.

Chartered Professional Accountants

RED EARTH CREE NATION
Consolidated Statement of Financial Position
March 31, 2020

	2020	2019 (Restated - Note 3)
FINANCIAL ASSETS		
Cash and temporary investments (Note 4)	\$ 921,527	\$ 629,624
Accounts receivable (Note 5)	395,513	575,267
Restricted cash - capital projects (Note 6)	7,028,653	9,445,831
Restricted cash - CMHC reserves (Note 7)	578,807	317,797
Portfolio investments (Note 8)	30,967	30,967
Trust Funds held by Federal Government (Note 9)	12,364	13,439
	<u>8,967,831</u>	<u>11,012,925</u>
LIABILITIES		
Accounts payable and accrued liabilities	454,178	480,937
Source deductions payable	855,561	1,096,667
Prince Albert Grand Council (PAGC) advances payable (Note 10)	35,000	11,845
Indigenous Services Canada (ISC) payable	1,289,243	1,289,243
Wages payable	208,198	115,412
Long term debt (Note 11)	3,815,648	4,402,757
Deferred income (Note 12)	7,132,602	9,706,557
	<u>13,790,430</u>	<u>17,103,418</u>
NET FINANCIAL DEBT	<u>(4,822,599)</u>	<u>(6,090,493)</u>
NON-FINANCIAL ASSETS		
Inventory for resale	179,560	235,525
Prepaid expenses	1,832	35,517
Tangible capital assets (Schedule 2 & 3)	42,294,154	40,743,050
	<u>42,475,546</u>	<u>41,014,092</u>
ACCUMULATED SURPLUS	<u>\$ 37,652,947</u>	<u>\$ 34,923,599</u>

See notes to financial statements

RED EARTH CREE NATION
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31, 2020

	Budget	2020	2019 (Restated - Note 3)
REVENUES			
Indigenous Services Canada (ISC)	\$ 10,281,618	\$ 14,563,575	\$ 13,049,472
Lionel Head Memorial Store revenues	-	3,216,399	3,244,757
Prince Albert Grand Council (PAGC)	1,653,066	2,820,246	3,303,053
Other revenue	438,625	1,260,671	464,590
First Nation's Trust	575,000	568,886	580,669
First Nations and Inuit Health Branch	214,631	586,214	419,818
Canadian Housing and Mortgage Corporation	420,508	361,006	448,321
Rental revenue	394,178	295,335	261,036
Northern Lights Community Development Corporation	125,000	136,661	105,988
Emergency management	-	111,000	-
Health Canada	-	54,983	-
Gains on disposal of assets	-	50,000	234,836
Gains (losses) on portfolio investments	-	50,000	(22,915)
	<u>14,102,626</u>	<u>24,074,976</u>	<u>22,089,625</u>
EXPENSES			
Social Development (<i>Schedule 4</i>)	2,397,687	2,827,722	2,856,640
Band Government (<i>Schedule 5</i>)	1,344,543	4,605,232	4,608,505
Community Infrastructure (<i>Schedule 6</i>)	1,142,319	1,569,971	957,760
Education (<i>Schedule 7</i>)	7,561,921	7,947,600	6,966,424
Housing and Capital (<i>Schedule 8</i>)	967,673	823,061	721,648
CMHC Rental Housing (<i>Schedule 9</i>)	643,860	559,697	617,030
Community Health (<i>Schedule 10</i>)	717,319	1,487,150	1,060,277
Other Programs (<i>Schedule 12</i>)	750,310	1,345,948	1,018,574
Economic Development (<i>Schedule 11</i>)	188,175	179,247	110,851
	<u>15,713,807</u>	<u>21,345,628</u>	<u>18,917,709</u>
ANNUAL SURPLUS (DEFICIT)	(1,611,181)	2,729,348	3,171,916
ACCUMULATED SURPLUS - BEGINNING OF YEAR, AS PREVIOUSLY STATED	36,637,119	36,637,119	33,590,709
PRIOR PERIOD ADJUSTMENTS (<i>Note 3</i>)	(1,713,520)	(1,713,520)	(1,839,026)
ACCUMULATED SURPLUS - BEGINNING OF YEAR, AS RESTATED	<u>34,923,599</u>	<u>34,923,599</u>	<u>31,751,683</u>
ACCUMULATED SURPLUS - END OF YEAR	<u>\$ 33,312,418</u>	<u>\$ 37,652,947</u>	<u>\$ 34,923,599</u>

See notes to financial statements

RED EARTH CREE NATION
Consolidated Statement of Changes in Net Financial Debt
Year Ended March 31, 2020

	Budget	2020	2019 (Restated - Note 3)
ANNUAL SURPLUS (DEFICIT)	\$ (1,611,181)	\$ 2,729,348	\$ 3,171,916
Amortization of tangible capital assets	1,449,675	1,618,618	1,449,675
Purchase of tangible capital assets	-	(3,166,722)	(2,925,216)
Proceeds on disposal of tangible capital assets	-	47,000	234,836
(Gain) on disposal of assets	-	(50,000)	(234,836)
Decrease in prepaid expenses	-	33,685	69,712
Decrease (increase) in inventory for resale	-	55,965	(62,983)
	<u>1,449,675</u>	<u>(1,461,454)</u>	<u>(1,468,812)</u>
DECREASE (INCREASE) IN NET FINANCIAL DEBT	(161,506)	1,267,894	1,703,104
NET FINANCIAL (DEBT) - BEGINNING OF YEAR	<u>(6,090,493)</u>	<u>(6,090,493)</u>	<u>(7,793,597)</u>
NET FINANCIAL DEBT - END OF YEAR	<u>\$ (6,251,999)</u>	<u>\$ (4,822,599)</u>	<u>\$ (6,090,493)</u>

See notes to financial statements

RED EARTH CREE NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2020

	2020	2019 (Restated - Note 3)
OPERATING ACTIVITIES		
Surplus	\$ 2,729,348	\$ 3,171,916
Items not affecting cash:		
Amortization of tangible capital assets	1,618,618	1,449,675
(Gains) on disposal of assets	(50,000)	(234,836)
(Gains) losses from portfolio investments	(50,000)	23,882
	<u>4,247,966</u>	<u>4,410,637</u>
Changes in non-cash working capital:		
Accounts receivable	179,754	4,770,326
Restricted cash - capital projects	2,417,178	(4,153,068)
Restricted cash - CMHC reserves	(261,010)	(45,326)
Inventory for resale	55,965	(62,983)
Prince Albert Grand Council (PAGC) advances payable	23,155	(189,819)
Accounts payable and accrued liabilities	(26,760)	(417,247)
Deferred income	(2,573,955)	(986,311)
Prepaid expenses	33,684	69,712
Source deductions payable	(241,106)	(131,752)
Wages payable	92,786	2,614
Indigenous Services Canada (ISC) payable	-	342,628
	<u>(300,309)</u>	<u>(801,226)</u>
Cash flow from operating activities	<u>3,947,657</u>	<u>3,609,411</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(3,166,722)	(2,925,216)
Proceeds on disposal of tangible capital assets	47,000	234,836
Return of capital from portfolio investments	50,000	-
Trust funds held by federal government	1,075	38,345
Cash flow used by investing activities	<u>(3,068,647)</u>	<u>(2,652,035)</u>
FINANCING ACTIVITY		
Repayment of long term debt	(587,107)	(540,529)
Cash flow used by financing activity	<u>(587,107)</u>	<u>(540,529)</u>
INCREASE IN CASH FLOW	<u>291,903</u>	<u>416,847</u>
Cash - beginning of year	<u>629,624</u>	<u>212,777</u>
CASH - END OF YEAR	<u>\$ 921,527</u>	<u>\$ 629,624</u>

See notes to financial statements

RED EARTH CREE NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2020

1. PURPOSE OF THE FIRST NATION

Red Earth Cree Nation (the "First Nation") is located in the province of Saskatchewan. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The First Nation operates to provide various essential services to its members.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated consolidated financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the First Nation are as follows:

Reporting Entity

The Red Earth Cree Nation reporting entity includes the Red Earth Cree Nation government and all related entities that are either owned or controlled by the First Nation.

- a) Red Earth Cree Nation
- b) Red Earth Cree Nation Health Services
- c) Red Earth Cree Nation Sectio 95 Social Housing Operation
- d) Red Earth Cree Developments Inc. (operating as Lionel Head Memorial Store)

Principles of Consolidation

The consolidated financial statements include the assets, liabilities and results of operations of Red Earth Cree Nation and its controlled entities. A controlled entity is any entity over which Red Earth Cree Nation has the right and ability to exercise continuing power to determine the strategic operating, investing and financing policies without the co-operation of others, in order to obtain future economic benefits and where Red Earth Cree Nation is exposed to the related risks.

In preparing the consolidated financial statements, all intra-group balances and transactions between the entities in the consolidated group have been eliminated.

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

Red Earth Cree Nation Section 95 Social Housing Operation

Red Earth Cree Nation Health Services

Red Earth Cree Developments Inc. (operating as Lionel Head Memorial Store)

(continues)

RED EARTH CREE NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue Recognition

Red Earth Cree Nation follows accrual accounting for the reporting of contributions.

Government transfers are recorded when there is a reasonable assurance that the First Nation had complied with and will continue to comply with, all the necessary conditions to obtain the contribution, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized on the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service is performed.

Expenditure Recognition

The First Nation uses the accrual method of accounting for expenditures whereby the cost of goods and services acquired in the period, or a liability is incurred, are recorded regardless of whether payment has been made or invoices received.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)Basis of Segmentation

The First Nation has adopted the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment.

The segments (functions) are as follows:

Social Development: The social development segment is comprised of adult care, home care, day care, headstart, basic needs, special needs, social administration, and the National Child Benefit program.

Band Government: The band government segment provides for the administration of the First Nation and includes portfolio investments and other government organizations.

Community Infrastructure: The community infrastructure segment provides for the delivery of water, collecting and treating of wastewater, collection and disposal of solid waste, maintenance of community buildings and roads, fire protection, and fire suppression.

Education: The education segment provides for the delivery of educational services, student transportation services, maintenance of teacherages, and post secondary support.

Housing: The housing segment provides for the maintenance of band-owned housing as well as houses operated under the Section 95 Social Housing CMHC Program.

Community Health: The health segment delivers health services including prevention projects, medical transportation, mental health, solvent abuse, prenatal nutrition and oral health, among others.

Economic Development: The economic development segment delivers services aimed at stimulating economic development.

Other Programs: The other programs segment includes investment income earned from government business enterprises, income earned from trust funds held by the federal government, and the delivery of assistance and community services from the utilization of First Nations Trust gaming revenues.

Non-Financial Assets

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

Net Financial Debt

Net Financial Debt at the end of the accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

Cash and Cash Equivalents

Cash is represented by cash on hand and balances with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Restricted Cash

Restricted cash consists of funds held in the CMHC replacement reserve and operating reserve bank accounts and the funds managed by a project manager. The project manager is responsible for the completion of the capital projects and the CMHC replacement and operating reserves are used to pay eligible expenditures of the CMHC housing units.

Portfolio Investments

The First Nation holds the following portfolio investments which are accounted for at cost, less any provisions for other than temporary impairment.

Prince Albert Development Corporation (8.33%)

Prince Albert First Nations Business Development Limited Partnership (8.25%)

Red Earth Development Corporation (100%)

Red Earth Development Corporation Limited Partnership (100%)

Trust Funds Held by Federal Government

Funds held in trust on behalf of the First Nation members by the Government of Canada in the Ottawa Trust Fund consists of:

- (a) capital trust monies derived from non-renewable resource transactions on the sale of land or other First Nation capital assets; and
- (b) revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

Revenues from trust monies are recognized when measurable, earned and collection is reasonably assured. These monies are reported on by the Government of Canada.

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.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Dams and water structures	50 years	straight-line method
Bridges	50 years	straight-line method
Subdivision development	40 years	straight-line method
Schools	40 years	straight-line method
Gravel roads	40 years	straight-line method
Housing	25 years	straight-line method
Commercial buildings	20 years	straight-line method
Water and waste system equipment	10 years	straight-line method
Equipment and vehicles	5 years	straight-line method
Computer equipment	3 years	straight-line method
Building (Lionel Head Memorial Store)	4%	declining balance method
Equipment (Lionel Head Memorial Store)	20%	declining balance method
Motor vehicles (Lionel Head Memorial Store)	30%	declining balance method
Computers (Lionel Head Memorial Store)	30%	declining balance method

The First Nation regularly reviews its tangible capital assets to eliminate obsolete items and to write-down the value of the assets when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services or when the value of future economic benefits of the assets are less than their net book value. Net write-downs are accounted for as an expense in the consolidated statement of operations.

Tangible capital assets acquired during the year are not amortized until they are placed into use.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Estimates include:

- a) Providing for amortization of tangible capital assets;
- b) The estimated useful lives of assets;
- c) The recoverability of tangible assets.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of Tangible Capital Assets

The First Nation tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the tangible capital assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Government Transfers

Government transfers are the transfers of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- a) The transfers are authorized;
- b) Any eligibility criteria and stipulation have been met; and
- c) Reasonable estimates of the amounts can be made.

Unearned government transfer amounts will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)New Accounting Standards

Future Accounting Standards, Effective on or after April 1, 2021:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset.

Effective On or After April 1, 2022:

PS 3400, Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

The extent of the impact on adoption of these future standards is not known at this time.

3. PRIOR PERIOD ADJUSTMENT

The First Nation has adjusted its comparative financial information as at and for the year ending March 31, 2019 due to the correction of the following:

- i) During 2020 it was determined that the Lionel Head Memorial Store is a government component and must therefore be fully consolidated into the First Nation's consolidated financial statements, previously it had been accounted for as an investment under the modified equity basis. The impact of this adjustment was to decrease financial assets by \$307,477, increase non-financial assets by \$402,984, increase opening net debt by \$480,535, increase closing net debt by \$95,507, increase revenue by \$3,217,999, increase expenses by \$3,217,999, increase surplus by \$0, increase opening accumulated surplus by \$0 and increase closing accumulated surplus by \$0.
- ii) The investments in the Prince Albert Development Corporation and Prince Albert First Nation Business Development Limited Partnership were determined to be portfolio investments which must be recorded at cost and were previously accounted for under the modified equity basis. The impact of this adjustment was to decrease portfolio investments by \$2,176,250, decrease accumulated surplus by \$1,873,948, decrease revenues by \$170,069, decrease annual surplus by \$170,069, decrease accumulated surplus opening by \$1,873,948, decrease accumulated surplus closing by \$170,069, decrease net debt beginning of year by \$1,873,948 and decrease net debt end of year by \$1,873,948.

(*continues*)

Notes to Consolidated Financial Statements

Year Ended March 31, 2020

3. PRIOR PERIOD ADJUSTMENT (continued)

	2019 Previously Reported	Adjustments	2019 Restated
--	--------------------------------	-------------	------------------

- iii) It was determined that in the prior year the Health Centre recognized \$44,563 in IELCC revenue that related to expenses incurred in fiscal 2020. This error has been corrected to report this amount correctly as deferred revenue in 2019. The impact of this adjustment was to increase deferred revenue by \$44,563, decrease revenue by \$44,563, decrease annual surplus by \$44,563, decrease accumulated surplus closing by \$44,563 and increase net debt end of year by \$44,563.

As a result of these errors, the following consolidated financial statement items have been adjusted:

	2019 Previously Reported	Adjustments	2019 Restated
Consolidated Statement of Financial Position			
Cash and cash equivalents	\$ 564,005	\$ 65,619	\$ 629,624
Accounts receivable	441,070	134,197	575,267
Restricted cash - capital	9,445,831	-	9,445,831
Restricted cash - CMHC	317,797	-	317,797
Portfolio investments	2,207,217	(2,176,250)	30,967
Inventory for resale	-	235,525	235,525
Trust funds	13,439	-	13,439
Accounts payable and accrued liabilities	(394,174)	(86,763)	(480,937)
Source deductions payable	(1,092,086)	(4,581)	(1,096,667)
PAGC advances payable	(11,845)	-	(11,845)
ISC payable	(1,289,243)	-	(1,289,243)
Wages payable	(115,412)	-	(115,412)
Long-term debt	(4,402,757)	-	(4,402,757)
Deferred income	(9,657,831)	(48,726)	(9,706,557)
Prepaid expenses	30,517	5,000	35,517
Tangible capital assets	40,580,591	162,459	40,743,050
Accumulated surplus	(36,637,119)	1,713,520	(34,923,599)

Consolidated Statement of Operations and Accumulated Surplus

Total consolidated revenues	\$ 18,507,579	\$ 3,582,046	\$ 22,089,625
Total consolidated expenses	(15,461,169)	(3,456,540)	(18,917,709)
Annual surplus	3,046,410	125,506	3,171,916
Accumulated Surplus - beginning of year	33,590,709	(1,839,026)	31,751,683
Accumulated Surplus - end of year	36,637,119	(1,713,520)	34,923,599

Consolidated Statement of Change in Net Financial Debt

Annual surplus	\$ 3,046,410	\$ 125,506	\$ 3,171,916
Increase in net financial assets	1,632,593	70,511	1,703,104
Net Financial Debt - beginning of year	(5,606,582)	(2,187,015)	(7,793,597)
Net Financial Debt - end of year	(3,973,989)	(2,116,504)	(6,090,493)

Consolidated Statement of Cash Flows

Annual surplus	\$ 3,046,410	\$ 125,506	\$ 3,171,916
----------------	--------------	------------	--------------

(continues)

3. PRIOR PERIOD ADJUSTMENT *(continued)*

	2019 Previously Reported	Adjustments	2019 <i>Restated</i>
Items not affecting cash	1,362,030	(123,309)	1,238,721
Changes in non-cash working capital	(774,422)	(26,804)	(801,226)
Cash flow from operating activities	3,634,018	(24,607)	3,609,411
Cash flow used by investing activities	(2,635,988)	(16,047)	(2,652,035)
Cash flow used by financing activity	(540,529)	-	(540,529)
Increase in cash flow	457,501	(40,654)	416,847
Cash - beginning of year	106,504	106,273	212,777
Cash - end of year	564,005	65,619	629,624

4. CASH AND CASH EQUIVALENTS

	2020	2019
Red Earth Cree Nation	\$ 516,394	\$ 171,674
Red Earth Cree Nation - CMHC	123,688	360,214
Red Earth Cree Nation - Health	181,054	32,117
Lionel Head Memorial Store	100,391	65,619
	\$ 921,527	\$ 629,624

5. ACCOUNTS RECEIVABLE

	2020	2019
Canada Mortgage and Housing Corporation (CMHC)	\$ 24,615	\$ 24,525
Goods and Service Tax Rebate receivable	40,138	9,320
Indigenous Services Canada	99,834	146,115
Northern Lights Community Development Corporation	2,750	11,916
Other	12,864	15,615
Payroll advances	7,386	24,438
Prince Albert Grand Council	95,328	209,141
Lionel Head Memorial Store	112,598	134,197
	\$ 395,513	\$ 575,267

6. RESTRICTED CASH - CAPITAL PROJECTS

Restricted cash relating to capital projects consists of funds managed by capital project managers who are responsible for payment of expenses relating to capital project funding by government funding agencies.

	2020	2019
TD Canada Trust - Water Supply	\$ 6,394,332	\$ 6,229,952
TD Canada Trust - Health Centre Facility	74,420	2,603,162
TD Canada Trust - Garbage Truck Project	23,581	177,325
TD Canada Trust - Health Centre Facility Holdback	2,410	155,682
TD Canada Trust - School Demolition	71,902	128,722
TD Canada Trust - Lagoon Repairs	81,935	84,787
TD Canada Trust - Band Based Capital Projects	380,073	66,201
	<u>\$ 7,028,653</u>	<u>\$ 9,445,831</u>

7. RESTRICTED CASH - CMHC RESERVES

The First Nation is required under agreement with CMHC to set aside funds to finance future qualifying housing expenditures. The First Nation has \$578,807 (2019 - \$317,797) of cash restricted to fund the required CMHC reserves. As at March 31, 2020, the reserves are underfunded by \$1,332,521 (2019 - \$1,533,983). The CMHC reserve cash consists of funds on deposit with financial institutions for the purpose of CMHC Housing Replacement Reserve and the CMHC Operating Reserve.

8. PORTFOLIO INVESTMENTS

	2020	2019 <i>Restated - Note 3</i>
Prince Albert Development Corporation	\$ 39,600	\$ 39,600
Red Earth Development Corporation	(5,988)	(5,988)
Red Earth Development LP	(2,645)	(2,645)
	<u>\$ 30,967</u>	<u>\$ 30,967</u>

9. TRUST FUNDS

The 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. The management of these funds are primarily governed by Sections 63 to 69 of the *Indian Act*.

	Capital	Revenue	2020	2019
Balance, beginning of year	\$ 8,250	\$ 5,189	\$ 13,439	\$ 51,784
Increases - interest	-	4,725	4,725	1,655
Decreases - withdrawals	-	(5,800)	(5,800)	(40,000)
	<u>\$ 8,250</u>	<u>\$ 4,114</u>	<u>\$ 12,364</u>	<u>\$ 13,439</u>

10. PAGC ADVANCES PAYABLE

Prince Albert Grand Council (PAGC) advances are non-interest bearing, unsecured, and have no set repayment terms.

11. LONG TERM DEBT

	2020	2019
Royal Bank Loan 2 loan bearing interest at 3.15% per annum, repayable in quarterly blended payments of \$27,500 and an annual principal payment of \$203,000. The loan matured on July 31, 2019 and was secured by accounts receivable and irrevocable letter of direction by ISC.	\$ 248,205	\$ 553,933
Royal Bank Loan 3 loan bearing interest at 5% per annum, repayable in monthly blended payments of \$67,449. The loan matures on June 30, 2020 and is secured by accounts receivable and irrevocable letter of direction by ISC.	487,269	528,372
CMHC Mortgage 6 loan bearing interest at 1.67% per annum, repayable in monthly blended payments of \$1,262. The loan matures on March 1, 2024 and is secured by a guarantee by the Government of Canada.	59,767	73,850
CMHC Mortgage 7 loan bearing interest at 1.84% per annum, repayable in monthly blended payments of \$2,273. The loan matures on March 1, 2024 and is secured by a guarantee by the Government of Canada.	154,852	179,040
		(continues)

11. LONG TERM DEBT (continued)

	2020	2019
CMHC Mortgage 8 loan bearing interest at 1.67% per annum, repayable in monthly blended payments of \$3,049. The loan matures on April 1, 2029 and is secured by a guarantee by the Government of Canada.	310,856	341,938
CMHC Mortgage 9 loan bearing interest at 1.05% per annum, repayable in monthly blended payments of \$1,941. The loan matures on March 1, 2025 and is secured by a guarantee by the Government of Canada.	221,013	241,862
CMHC Mortgage 10 loan bearing interest at 1.84% per annum, repayable in monthly blended payments of \$1,750. The loan matures on December 1, 2025 and is secured by a guarantee by the Government of Canada.	204,695	221,758
CMHC Mortgage 11 loan bearing interest at 2.21% per annum, repayable in monthly blended payments of \$6,973. The loan matures on July 1, 2033 and is secured by a guarantee by the Government of Canada.	966,137	1,027,773
CMHC Mortgage 12 loan bearing interest at 2.21% per annum, repayable in monthly blended payments of \$3,441. The loan matures on September 1, 2033 and is secured by a guarantee by the Government of Canada.	481,873	512,177
CMHC Mortgage 13 loan bearing interest at 1.39% per annum, repayable in monthly blended payments of \$4,237. The loan matures on January 1, 2030 and is secured by a guarantee by the Government of Canada.	680,981	722,054
	\$ 3,815,648	\$ 4,402,757

Principal repayment terms are approximately:

2021	\$ 492,742
2022	248,990
2023	253,529
2024	258,153
2025	222,380
Thereafter	2,339,854
	\$ 3,815,648

12. DEFERRED REVENUE

	Balance, beginning of year	Funding received	Funding recognized	Balance, end of year
ISC - School demolition	\$ 328,722	\$ 22,922	\$ 291,743	\$ 59,901
ISC - TCA project	12,000	-	-	12,000
ISC - Water supply and treatment study	5,977,640	73,370	-	6,051,010
ISC - Community plan/Drainage study	173,652	94,500	2,557	265,595
ISC - SPS & Water plant operation	78,660	-	932	77,728
ISC - Lagoon repairs	82,106	-	2,852	79,254
ISC - Teacherage repairs	2,682	-	-	2,682
ISC - Band Based Capital projects	66,201	760,540	446,668	380,073
ISC - Garbage truck	177,325	-	153,745	23,580
ISC - Waste Water Project	-	101,000	-	101,000
Health Canada - Health facility	2,758,843	93,983	2,775,996	76,830
Lionel Head Memorial Store	4,163	-	1,214	2,949
PAGC - Health Services	44,563	-	44,563	-
	<u>\$ 9,706,557</u>	<u>\$ 1,146,315</u>	<u>\$ 3,720,270</u>	<u>\$ 7,132,602</u>

13. ACCUMULATED SURPLUS

	2020	2019 (Revised)
Invested in tangible capital assets	\$ 42,294,154	\$ 40,743,050
CMHC reserves	1,911,329	1,851,779
Operating deficit	(4,818,833)	(5,967,351)
	<u>\$ 39,386,650</u>	<u>\$ 36,627,478</u>

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation has established a replacement reserve of \$1,161,167 (2019 - \$1,140,003) to ensure replacement of capital equipment and for major repairs to CMHC housing units. An operating reserve of \$750,162 (2019 - \$711,777) has also been established for housing units under the post 1996 Fixed Subsidy Program which requires surpluses to be deposited to an operating reserve bank account to offset future operating losses. At March 31, 2020, \$578,808 (2019 - \$317,797) has been set aside to fund these two reserves.

14. CONTINGENT LIABILITY

These financial statements are subject to review by the First Nation's funding agents. It is possible that adjustments to funding amounts could be made based on the results of their reviews. Such adjustments will be recognized in the year the adjustments are made.

15. ECONOMIC DEPENDENCE

The First Nation receives a significant portion of its revenues from Indigenous Services Canada (ISC) 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.

Due to certain financial and non-financial deficiencies identified by Indigenous Services Canada (ISC), the First Nation is presently in Level Two intervention. The Recipient Appointed Advisor is tasked with working with Council and management to address the financial and non-financial defaults identified by ISC. At this time, ISC is satisfied with progress towards addressing the defaults. The First Nation is required to retain a Recipient Appointed Advisor before having the level of intervention reduced.

16. BUDGET AMOUNTS

The budget figures contained in these consolidated financial statements were approved by Chief and Council on _____. Public Sector Accounting Standards require a comparison of the results for the year with those originally planned on the same basis as that used for the actual results. A reconciliation of the approved and reported budget is below.

The First Nation did not prepare a budget for its CMHC housing program, band based capital program, amortization, and its share of earnings of government business entities.

The First Nation did not prepare a budget for the operations of Lionel Head Memorial Store.

	<u>2020</u>
Budget deficit per Statement of Operations	\$ (1,611,181)
Add: amortization	<u>1,449,675</u>
Per approved First Nation's consolidated budget	<u>\$ (161,506)</u>

17. COMPARATIVE FIGURES

Some of the comparative figures may have been reclassified to conform to the current year's presentation.

18. IMPACTS OF COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

Management has determined that the impacts to the First Nation for the 2020 fiscal year were limited to additional funding received for community assistance payments and preparedness.

It is not possible to reliably estimate the duration and severity of COVID-19, as well as the impact on the financial position and results of the entity for future periods.

RED EARTH CREE NATION
Consolidated Schedule of Tangible Capital Assets by Object (Schedule 1)
Year Ended March 31, 2020

	Cost			Accumulated Amortization				Net Book Value	
	Opening Balance	Net Additions (Disposals)	Closing Balance	Opening Balance	Amortization	Disposals, Write-offs and Other Adjustments	Closing Balance	Total 2020	Total 2019 (Restated - Note 3)
Tangible Capital Assets									
Buildings	\$ 37,536,811	\$ 5,097,559	\$ 42,634,370	\$ 12,394,162	\$ 1,110,244	\$ -	\$ 13,504,406	\$ 29,129,964	\$ 25,142,649
Subdivision development	3,474,396	-	3,474,396	781,739	86,860	-	868,599	2,605,797	2,692,657
Equipment and vehicles	644,368	168,125	812,493	460,976	67,658	(3,000)	525,634	286,858	183,392
Roads	862,148	-	862,148	131,452	20,417	-	151,870	710,278	730,696
Bridges	3,405,325	-	3,405,325	203,214	68,107	-	271,320	3,134,006	3,202,111
Dams and water structures	4,374,235	-	4,374,235	466,293	87,485	-	553,777	2,820,458	3,907,942
Water and waste system equipment	3,556,948	-	3,556,948	1,858,379	177,847	-	2,036,227	1,520,721	1,698,569
Tangible Capital Assets total	53,854,231	5,265,684	59,119,915	16,296,215	1,618,618	(3,000)	17,911,833	41,208,082	37,558,016
Assets Under Construction									
Health care facility	2,308,744	(2,308,744)	-	-	-	-	-	-	2,308,744
Water supply project	343,059	17,908	360,967	-	-	-	-	360,967	343,059
Community plan/drainage study	51,998	-	51,998	-	-	-	-	51,998	51,998
SPS & water plant operation	3,127	-	3,127	-	-	-	-	3,127	3,127
Lagoon project	191,537	4,035	195,570	-	-	-	-	195,570	191,537
Elementary school demo	249,441	81,850	331,291	-	-	-	-	331,291	249,441
Garbage truck project	37,128	28,205	65,333	-	-	-	-	65,333	37,128
Band based capital housing repair	-	77,784	77,784	-	-	-	-	77,784	-
Assets Under Construction total	3,185,034	(2,098,962)	1,086,072	-	-	-	-	1,086,072	3,185,034
Total	\$ 57,039,265	\$ 3,166,722	\$ 60,205,987	\$ 16,296,215	\$ 1,618,618	\$ (3,000)	\$ 17,911,833	\$ 42,294,154	\$ 40,743,050

See notes to financial statements

RED EARTH CREE NATION
Consolidated Schedule of Tangible Capital Assets by Function (Schedule 2)
Year Ended March 31, 2020

	Band Government	Band Based Capital / Housing	Community Infrastructure	Economic Development	Education	Health	Total 2020	Total 2019 (Restated - Note 3)
Asset cost								
Opening asset cost	\$ 587,335	\$ 14,098,286	\$ 17,515,168	\$ 47,954	\$ 22,406,169	\$ 2,384,352	\$ 57,039,265	\$ 53,553,466
Additions during the year	10,100	-	254,555	-	81,850	2,820,218	3,166,722	2,909,169
Disposals during the year	-	-	-	-	-	-	-	-
Add: prior period adjustment (Note 3)	-	-	-	-	-	-	-	576,630
Closing asset cost	597,435	14,098,286	17,769,723	47,954	22,488,019	5,204,570	60,205,987	57,039,265
Accumulated amortization								
Opening accumulated amortization	(423,876)	(8,587,522)	(4,333,458)	(39,411)	(2,876,170)	(35,777)	(16,293,215)	(14,451,409)
Less: reductions	-	-	-	-	-	-	-	-
Add: amortization	(19,622)	(401,137)	(509,977)	(2,848)	(567,962)	(117,072)	(1,618,618)	(1,449,675)
Add: prior period adjustment (Note 3)	-	-	-	-	-	-	-	(395,131)
Closing accumulated amortization	(443,498)	(8,988,659)	(4,843,435)	(42,259)	(3,444,132)	(152,849)	(17,911,833)	(16,296,215)
Net book value	\$ 153,937	\$ 5,109,627	\$ 12,926,288	\$ 5,695	\$ 19,043,887	\$ 5,051,721	\$ 42,294,154	\$ 40,743,050

See notes to financial statements

RED EARTH CREE NATION
Consolidated Schedule of Expenditures by Object (Schedule 3)
Year Ended March 31, 2020

	Budget	2020	2019 (Restated - Note 3)
EXPENDITURES			
Admin fees	\$ 59,642	\$ 59,652	\$ 251,309
Allowances - Chief and Council	338,000	345,108	267,102
Amortization	1,449,675	1,618,618	1,449,675
Assistance	2,535,156	3,340,935	3,009,647
Bank charges and interest	13,000	25,732	30,772
Board expenses	76,292	76,924	58,125
Building insurance	-	74,513	-
Capital expenditure	-	-	44,214
Contracted expenses	737,975	796,853	554,724
Elder expense	10,000	2,750	-
Election	45,000	42,561	22,681
Emergency response	50,000	20,458	-
Insurance	110,716	289,818	308,147
Lionel Head Memorial Store expenses	-	3,220,388	3,198,960
Materials and supplies	629,812	691,190	554,815
Member support	-	218,189	-
Mortgage interest	316,241	59,197	65,274
Other expenses	888,100	331,601	485,608
Professional fees	108,000	151,287	172,795
Program expenditures	556,875	331,413	410,915
Rent	59,009	96,874	42,818
Repairs and maintenance - buildings	269,792	539,647	526,240
Repairs and maintenance - equipment	66,795	92,971	72,381
Reserve allocation	115,990	-	-
Supplies	-	26,669	-
Training and workshops	189,770	276,978	151,562
Travel	194,123	472,471	381,433
Travel - Chief and Headmen	65,000	35,545	36,847
Tuition and books	305,109	245,224	140,386
Utilities and telephone	249,046	472,493	250,443
Vehicle	292,498	215,695	185,280
Wages and benefits	5,982,191	7,173,877	6,245,556
	\$ 15,713,807	\$ 21,345,631	\$ 18,917,709

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Social Development (Schedule 4)
Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Indigenous Services Canada (ISC)	\$ 2,397,742	\$ 3,005,643	\$ 2,917,820
Other revenue	-	1,313	3,000
	<u>2,397,742</u>	<u>3,006,956</u>	<u>2,920,820</u>
EXPENSES			
Assistance	1,933,637	2,298,846	2,291,091
Contracted services	151,005	278,807	305,211
Materials and supplies	3,600	4,560	154
Program expenditures	309,445	177,059	230,735
Training and workshops	-	24,513	2,937
Utilities and telephone	-	99	-
Vehicle	-	1,691	-
Wages and benefits	-	42,147	26,512
	<u>2,397,687</u>	<u>2,827,722</u>	<u>2,856,640</u>
INCOME FROM OPERATIONS	<u>\$ 55</u>	<u>\$ 179,234</u>	<u>\$ 64,180</u>

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Band Government (Schedule 5)

Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Lionel Head Memorial Store revenue	\$ -	\$ 3,216,399	\$ 3,244,757
Indigenous Services Canada (ISC)	712,025	837,922	941,632
ICFS Prevention	-	278,557	-
Other revenue	87,054	84,998	6,139
Prince Albert Grand Council (recovery)	-	1,300	14,362
	799,079	4,419,176	4,206,890
EXPENSES			
Admin fees (internal)	-	-	191,657
Allowances - Chief & Council	338,000	345,108	267,102
Amortization	20,039	19,623	20,039
Assistance	-	19,775	-
Bank charges and interest	13,000	20,949	27,304
Board expenses	28,000	10,153	-
Building insurance	-	74,513	-
Contracted services	154,000	56,164	19,572
Election	45,000	42,561	22,681
Lionel Head Memorial Store expenses	-	3,220,388	3,198,960
Materials and supplies	31,900	67,668	51,745
Other expenses	229,000	165,584	366,748
Professional fees	60,000	71,080	73,430
Rent	12,009	20,310	12,701
Repairs and maintenance - buildings	8,247	-	8,938
Repairs and maintenance - equipment	9,000	3,395	1,594
Training and workshops	16,186	1,250	15,200
Travel	43,200	96,013	44,971
Travel - Chief and Headmen	65,000	35,545	36,847
Utilities and telephone	24,410	18,979	4,641
Wages and benefits	247,552	316,174	244,375
	1,344,543	4,605,232	4,608,505
LOSS FROM OPERATIONS	\$ (545,464)	\$ (186,056)	\$ (401,615)

Consolidated Schedule of Revenue and Expenses - Community Infrastructure (Schedule 6)

Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Indigenous Services Canada (ISC)	\$ 434,189	\$ 932,126	\$ 368,486
Other revenue	58,200	135,631	22,274
Emergency management	-	111,000	-
PAGC	-	13,000	13,000
	492,389	1,191,757	403,760
EXPENSES			
Amortization	497,020	509,977	497,020
Board expenses	-	1,000	-
Contracted services	112,800	115,036	29,112
Emergency response	50,000	20,458	-
Insurance and licenses	25,771	5,287	-
Materials and supplies	50,285	106,906	69,206
Member support	-	218,189	-
Repairs and maintenance - buildings	28,532	49,803	10,277
Repairs and maintenance - equipment	18,000	44,722	53,746
Training and workshops	8,000	1,428	3,153
Travel	10,400	27,258	5,917
Utilities and telephone	78,000	148,244	121,409
Vehicle	62,544	106,570	41,865
Wages and benefits	200,967	215,093	126,055
	1,142,319	1,569,971	957,760
LOSS FROM OPERATIONS	\$ (649,930)	\$ (378,214)	\$ (554,000)

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Education (Schedule 7)

Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Indigenous Services Canada (ISC)	\$ 6,084,974	\$ 5,772,167	\$ 4,981,765
Prince Albert Grand Council	1,061,360	1,821,916	2,588,415
Rental revenue	56,000	44,490	39,030
Other revenue	165,000	42,573	240
	<u>7,367,334</u>	<u>7,681,146</u>	<u>7,609,450</u>
EXPENSES			
Amortization	567,961	567,961	567,961
Assistance	279,525	403,684	260,481
Board expenses	27,256	19,020	-
Contracted services	220,000	58,203	44,635
Insurance	5,646	25,801	88,366
Materials and supplies	487,000	339,472	319,261
Other expenses	12,000	2,100	-
Professional fees	30,000	-	-
Program expenditures	247,430	154,354	180,180
Rent	47,000	76,564	30,117
Repairs and maintenance - buildings	112,980	230,576	41,261
Repairs and maintenance - equipment	38,595	37,109	13,515
Training and workshops	133,100	144,897	99,373
Travel	86,300	67,988	73,473
Tuition and books	305,109	245,224	140,386
Utilities and telephone	141,951	277,633	116,421
Vehicle expenses	122,965	62,887	101,665
Wages and benefits	4,697,103	5,234,127	4,889,329
	<u>7,561,921</u>	<u>7,947,600</u>	<u>6,966,424</u>
INCOME (LOSS) FROM OPERATIONS	<u>\$ (194,587)</u>	<u>\$ (266,454)</u>	<u>\$ 643,026</u>

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Housing and Capital (Schedule 8)

Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Indigenous Services Canada (ISC)	\$ 545,540	\$ 3,474,718	\$ 3,362,997
Other revenue	100,718	339,466	206,840
Canada Mortgage and Housing Corporation	420,508	305,935	448,321
Health Canada	-	54,983	-
Gains (losses) on disposal of assets	-	50,000	234,836
Rent	-	777	-
	<u>1,066,766</u>	<u>4,225,879</u>	<u>4,252,994</u>
EXPENSES			
Admin fees (internal)	59,642	59,652	59,652
Amortization	31,067	187,469	31,067
Board expenses	12,750	1,525	6,463
Capital expenditure	-	-	44,214
Contract services	12,900	3,406	12,000
Insurance	78,320	144,560	112,857
Other expense	280,000	1,931	2,568
Repairs and maintenance - building	108,033	172,413	349,371
Reserve allocation	115,990	-	-
Supplies	5,000	26,669	-
Training and workshops	12,500	5,404	3,817
Travel	5,000	29,185	18,920
Utilities and telephone	-	466	-
Vehicle expense	88,000	11,358	5,256
Wages and benefits	158,471	179,023	75,463
	<u>967,673</u>	<u>823,061</u>	<u>721,648</u>
INCOME FROM OPERATIONS	<u>\$ 99,093</u>	<u>\$ 3,402,818</u>	<u>\$ 3,531,346</u>

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - CMHC Rental Housing (Schedule 9)
Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Rental revenue	\$ 338,178	\$ 305,139	\$ 222,006
EXPENSES			
Amortization	315,619	315,619	315,619
Insurance	-	94,901	105,446
Mortgage interest	316,241	59,197	65,274
Professional fees	12,000	3,125	15,000
Repairs and maintenance	-	86,855	115,691
	643,860	559,697	617,030
LOSS FROM OPERATIONS	\$ (305,682)	\$ (254,558)	\$ (395,024)

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Community Health (Schedule 10)

Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Prince Albert Grand Council	\$ 400,406	\$ 756,069	\$ 471,379
Health Canada (FNIHB)	214,631	586,214	419,818
Other revenue	7,026	195,929	105,761
Indigenous Services Canada (ISC)	63,026	63,024	63,026
Northern Lights Community Development Corporation	-	2,249	18,450
	685,089	1,603,485	1,078,434
EXPENSES			
Amortization	15,121	15,121	15,121
Assistance	59,994	127,690	95,369
Bank charges and interest	-	3,902	2,238
Board expenses	6,286	38,525	51,662
Contract services	47,560	149,749	74,657
Insurance	979	19,269	1,478
Materials and supplies	52,027	165,390	108,648
Professional fees	6,000	12,500	11,232
Repairs and maintenance - building	-	-	702
Repairs and maintenance - equipment	1,200	7,745	3,526
Training and workshops	19,984	91,830	10,681
Travel	40,223	101,776	134,033
Utilities and telephone	4,685	27,072	7,972
Vehicle expenses	7,889	15,637	18,722
Wages and benefits	455,371	710,944	524,236
	717,319	1,487,150	1,060,277
INCOME (LOSS) FROM OPERATIONS	\$ (32,230)	\$ 116,335	\$ 18,157

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Economic Development (Schedule 11)

Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Indigenous Services Canada (ISC)	\$ -	\$ 31,352	\$ 16,000
Prince Albert Grand Council	52,700	48,961	52,700
Northern Lights Community Development Corporation	125,000	134,412	85,038
Other revenue	7,627	9,088	-
	185,327	223,813	153,738
EXPENSES			
Amortization	2,848	2,848	2,848
Assistance	4,000	4,787	547
Board expenses	-	525	-
Contract expenses	-	31,253	-
Other expenses	127,100	79,427	41,201
Professional and legal	-	-	13,250
Training and workshops	-	2,327	-
Travel	9,000	13,009	13,184
Wages and benefits	45,227	45,071	39,821
	188,175	179,247	110,851
INCOME (LOSS) FROM OPERATIONS	\$ (2,848)	\$ 44,566	\$ 42,887

RED EARTH CREE NATION

Consolidated Schedule of Revenue and Expenses - Other Programs (Schedule 12)
Year Ended March 31, 2020

	Budget	2020	2019
REVENUES			
Indigenous Services Canada (ISC)	\$ 44,122	\$ 446,623	\$ 397,746
Prince Albert Grand Council	138,600	179,000	163,198
Other programs	-	158,928	120,334
Northern Lights Community Development Corporation	-	-	2,500
First Nation's Trust	575,000	568,886	580,669
Government business enterprises share of income (loss)	-	50,000	(22,915)
Sask Lotteries	13,000	14,188	-
	<u>770,722</u>	<u>1,417,625</u>	<u>1,241,532</u>
EXPENSES			
Assistance	258,000	486,153	362,159
Bank charges and loan interest	-	881	1,230
Board expenses	2,000	6,176	-
Contracted services	39,710	104,235	69,537
Elder council	10,000	2,750	-
Materials and supplies	-	5,694	5,801
Other expenses	240,000	82,556	75,091
Professional fees	-	64,582	59,883
Repairs and maintenance - buildings	12,000	-	-
Training and workshops	-	6,829	16,401
Travel	-	137,242	90,935
Vehicle expense	11,100	17,552	17,772
Wages and benefits	177,500	431,298	319,765
	<u>750,310</u>	<u>1,345,948</u>	<u>1,018,574</u>
INCOME FROM OPERATIONS	<u>\$ 20,412</u>	<u>\$ 71,677</u>	<u>\$ 222,958</u>