



**Beardy's and Okemasis Cree Nation
Consolidated Financial Statements**

March 31, 2023



Beardy's and Okemasis Cree Nation Contents

For the year ended March 31, 2023

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Management's Responsibility



To the Members of Beardy's and Okemasis Cree Nation

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Beardy's and Okemasis Cree Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

July 25, 2023

Signed by: Norma Adams

Management

To the Members of Beardy's and Okemasis Cree Nation:

Qualified Opinion

We have audited the consolidated financial statements of Beardy's and Okemasis Cree Nation (the "Cree Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, consolidated statement of change in net financial assets and cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Qualified Opinion

Willow Cree Health Services Corporation, the entity responsible for delivery of Health Services to the membership of Beardy's and Okemasis Cree Nation is included in these consolidated financial statements and its activities are reported in the Consolidated Schedule of Revenue and Expenses - Willow Cree Health Services Corporation. During our examination of Willow Cree Health Services Corporation, we identified serious breaches of internal controls over expense authorizations and serious deficiencies in the accounting records of the Willow Cree Health Services Corporation. As a result, we were unable to obtain sufficient appropriate audit evidence about whether amounts recorded are classified properly and relate to the provision of health services to the membership of Beardy's and Okemasis Cree Nation. Consequently, we are unable to determine whether adjustments to the amounts reported as deferred revenue, annual surplus, schedule of consolidated expenses by object, and consolidated schedule of revenue and expenses of Willow Cree Health Services Corporation are necessary.

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

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 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 the Cree Nation or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report (continued from previous page)

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 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 the 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 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 Cree 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 Cree Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan

July 25, 2023

MNP LLP

Chartered Professional Accountants

MNP



Beardy's and Okemasis Cree Nation Consolidated Statement of Financial Position

As at March 31, 2023

2023 2022

Financial assets

Current

Cash resources	8,839,650	8,878,650
Accounts receivable (Note 4)	1,835,687	1,370,348
Restricted cash (Note 5)	6,413,342	676,591
Funds held in lawyers' trust	492,128	-
	17,580,807	10,925,589
Restricted Cash (Note 5)	728,561	722,002
Beardy's & Okemasis Legacy Trust (Note 6)	6,057,968	6,081,141
Investment in Nation business entities (Note 7)	723,018	845,830
Ottawa Trust Fund (Note 8)	961,994	847,246
Total financial assets	26,052,348	19,421,808

Liabilities

Current

Accounts payable and accruals (Note 10)	2,266,003	1,495,332
Deferred revenue (Note 11)	12,295,619	3,934,087
Flood Claim loan (Note 12)	236,889	117,414
Treaty 6 Agricultural Claim loan (Note 12)	155,690	-
Current portion of long-term debt (Note 13)	744,000	878,000
	15,698,201	6,424,833
Long-term debt (Note 13)	4,031,828	5,065,818
Asset Retirement Obligation (Note 17)	1,296,350	-
Total financial liabilities	21,026,379	11,490,651
Net financial assets	5,025,969	7,931,157

Contingency (Note 14)

Contingent assets (Note 15)

Subsequent event (Note 16)

Non-financial assets

Tangible capital assets (Note 18)	40,870,379	34,426,338
Prepaid expenses	334,833	90,470
Total non-financial assets	41,205,212	34,516,808
Accumulated surplus (Note 19)	46,228,428	42,447,965

Approved on behalf of the Nation

Signed by: Edwin Ananas	Chief	Signed by: Nicole Gamble	Councillor
Signed by: Chris Gamble	Councillor	Signed by: Warren Seesequasis	Councillor
Signed by: Sheryl Okemaysim	Councillor	Signed by: Melanie Gardypie	Councillor

The accompanying notes are an integral part of these financial statements



Beardy's and Okemasis Cree Nation
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2023

	<i>Schedules</i>	<i>2023 Budget (Note 25)</i>	<i>2023 Actual</i>	<i>2022 Actual</i>
Revenue				
Indigenous Services Canada (Note 22)		19,223,877	26,162,557	24,038,363
Lease income		823,000	1,049,385	970,897
Prairie Spirit School Division		500,000	377,686	544,116
Saskatchewan Indian Training Assessment Group Inc.		406,877	350,200	454,775
Canada Mortgage and Housing Corporation		172,000	250,108	2,089,145
Chief and Headmen Salary Claim Settlement		-	4,101,048	-
First Nations Trust		1,000,000	1,319,077	591,353
Government of Saskatchewan		50,000	98,809	152,031
Innovation, Science and Economic Development Canada		-	1,092,074	857,400
Federation of Sovereign Indigenous Nations		1,064,848	1,089,379	318,369
Other		1,740,608	734,321	811,241
Retail sales		-	616,201	-
First Nations Drinking Water Settlement (Note 15)		-	500,000	-
Correction Services Canada		305,000	445,931	305,288
Other government agencies		351,594	249,525	133,000
BHP Billiton		-	219,600	312,500
House rental income		290,000	152,271	182,002
Northern Lights Community Development Corporation		-	149,230	92,973
Public Health Agency of Canada		100,000	100,000	100,000
Investing in Canada Infrastructure Program		-	995,082	-
Department of Justice Canada		-	96,571	29,661
College of Physicians and Surgeons of Saskatchewan		-	88,897	85,038
Saskatchewan Ministry of Justice		-	42,428	65,543
Department of Justice - RCMP rent		-	24,375	32,219
Daycare fees		-	25,670	22,145
Earnings (loss) from investment in Nation business entities (Note 7)		-	(122,812)	314,147
Investment income - Legacy Trust		-	256,821	331,342
		26,027,804	40,464,434	32,833,548
Program expenses				
Band Administration	3	2,270,328	6,660,384	4,157,081
Economic Development	4	1,355,401	424,277	381,716
Education	5	10,868,206	11,215,562	9,319,464
Justice	6	-	141,660	126,412
Land Management	7	242,618	218,617	213,951
Public Works	8	2,684,303	4,739,694	3,836,108
Social Development	9	3,437,079	5,454,899	3,706,198
Sports and Recreation	10	-	485,326	201,666
Willow Cree Health Services Corporation	11	2,638,471	7,343,552	5,335,597
Total expenditures		23,496,406	36,683,971	27,278,193
Surplus before other income		2,531,398	3,780,463	5,555,355
Other income				
Loan insurance proceeds		-	-	2,912,752
Surplus		2,531,398	3,780,463	8,468,107
Accumulated surplus, beginning of year		42,447,955	42,447,965	33,979,858
Accumulated surplus, end of year		44,979,353	46,228,428	42,447,965

The accompanying notes are an integral part of these financial statements



Beardy's and Okemasis Cree Nation
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31, 2023

	2023	2022
Unrealized gains losses attributable to:		
Prospective change in accounting policy	303,148	-
Remeasurement losses on investment	(300,395)	-
Accumulated remeasurement gains, end of year	2,753	-



Beardy's and Okemasis Cree Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2023

	2023 Budget (Note 25)	2023 Actual	2022 Actual
Annual surplus	2,531,398	3,780,463	8,468,107
Purchases of tangible capital assets	-	(6,839,763)	(5,682,251)
Asset retirement obligation	-	(1,272,350)	-
Amortization of tangible capital assets	-	1,692,072	1,764,116
Accretion	-	(24,000)	-
Acquisition of prepaid expenses	-	(244,363)	-
Use of prepaid expenses	-	-	16,894
Change in remeasurement gains for the year	-	2,753	-
Increase (decrease) in net financial assets	2,531,398	(2,905,188)	4,566,866
Net financial assets, beginning of year	7,931,157	7,931,157	3,364,291
Net financial assets, end of year	10,462,555	5,025,969	7,931,157



Beardy's and Okemasis Cree Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating activities		
Surplus	3,780,463	8,468,107
Non-cash items		
Amortization and accretion	1,692,072	1,764,116
Loss (earnings) from investments in Nation business entities	122,812	(314,147)
	5,595,347	9,918,076
Changes in working capital accounts		
Accounts receivable	(465,339)	(514,373)
Prepaid expenses	(244,363)	16,894
Funds held in lawyers' trust	(492,128)	-
Accounts payable and accruals	770,671	18,903
Deferred revenue	8,361,532	(510,394)
Flood Claim loan	119,475	-
Treaty 6 Agricultural Claim loan	155,690	-
	13,800,885	8,929,106
Financing activities		
Repayment of long-term debt	(1,167,990)	(895,744)
Loan insurance proceeds for repayment of long-term debt	-	(2,853,952)
	(1,167,990)	(3,749,696)
Capital activities		
Purchases of tangible capital assets	(6,839,763)	(5,682,251)
Investing activities		
Decrease (increase) in Beardy's & Okemasis Legacy Trust (net)	23,173	(55,926)
Decrease (increase) in restricted cash	(5,743,310)	45,768
Distribution from Cree Nation business entities	-	173,007
Increase of Ottawa Trust Fund (net)	(114,748)	(505,782)
Remeasurement gain	2,753	-
	(5,832,132)	(342,933)
Decrease in cash resources	(39,000)	(845,774)
Cash resources, beginning of year	8,878,650	9,724,424
Cash resources, end of year	8,839,650	8,878,650
Cash resources are composed of:		
Bank accounts	3,860,384	7,570,944
Term deposit	4,979,266	1,307,706
	8,839,650	8,878,650



Beardy's and Okemasis Cree Nation Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

1. Operations

The Beardy's and Okemasis Cree Nation (the "Cree Nation") is located in Treaty Six Territory in the Province of Saskatchewan, and provides various services to its members. The Beardy's and Okemasis Cree Nation reporting entity includes the Cree Nation's government and all related entities that are accountable to the Cree Nation and are either owned or controlled by the Cree Nation.

2. Change in accounting policy

Effective April 1, 2022, the Cree Nation adopted the recommendations relating to the following Sections, as set out in the Canadian public sector accounting standards:

Asset retirement obligations

Effective April 1, 2022, the Cree Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 *Asset Retirement Obligations*. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, the First Nation recorded the provision for site rehabilitation in accordance with PS 3270 Solid Waste Landfill Closure and Post-Closure Liability, which requires recognition of a liability for closure and post-closure care as the site capacity is used and is equal to the proportion of the estimated total expenditure required for closure and post-closure care. Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 3

The impact of adopting PS 3280 on the First Nation's consolidated financial statements for the year ended March 31, 2023, has resulted in an increase in tangible capital assets of \$1,272,350, an increase in asset retirement obligation liability of \$1,296,350 and a \$24,000 expense recorded in 2023 on account of accretion. Previously, no provision was required to be made to recognize an asset retirement obligation in the consolidated financial statements. The new recommendations of PS 3280 are described in Note 3.

Financial instruments

Effective April 1, 2022, the First Nation adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 *Financial Instruments*. Upon adopting PS 3450, the First Nation is also required to adopt PS 1201 *Financial Statement Presentation*, and PS 3041 *Portfolio Investments*. The new Sections are applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations. Adoption of the new standard resulted in remeasurement gain of \$303,148 being reported in the consolidated financial statements at the date of adoption.



Beardy's and Okemasis Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

3. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the Cree Nation reporting entity, except for Nation business entities which are recorded using the modified equity method. The Cree Nation has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- Beardy's and Okemasis Cree Nation
- Willow Cree Health Services Corporation
- Beardy's and Okemasis Cree Nation CMHC Housing Program
- Beardy's & Okemasis Legacy Trust
- Willow Budz

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Business entities, owned or controlled by the Cree Nation but not dependent on the Cree Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Cree Nation. Thus, the Cree Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Willow Cree Developments Limited Partnership - 100% ownership interest

Long-term investments in entities that are not owned or controlled by the Cree Nation are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

- TIPI - IMI Insurance Partners - 5% ownership interest
- AIC Investment Consulting LP

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash Resources

Cash resources includes balances with banks and short-term investments with maturities of three months or less.

Restricted cash

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

Portfolio investments

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Changes in fair value are recorded in the statement of remeasurement gains (losses).



Beardy's and Okemasis Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

3. Significant accounting policies (Continued from previous page)

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of the Cree Nation by the Government of Canada in the Ottawa Trust Fund consist of:

- Capital trust money derived from non-renewable resource transactions on the sale of land or other Cree Nation tangible capital assets; and
- Revenue trust money generated primarily through land leasing transactions or interest earned on deposits held in trust.

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

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

The Cree Nation's original reserve land is recognized in the consolidated financial statements.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Automotive		5 years
Buildings		10-25 years
Equipment		5-10 years
Heavy equipment		10 years
Housing		20 years
Infrastructure		40 years
Roads		40 years

Assets under construction are not amortized until assets are put into service.

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Government Transfers

The Cree Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Cree Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other revenue

Rental revenue is recognized over the rental term. Other revenues from retail sales and services provided by the Cree Nation are recognized when retail sales and services have been provided, amounts are reasonably estimated and collectability is known. Investment income has been recognized in the period in which the investment income is received.



Beardy's and Okemasis Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Asset retirement obligation

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

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

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

The Cree Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Cree Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2023.

The Cree Nation is performing testing on previous landfill sites to identify possible contaminated sites to determine if any remediation will be required. The Cree Nation is of the belief that any remediation costs will be fully funded by the Government of Canada. No liability has been recorded at March 31, 2023.

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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Net financial assets

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

Retirement benefits

The Cree Nation and Willow Cree Health Services Corporation have a defined contribution pension plan covering substantially all full-time employees who have completed one year of service. There are no prior service costs. Employer contributions match participants' contributions to a maximum of 7.5% of an employee's salary. The Cree Nation follows the policy of funding retirement plan contributions as accrued. The Cree Nation's contributions totaled \$298,961 (2022 - \$273,963). Willow Cree Health Services Corporation's contributions totaled \$58,164 (2022 - \$63,738).



Beardy's and Okemasis Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Use of estimates

The preparation of financial statements in conformity with Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Accounts receivable, accrued liabilities and due from related parties are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

Asset retirement obligation

A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

Segments

The Cree Nation conducts its business through 9 reportable segments (Note 24). These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenues, where permitted by the funder.

Financial instruments

The Cree Nation recognizes its financial instruments when the Cree Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition the Cree Nation may irrevocably elect to subsequently measure at fair value financial instruments that meet certain criteria. The Cree Nation has designated portfolio investments to be subsequently measured at its fair value. Fair value is determined by the fair market value of the investments.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets are tested annually for impairment. Management considers recent collection experience for receivables, such as delinquency in payments, in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value.



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

4. Accounts receivable

	2023	2022
Innovation, Science and Economic Development Canada	476,333	857,400
Government of Saskatchewan	308,822	-
Ottawa Trust funds	300,000	-
Indigenous Services Canada	209,679	83,391
Northern Lights Community Development Corporation	150,986	42,593
Prairie Spirit School Division	122,169	151,547
Correction Services Canada	103,984	-
Other government agencies	46,547	19,760
Federation of Saskatchewan Indian Nations	44,419	27,419
Goods and services tax rebates	41,171	60,246
Other	40,954	137,423
Canada Mortgage and Housing Corporation	19,282	19,228
	<hr/>	<hr/>
	1,864,346	1,399,007
Less: Allowance for doubtful accounts	28,659	28,659
	<hr/>	<hr/>
	1,835,687	1,370,348

5. Restricted Cash

	2023	2022
Current		
ISC - Subdivision Drainage Improvement project	100	-
ISC - Subdivision Expansion Project	(144)	-
ISC - Band based capital	5,031	23,883
ISC - Water treatment upgrades	2,182,231	85,338
ISC - Solid Waste	215,386	-
ISC - Sewage Lagoon	3,725,746	473,679
Band - Veterans Hall Project	284,992	93,691
	<hr/>	<hr/>
	6,413,342	676,591
Long-term		
CMHC replacement reserve	359,961	353,402
CMHC operating reserve	368,600	368,600
	<hr/>	<hr/>
	728,561	722,002
	<hr/>	<hr/>
	7,141,903	1,398,593

6. Beardy's & Okemasis Legacy Trust

The Beardy's & Okemasis Legacy Trust was established by the Cree Nation from the compensation received from Canada upon settlement of the Cree Nation's Treaty Annuities Claim. The Trust assets are not available for general operations; their use is governed by the stipulations of the Trust Agreement and the trust assets are managed by a corporate trustee. The composition of the investments is outlined below.

	2023 Cost	2023 Fair Market Value	2022 Cost	2022 Fair Market Value
Cash and money market fund	116,776	116,776	134,785	134,785
Common stocks and mutual fund	3,428,208	3,664,354	3,504,718	3,948,691
Fixed income securities fund	2,510,231	2,276,838	2,441,638	2,300,813
	<hr/>	<hr/>	<hr/>	<hr/>
	6,055,215	6,057,968	6,081,141	6,384,289



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

7. Investments in Nation business entities

	2023	2022
Willow Cree Developments Limited Partnership	713,018	835,830
TIPI - IMI Insurance Partners - cost	9,800	9,800
Aboriginal Investment Consulting LP - cost	200	200
	<hr/>	<hr/>
	723,018	845,830

The Cree Nation has investments in the following entities:

	<i>March 31, 2022</i>	<i>Distributions</i>	<i>Income (loss)</i>	2023
				<i>Total investment</i>

Modified Equity

Willow Cree Developments Limited Partnership - 100% ownership

835,830 - (122,812) 713,018

Willow Cree Developments Limited Partnership was established by the Cree Nation for the purposes of economic development.

Summary financial information for Willow Cree Developments Limited Partnership, accounted for using the modified equity method, is as follows:

<i>Willow Cree Developments Limited Partnership As at March 31, 2023</i>	
<hr/>	
Assets	
Cash	741,381
Accounts receivable	100,309
Inventory	152,913
Investment	5
Property and equipment	782,730
Total assets	<hr/> 1,777,338
<hr/>	
Liabilities	
Accounts payable and accruals	947,073
Deferred revenue	24,178
Asset retirement obligations	93,069
Total liabilities	<hr/> 1,064,320
<hr/>	
Equity	713,018
<hr/>	
Total revenue	6,974,077
Total expenses	7,096,889
Net Income	<hr/> (122,812)



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

7. Investments in Nation business entities *(Continued from previous page)*

The Cree Nation's economic development entity, Willow Cree Developments, has undertaken the construction of a new gas bar and convenience store and is expected to be completed in August 2023. The project is budgeted to cost \$3,200,000.

Financing has been approved to a maximum of \$3,200,000 and will be termed out upon completion of the project; repayment terms at prime plus 1.50%, payable in monthly installments over 15 years. The Cree Nation has guaranteed \$3,200,000 of this long-term debt.

No financing was drawn at March 31, 2023 in relation to this project. Financing of \$2,504,711 has been drawn to July 24, 2023 in relation to the construction of the gas bar. No amount is recorded in the consolidated statements of the Cree Nation relating to the guarantee.

8. Ottawa Trust Fund

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.

	2023	2022
Capital Trust		
Balance, beginning and end of year	33,161	33,161
Revenue Trust		
Balance, beginning of year	814,085	308,303
Interest	42,165	31,386
Land leases	372,583	474,396
	1,228,833	814,085
Less: disbursements from trust	300,000	-
	928,833	814,085
	961,994	847,246

BCR 54 for 2022-23 is utilized for funerals and is noted in Schedule 2 of the consolidated financial statements. The \$300,000 transfer from Ottawa Trust is recorded as a receivable and was collected subsequent to year end.

9. Credit arrangements

The Nation has access to an operating line of credit to a maximum of \$200,000 which bears interest at First Nations Bank prime + 2.15% and is secured by assignment of Indigenous Services Canada funding. The Cree Nation had drawn \$nil (2022 - \$nil) against the operating line of credit at March 31, 2023.

10. Accounts payable and accruals

	2023	2022
Trade and accrued payables	2,219,330	950,255
Receiver General - Housing Project	-	516,046
Receiver General - GST	25,810	20,661
Receiver General - payroll withholdings	20,863	8,370
	2,266,003	1,495,332



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

11. Deferred Revenue

Deferred revenues represent the amount of funds received by the Cree Nation that relate to future fiscal periods or that must be spent on certain projects that are incomplete at year-end.

As at March 31, 2023 deferred revenues consist of amounts received for the following:

	<i>Balance, beginning of year</i>	<i>Amounts received</i>	<i>Amount expended in current year</i>	<i>Balance, end of year</i>
ISC - COVID Indigenous Business funding unexpended	205,373	-	155,915	49,458
ISC - COVID Basic Needs funding unexpended	1,152,755	-	278,663	874,092
ISC - COVID ICSF EMAP Funding	-	426,014	17,513	408,501
ISC - CDWAI funding	-	1,200,484	169,651	1,030,833
ISC - Bill C92 funding	-	550,000	-	550,000
ISC - FN Representative Services funding	-	410,350	-	410,350
ISC - Prevention funding	-	1,243,722	366,119	877,603
ISC - Housing Manager subsidy funding	-	51,588	-	51,588
ISC - Closing the Gap Activities funding	-	25,000	-	25,000
ISC - Basic Needs Inflation Relief funding	-	1,416,506	1,240,589	175,917
Total ISC funding:	1,358,128	5,323,664	2,228,450	4,453,342
ISC - Water Treatment Plant Project funding unexpended	500,469	2,072,625	414,947	2,158,147
ISC - Lagoon Project funding unexpended	355,042	177,552	-	532,594
ISC - Subdivision Drainage funding unexpended	100,000	-	19,338	80,662
ISC - Landfill Environmental Assessment funding unexpended	279,970	-	69,899	210,071
ISC - Sewage Lagoon Project unexpended	-	3,500,000	65,543	3,434,457
ISC - Subdivision Expansion Project unexpended	-	150,000	29,398	120,602
Total ISC capital funding:	1,235,481	5,900,177	599,125	6,536,533
FNIHB - Health COVID funding unexpended	418,269	-	418,269	-
Canadian Feed the Children funding unexpended	153,990	70,000	35,617	188,373
FSIN - Headstart and Daycare funding unexpended	660,690	1,088,990	1,059,877	689,803
College of Physicians - Opioid Program funding unexpended	107,529	183,536	88,897	202,168
BHP funding expended	-	445,000	219,600	225,400
Total other funding:	1,340,478	1,787,526	1,822,260	1,305,744
	3,934,087	13,011,367	4,649,835	12,295,619

12. Flood Claim and Treaty 6 Agricultural Claim loan

The Cree Nation is seeking compensation by the Crown for flood claim damage to the Cree Nation due to redirection of water ways. The balance payable represents funds advanced by the Government of Canada to the Cree Nation to finance its costs to pursue the claim. The loan is non-interest bearing and is to be repaid the earlier of March 31, 2025 or the date on which the claim is settled.

The Cree Nation is also seeking compensation by the Crown for agricultural damage and loss of income to the Cree Nation. The balance payable represents funds advanced by the Government of Canada to the Cree Nation to finance its costs to pursue the claim. The loan is non-interest bearing and is to be repaid the earlier of March 31, 2027 or the date on which the claim is settled.



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

13. Long-term debt

	2023	2022
First Nations Bank loan to refinance existing loans. Payable in quarterly instalments of \$132,375 principal plus monthly interest payments at prime plus 0.30% (2023 - 7.00%, 2022 - 4.00%) and matures July 2027. Secured by First Nations Trust and ISC funding.	2,382,750	2,912,250
Canada Mortgage and Housing Corporation loan advance on five unit project. Secured by a ministerial guarantee. Terms to be established upon completion of the project.	541,995	523,384
Canada Mortgage and Housing Corporation mortgage for CMHC Phase IX housing, payable in monthly instalments of \$6,084 including interest at 1.12% and matures March 2031. Secured by a ministerial guarantee.	558,453	624,817
Canada Mortgage and Housing Corporation mortgage for CMHC Phase XI housing, payable in monthly instalments of \$4,010 including interest at 0.96% and matures March 2036. Secured by a ministerial guarantee.	558,281	600,542
Canada Mortgage and Housing Corporation mortgage for CMHC Phase VIII housing, payable in monthly instalments of \$2,414 including interest at 1.13% and matures September 2035. Secured by a ministerial guarantee.	337,549	362,555
Canada Mortgage and Housing Corporation mortgage for CMHC Phase V housing, payable in monthly instalments of \$1,895 including interest at 2.39% and matures December 2027. Secured by a ministerial guarantee.	102,116	122,087
Canada Mortgage and Housing Corporation mortgage for CMHC Phase IV housing, payable in monthly instalments of \$2,238 including interest at 2.22% and matures September 2026. Secured by a ministerial guarantee.	90,356	115,008
Canada Mortgage and Housing Corporation mortgage for CMHC Phase VII housing, payable in monthly instalments of \$1,768 including interest at 1.22% and matures June 2029. Secured by a ministerial guarantee.	76,674	91,154
Canada Mortgage and Housing Corporation mortgage for CMHC Phase VII housing, payable in monthly instalments of \$1,768 including interest at 1.22% and matures June 2029. Secured by a ministerial guarantee.	127,654	147,193
First Nations Bank loan for the purchase of an ice plant; repaid during the year.	-	267,143
First Nations Bank loan for the purchase of capital equipment; repaid during the year.	-	166,237
First Nations Bank loan for the purchase of two buses; repaid during the year.	-	11,448
	4,775,828	5,943,818
<u>Less: less: current portion</u>	744,000	878,000
	4,031,828	5,065,818



Beardy's and Okemasis Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

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

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	Principal
2024	744,000
2025	747,000
2026	751,000
2027	741,000
2028	724,000

14. Contingency

In 2021, the Cree Nation ended its relationship with a professional services firm representing the Cree Nation in litigation against Canada. The former service provider has claimed fees of approximately \$1,200,000. Of this amount \$600,000 has been accrued in the financial statements of the Cree Nation. In addition to the amount noted above, the firm also asserts that it is entitled to additional compensation based on a contingency fee arrangement calculated as a percentage of any settlement amount received by the Cree Nation. There are two active Specific Claims and one settled claim against Canada. Each of the two Specific Claims are in varying stages and have not yet been settled. No amount has been recognized by management in the financial statements on account of contingency fees.

The Cree Nation is disputing the amounts claimed as owed for services rendered to date and also is contesting the validity of the contingency fee arrangement claimed by the former service provider. Should any liability be determined, it will be recorded in the period it becomes known.

The RBC loans used to finance the Treaty 6 Agricultural Benefits Claim and the Flood Claim were paid from insurance proceeds during the 2022 fiscal year amounting to approximately \$2,900,000. Proceeds of which are recorded as an other item on the 2022 consolidated statement of operations and accumulated surplus. There is uncertainty as to whether the surety will seek to recover any of the amounts paid to settle the debts with RBC. Should any amounts be determined to be owing, they will be recorded when they become known.

15. Contingent assets

On December 22, 2021, the Federal Court of Canada has approved a settlement between Canada and certain First Nations and their members who were subject to a drinking water advisory that lasted at least one year between November 20, 1995, and June 20, 2021. The Cree Nation is participating in the settlement class.

The Cree Nation is unable to reasonably estimate a value or range of outcomes for the settlement because it is in part based on individual impacted members' claims which can be filed up to March 7, 2024. As at March 31, 2023 the Cree Nation has received \$500,000 upon initial acceptance of the settlement agreement.

16. Subsequent event

Subsequent to year end, Canada Mortgage and Housing Corporation advanced to the Cree Nation \$897,921 as a loan towards completion of the Phase 13 Housing Project.



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

17. Asset retirement obligation

The First Nation maintains various tangible capital assets that are used in the provision of services to its membership. Among these assets are various buildings and housing units which the Nation is responsible for maintaining and ultimately for decommissioning from service. Certain of these assets were constructed using materials which have since been established to be hazardous materials. The First Nation is required to perform remediation activities on these assets which contain hazardous materials upon retirement of these assets from service. The Nation anticipates that on average these remediation activities will occur in ten years and has recognized a liability for the asset retirement obligation with a corresponding amount capitalized as an asset retirement cost and added to the carrying value of the buildings and housing units. The asset retirement cost is amortized on a straight-line basis over the expected useful life of the buildings and housing units.

The First Nation has estimated the amount of its asset retirement obligation liability based on cost information available as at the financial statement date to complete the remediation activities. This estimate is then adjusted for inflation to determine the future expected costs to remediate these assets. The amount of the future undiscounted asset retirement obligation liability in ten years is estimated at \$2,300,000. A discount rate of 12% has been applied to the estimated future cost to determine the present value of the estimated liability as at April 1, 2022. An initial amount of \$1,272,350 has been recognized as the asset retirement obligation liability related to the buildings and housing units.

	2023	2022
Liabilities incurred	1,272,350	-
Accretion	223,500	-
Change in estimated cash flows	(199,500)	-
Balance, end of year	1,296,350	-

18. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

The following are details about the Cree Nation's capital projects:

Project	Amount Expended to date	Budget for the project
Water Treatment Plant Upgrades	2,420,502	5,360,850
Veterans Hall Project	1,536,568	1,506,706
Tipi Lodges	293,350	611,350
WIFI Project	2,208,759	2,157,285
Sewage Lagoon Project	510,501	6,462,000
Youth Centre	181,730	370,000
Post Building	109,775	109,775
Subdivision expansion project	29,398	150,000
Subdivision drainage improvements	19,338	100,000
Headstart Building	184,084	175,000
CMHC Phase 12	828,216	611,350
CMHC Phase 13	1,401,481	997,690
CMHC Phase 14	618,953	845,000
CMHC Phase 15	676,476	1,249,500



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

19. Accumulated surplus

Accumulated surplus consists of the following:

	2023	2022
Ottawa Trust Fund	961,994	847,246
Unexpended Ottawa Trust Fund	162,320	162,320
CMHC reserves	816,481	647,050
Equity in tangible capital assets	37,061,813	31,249,159
Investments in Nation business entities	723,018	845,830
Movable Asset Reserve (Note 20)	24,640	18,652
Operating surplus	6,480,915	8,677,708
	46,231,181	42,447,965

20. Movable Asset Reserve (MAR)

Included in the accumulated surplus of the Cree Nation is the Movable Asset Reserve. The MAR is required as part of the Cree Nation's funding agreement with First Nations and Inuit Health Branch of Canada.

	2023	2022
Balance, beginning of year	18,652	12,782
MAR allocation	5,988	5,870
	24,640	18,652

21. Economic dependence

Beardy's and Okemasis Cree Nation receives a significant portion of its revenue from Indigenous Services Canada as a result of Treaties entered into with the Government of Canada. These treaties are administered by Indigenous Services Canada under the terms and conditions of the Indian Act. The ability of the Cree Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.



Beardy's and Okemasis Cree Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

22. Indigenous Services Canada Reconciliation

	2023	2022
Program funding per Indigenous Services Canada confirmation	29,439,491	20,477,001
Willow Cree Health program funding per Indigenous Services Canada confirmation	4,980,421	5,362,017
Unexpended Willow Cree Health funds - prior year	418,269	369,018
Unexpended Willow Cree Health funds - current year	-	(418,269)
Recovery of funding	-	(96,503)
Unexpended capital funds - current year (Note 11)	(6,536,533)	(1,235,481)
Unexpended capital funds - prior year (Note 11)	1,235,481	938,643
Unexpended ISC funds - current year (Note 11)	(4,453,342)	(1,358,128)
Unexpended ISC funds - prior year (Note 11)	1,358,128	675,027
Unexpended Community Development funding from prior year (Note 11)	-	42,500
ISC Basic Needs 2022 reconciliation	(75,151)	75,151
2022 Social Employment and Training pooled funding not earned	-	(221,682)
2022 Social Employment and Training pooled funding earning and received in 2023	158,000	-
2022 Immediate Needs funding not earned	-	(570,931)
2023 Immediate Needs pooled funding not earned	(952,243)	-
2022 Immediate Needs funding earning in 2023	570,931	-
2023 Institutional Care reconciliation	19,105	-
 Funding per financial statements	 26,162,557	 24,038,363

23. Related party transactions

During the year, the Cree Nation made purchases of \$175,398 (2022 - \$165,547) from Blackhawks Gas LP. The goods were purchased in the normal course of operations. Blackhawks Gas LP is owned by Willow Cree Developments Limited Partnership and included in its results (Note 7). Willow Cree Developments Limited Partnership is owned by the Cree Nation.

24. Segments

The Nation conducts its business through nine reportable segments:

- Band Administration - includes the administration and governance activities of the Nation.
- Economic Development - includes the activities of the Nation's economic development initiatives and its business entities.
- Education - includes the operations of education programs.
- Justice - includes the activities of the justice program.
- Land Management - includes all operations and activities relating to management of agricultural land leases and provides assistance to community members.
- Public Works - includes the operations, maintenance and construction of infrastructure assets of the Nation.
- Social Development - includes the activities relating to income assistance for membership.
- Sports and Recreation - includes the operations, maintenance and activities relating to the Sports and Recreation department.
- Willow Cree Health Services Corporation - includes the operations of health programs.

There are no revenues or expenses that have not been allocated to a segment.



Beardy's and Okemasis Cree Nation **Notes to the Consolidated Financial Statements** *For the year ended March 31, 2023*

25. Budget information

The disclosed budget information has been approved by the Chief and Council of the Beardy's and Okemasis Cree Nation at the Chief and Council budget meeting on March 29, 2022 except the Willow Cree Health Services Corporation budget amounts.

The Willow Cree Health Services Corporation budget has been approved by its Board of Directors at a meeting held on March 18, 2022.

The consolidated budget does not include budgets for capital projects. The capital projects are managed by individuals who are contracted on behalf of the Cree Nation to administer funds for projects funded by ISC. The Cree Nation does not include these projects in its consolidated budget as there is a separate funding application for each project which includes a project budget.

The consolidated budget does not include budgets for amortization expenses.

The consolidated budget does not include budgets for grants and donations as funding applications are submitted for each proposal separately from the approved budget.

26. Compliance with authorities

The Cree Nation operates a retail operation that involves the sale of cannabis and related products. Under the terms of the Cannabis Act operators are required to obtain a license to operate the dispensary. The Cree Nation has chosen to not obtain a license from the Province of Saskatchewan. It is unclear if the Cannabis Act addresses the issue of licensing on-reserve retail dispensaries. Unless existing legislation is amended, new legislation is passed, or the Supreme Court of Canada issues a decision on the matter, contingent liabilities may result from the Cree Nation not following the Cannabis Act. Should the Supreme Court of Canada issue a decision requiring a license, the Cree Nation will obtain the required license.

27. Financial Instruments

The Cree Nation as part of its operations carries a number of financial instruments. It is management's opinion that the Cree Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of accounts receivable represents the maximum exposure to credit risk.

Risk management

The Cree Nation manages its credit risk by performing regular assessments and providing allowances for potentially uncollectible accounts, which was \$28,659 (2022 - \$28,659). The Cree believes there is limited credit risk as the majority of accounts receivable is due from the Government of Canada and other public service entities.



Beardy's and Okemasis Cree Nation Notes to the Consolidated Financial Statements *For the year ended March 31, 2023*

27. Financial Instruments *(Continued from previous page)*

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The First Nation is exposed to interest rate risk primarily through its long-term debt, and marketable securities. In seeking to minimize the risks from interest rate fluctuations, the Cree Nation manages exposure through obtaining debt with a combination of fixed and variable rates, entering into agreements with Canada Mortgage and Housing Corporation (CMHC) to provide subsidy for the payment of principal and interest on the related loans from CMHC, and obtaining marketable securities with varying maturity dates.

Liquidity Risk

Liquidity risk is the risk that the Cree Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash. The Cree Nation enters into transactions to purchase goods and services for which repayment is required at various dates.

The Cree Nation manages the liquidity risk resulting from accounts payable and accruals, and deferred revenue by collecting accounts receivable, maintaining liquid assets and through an authorized operating line of credit of up to \$200,000.



Beardy's and Okemasis Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Assets under construction</i>	<i>Automotive</i>	<i>Buildings</i>	<i>Equipment</i>	<i>Heavy equipment</i>	
						<i>Subtotal</i>
Cost						
Balance, beginning of year						
Balance, beginning of year	5,540,346	2,956,174	21,197,605	1,213,206	1,056,200	31,963,531
Acquisition of tangible capital assets - Note 18	5,478,782	624,194	438,239	298,548	-	6,839,763
Recognition of asset retirement obligation	-	-	-	-	-	-
Balance, end of year	11,019,128	3,580,368	21,635,844	1,511,754	1,056,200	38,803,294
Accumulated amortization						
Balance, beginning of year						
Balance, beginning of year	-	2,300,120	17,114,149	771,213	685,114	20,870,596
Annual amortization	-	291,312	322,779	97,475	69,150	780,716
Balance, end of year	-	2,591,432	17,436,928	868,688	754,264	21,651,312
Net book value of tangible capital assets	11,019,128	988,936	4,198,916	643,066	301,936	17,151,982
Net book value of tangible capital assets March 31, 2022	5,540,346	656,054	4,083,456	441,993	371,086	11,092,935



Beardy's and Okemasis Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Housing</i>	<i>Infrastructure</i>	<i>Roads</i>	<i>Land - 51,004 acres</i>	<i>Asset Retirement Cost</i>	<i>Asset Retirement Cost</i>	<i>Subtotal</i>
Cost								
Balance, beginning of year								
Balance, beginning of year	31,963,531	14,977,462	6,698,167	4,331,664	7,021,194	-	64,992,018	
Acquisition of tangible capital assets - Note 18	6,839,763	-	-	-	-	-	6,839,763	
Recognition of asset retirement obligation	-	-	-	-	-	1,272,350	1,272,350	
Balance, end of year	38,803,294	14,977,462	6,698,167	4,331,664	7,021,194	1,272,350	73,104,131	
Accumulated amortization								
Balance, beginning of year								
Balance, beginning of year	20,870,596	7,568,210	1,690,161	436,713	-	-	30,565,680	
Annual amortization	780,716	486,739	167,464	105,908	-	127,245	1,668,072	
Balance, end of year	21,651,312	8,054,949	1,857,625	542,621	-	127,245	32,233,752	
Net book value of tangible capital assets	17,151,982	6,922,513	4,840,542	3,789,043	7,021,194	1,145,105	40,870,379	
Net book value of tangible capital assets March 31, 2022	11,092,935	7,409,252	5,008,006	3,894,951	7,021,194	-	34,426,338	



Beardy's and Okemasis Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>2023 Actual</i>	<i>2022 Actual</i>
Cost			
Balance, beginning of year	64,992,018	64,992,018	59,309,767
Acquisition of tangible capital assets - Note 18	6,839,763	6,839,763	5,682,251
Recognition of asset retirement obligation	1,272,350	1,272,350	-
Balance, end of year	73,104,131	73,104,131	64,992,018
Accumulated amortization			
Balance, beginning of year	30,565,680	30,565,680	28,801,564
Annual amortization	1,668,072	1,668,072	1,764,116
Balance, end of year	32,233,752	32,233,752	30,565,680
Net book value of tangible capital assets	40,870,379	40,870,379	34,426,338
Net book value of tangible capital assets March 31, 2022	34,426,338	34,426,338	



Beardy's and Okemasis Cree Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2023

	2023	2022
Administration	148,384	151,046
Amortization	1,692,072	1,764,116
Automotive	301,983	183,434
Bad debts	-	71,819
Bank charges and interest	86,598	92,704
Contracted services	1,516,210	1,149,973
Cultural	17,513	-
Equipment	354,630	246,831
Events	1,025,039	638,054
Financial assistance	35,945	96,542
Funeral	315,536	263,246
Institutional care	182,527	106,597
Insurance	510,693	430,273
Interest on long-term debt	196,804	121,997
Meetings and honouraria	269,088	222,770
Per capita distribution	2,677,343	1,293,432
Professional fees	804,957	510,864
Professional fees - claims	180,233	310,950
Program expense	1,196,228	337,965
Rent	132,408	13,670
Repairs and maintenance	2,381,457	1,398,466
Retail expenses	307,471	-
Salaries and benefits	10,615,225	9,585,131
Social assistance	4,059,082	3,004,015
Student assistance	1,087,117	968,764
Student expenses	82,535	30,314
Subcontracts	37,590	-
Supplies	3,194,705	2,191,881
Telephone	72,229	169,394
Training	1,205,402	461,392
Travel	776,327	598,678
Tuition	583,390	412,285
Utilities	637,250	451,590
	36,683,971	27,278,193



Beardy's and Okemasis Cree Nation
Band Administration
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	1,460,964	2,396,759
Lease income	969,910	886,022
Chief and Headmen Salary Claim Settlement	4,101,048	-
First Nations Trust	1,319,077	591,353
Retail sales	616,201	-
First Nations Drinking Water Settlement	500,000	-
Other	394,189	197,186
Investment income - Legacy Trust	256,821	331,342
Other government agencies	249,525	-
Federation of Sovereign Indigenous Nations	17,000	25,500
Government of Saskatchewan	5,119	-
	9,889,854	4,428,162
Expenses		
Administration	(905,802)	(851,485)
Automotive	12,818	14,500
Bad debts	-	51,400
Bank charges and interest	76,784	91,911
Contracted services	117,557	88,139
Equipment	4,390	-
Events	210,683	232,731
Financial assistance	14,557	84,736
Funeral	315,536	263,246
Insurance	343,985	21
Interest on long-term debt	152,953	111,064
Meetings and honouraria	24,020	35,837
Per capita distribution	2,677,343	1,293,432
Professional fees	251,642	304,164
Professional fees - claims	180,233	310,950
Program expense	903,622	83,691
Repairs and maintenance	149,180	93,031
Retail purchases	307,471	-
Salaries and benefits	1,129,501	1,169,675
Student expenses	950	6,184
Subcontracts	36,340	-
Supplies	343,097	524,339
Telephone	-	79,013
Training	21,649	9,593
Travel	205,755	160,569
Utilities	86,120	340
	6,660,384	4,157,081
Surplus before other income and transfers	3,229,470	271,081
Other income		
Loan insurance proceeds	-	2,912,752
Transfers between programs	(360,299)	-
Surplus	2,869,171	3,183,833



Beardy's and Okemasis Cree Nation
Economic Development
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	303,515	258,917
Lease income	32,437	56,280
Innovation, Science and Economic Development Canada	1,092,074	857,400
BHP Billiton	219,600	312,500
Other	8,902	158,234
Other government agencies	-	133,000
Earnings (loss) from investment in Nation business entities	(122,812)	314,147
	1,533,716	2,090,478
Expenses		
Administration	5,059	4,963
Automotive	2,448	-
Contracted services	38,365	2,201
Events	23,250	27,317
Meetings and honouraria	14,278	12,406
Professional fees	74,122	26,860
Program expense	200	15,076
Rent	3,625	-
Repairs and maintenance	38,544	21,068
Salaries and benefits	143,943	171,883
Supplies	41,265	55,759
Telephone	3,550	550
Training	5,476	6,630
Travel	24,234	30,033
Utilities	5,918	6,970
Transfers between programs	117,935	-
Surplus	1,227,374	1,708,762



Beardy's and Okemasis Cree Nation
Education
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	9,434,101	8,628,844
Prairie Spirit School Division	377,686	544,116
Saskatchewan Indian Training Assessment Group Inc.	350,200	454,775
Federation of Sovereign Indigenous Nations	1,059,879	281,527
Government of Saskatchewan	40,236	19,441
Daycare fees	25,670	22,145
Other	2,483	54,008
	11,290,255	10,004,856
Expenses		
Administration	823,772	811,807
Amortization	314,903	702,815
Automotive	97,795	56,651
Bank charges and interest	141	119
Contracted services	238,927	241,713
Equipment	249,914	151,941
Events	194,155	68,096
Financial assistance	21,388	11,806
Insurance	48,382	46,310
Meetings and honouraria	10,107	12,214
Professional fees	54,779	22,780
Program expense	50,456	5,250
Repairs and maintenance	297,456	137,230
Salaries and benefits	5,491,280	4,638,306
Student assistance	1,079,166	959,224
Student expenses	81,585	24,130
Supplies	742,159	650,952
Telephone	1,097	4,624
Training	556,376	155,867
Travel	39,216	23,538
Tuition	583,390	412,285
Utilities	239,118	181,806
	11,215,562	9,319,464
Surplus before transfers	74,693	685,392
Transfers between programs	(425,462)	-
Surplus (deficit)	(350,769)	685,392



Beardy's and Okemasis Cree Nation
Justice
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Lease income	4,883	600
Department of Justice Canada	96,571	29,661
Saskatchewan Ministry of Justice	42,428	65,543
Department of Justice - RCMP rent	24,375	32,219
Other	220	7,644
	168,477	135,667
Expenses		
Automotive	166	-
Contracted services	4,550	2,013
Meetings and honouraria	3,212	675
Professional fees	3,600	2,515
Repairs and maintenance	1,551	140
Salaries and benefits	72,962	69,946
Supplies	18,090	18,081
Training	31,662	26,283
Travel	5,867	6,511
Utilities	-	248
	141,660	126,412
Surplus	26,817	9,255



Beardy's and Okemasis Cree Nation
Land Management
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	244,132	226,619
Expenses		
Administration	12,000	7,200
Automotive	756	-
Contracted services	4,081	1,403
Cultural	17,513	-
Equipment	-	3,500
Meetings and honouraria	1,291	3,900
Professional fees	6,000	7,000
Repairs and maintenance	650	-
Salaries and benefits	143,991	149,871
Subcontracts	1,250	-
Supplies	5,949	12,986
Telephone	1,000	600
Training	6,415	12,433
Travel	17,721	10,258
Utilities	-	4,800
	218,617	213,951
Surplus	25,515	12,668



Beardy's and Okemasis Cree Nation
Public Works
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	3,723,308	3,660,197
Canada Mortgage and Housing Corporation	250,108	2,089,145
Lease income	16,500	18,000
Investing in Canada Infrastructure Program	995,082	-
Other	214,936	247,801
House rental income	152,271	182,002
Government of Saskatchewan	53,454	132,590
	5,405,659	6,329,735
Expenses		
Accretion and Amortization	1,160,173	866,499
Administration	153,124	-
Automotive	84,943	51,787
Bank charges and interest	-	149
Contracted services	343,217	437,208
Equipment	91,166	-
Insurance	-	328,729
Interest on long-term debt	43,851	10,933
Meetings and honouraria	197	4,638
Professional fees	3,150	12,600
Program expense	229,694	221,218
Repairs and maintenance	1,741,852	1,060,127
Salaries and benefits	584,835	591,758
Supplies	98,983	63,131
Telephone	1,700	850
Training	2,489	1,566
Travel	5,906	11,146
Utilities	194,414	173,769
	4,739,694	3,836,108
Surplus before transfers	665,965	2,493,627
Transfers between programs	433,316	-
Surplus	1,099,281	2,493,627



Beardy's and Okemasis Cree Nation
Social Development
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	5,597,847	3,650,764
Correction Services Canada	320,931	305,288
Other	10,400	50,509
	5,929,178	4,006,561
Expenses		
Administration	48,815	155,868
Automotive	3,121	-
Bank charges and interest	5,728	-
Contracted services	615	1,305
Events	3,000	3,600
Institutional care	182,527	106,597
Insurance	43,972	-
Meetings and honouraria	-	300
Professional fees	36,765	-
Program expense	12,256	12,730
Rent	108,728	-
Repairs and maintenance	48,000	-
Salaries and benefits	651,453	361,929
Social assistance	4,059,082	3,004,015
Student assistance	7,951	9,540
Supplies	36,630	16,891
Telephone	600	600
Training	156,840	23,515
Travel	48,816	9,308
	5,454,899	3,706,198
Surplus before transfers	474,279	300,363
Transfers between programs	(44,125)	-
Surplus	430,154	300,363



Beardy's and Okemasis Cree Nation
Sports and Recreation
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Lease income	25,655	9,995
Northern Lights Community Development Corporation	149,230	92,973
Other	17,050	16,115
Federation of Sovereign Indigenous Nations	-	11,342
	191,935	130,425
Expenses		
Automotive	3,488	3,821
Contracted services	2,912	4,788
Events	190,285	7,571
Repairs and maintenance	67,886	18,856
Salaries and benefits	91,823	66,024
Supplies	22,287	27,050
Telephone	150	450
Training	(496)	4,405
Travel	14,096	4,778
Utilities	92,895	63,923
	485,326	201,666
Deficit before transfers	(293,391)	(71,241)
Transfers between programs	278,635	-
Deficit	(14,756)	(71,241)



Beardy's and Okemasis Cree Nation
Willow Cree Health Services Corporation
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023 <i>Actual</i>	2022 <i>Actual</i>
Revenue		
Indigenous Services Canada	5,398,690	5,216,263
Public Health Agency of Canada	100,000	100,000
Correction Services Canada	125,000	-
Other	86,141	79,744
Federation of Sovereign Indigenous Nations	12,500	-
College of Physicians and Surgeons of Saskatchewan	88,897	85,038
	5,811,228	5,481,045
Expenses		
Administration	11,416	22,693
Amortization	216,996	194,802
Automotive	96,448	56,675
Bad debts	-	20,419
Bank charges and interest	3,945	525
Contracted services	765,986	371,203
Equipment	9,160	91,390
Meetings and honouraria	215,983	152,800
Insurance	74,354	55,213
Professional fees	374,899	134,945
Rent	20,055	13,670
Repairs and maintenance	36,338	68,014
Salaries and benefits	2,305,437	2,365,739
Supplies	1,886,245	822,692
Telephone	64,132	82,707
Training	424,991	221,100
Travel	414,716	342,537
Utilities	18,785	19,734
Events	403,666	298,739
	7,343,552	5,335,597
Surplus (deficit)	(1,532,324)	145,448