

James Smith Cree Nation

Consolidated Financial Statements

March 31, 2019

James Smith Cree Nation

Management's Responsibility for Financial Reporting

March 31, 2019

The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and the reporting requirements of the funding agreement with Indigenous Services Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the presentation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

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

McClelland Debusschere CPA PC Inc., an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

Signature On File

James Smith Cree Nation

August 30, 2019

Date

Signature On File

Chakastaypasin Band of the Cree Nation

August 30, 2019

Date

Signature On File

Peter Chapman Band

August 30, 2019

Date



McClelland Debusschere

Chartered Professional Accountants
Assurance Tax Advisory

Independent Auditors' Report

To the Members
James Smith Cree Nation

Opinion

We have audited the consolidated financial statements of James Smith Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated Statements of operations, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of James Smith Cree Nation as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with the applicable financial reporting framework.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the applicable financial reporting framework, 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 these 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 a 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 to do so.

Those charged with governance are responsible for overseeing the cree 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 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 Group to express an opinion on the 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.



McClelland Debusschere
CPA PC Inc

Saskatoon, SK
August 28, 2019

Chartered Professional Accountants

James Smith Cree Nation

Consolidated Statement of Financial Position

March 31, 2019

	2019	2018
Financial Assets		
Restricted assets (Note 2)	5,213,301	6,257,477
Investments (Note 3)	186,994	175,000
Trust funds held by federal government (Note 4)	98,721	20,119
Accounts receivable (Note 5)	600,640	283,541
Due to/from related entities (Note 6)	56,427	106,080
Investment in government business enterprises (Note 7)	<u>(625,832)</u>	<u>(364,891)</u>
Total financial assets	5,530,251	6,477,326
Liabilities		
Bank indebtedness (Note 8)	313,238	572,924
Accounts payable and accrued liabilities (Note 9)	244,775	806,170
Deferred revenue (Note 10)	3,179,375	4,566,431
Obligations under capital lease (Note 11)	408,201	-
Long term debt (Note 12)	<u>6,080,988</u>	<u>5,672,476</u>
Total liabilities	10,226,577	11,618,001
Net Debt	(4,696,326)	(5,140,675)
Non-financial assets		
Capital assets (Note 13)	24,816,020	23,773,320
Prepaid expenses	<u>2,697</u>	<u>2,560</u>
Total non-financial assets	24,818,717	23,775,880
Accumulated Surplus (Note 14)	20,122,391	18,635,205
Contingencies (Note 20)		

Approved on behalf of the James Smith Cree Nation:

Signature On File _____, James Smith Cree Nation

Signature On File _____, Chakastaypasin Band of the Cree Nation

Signature On File _____, Peter Chapman Band

The accompanying notes are an integral part of these financial statements.

James Smith Cree Nation

Consolidated Statement of Operations

For the Year Ended March 31, 2019

	2019 Budget (Note 24)	2019 Actual	2018
Revenue			
Indigenous Services Canada (ISC) (Note 15)	9,746,599	9,768,481	9,186,248
Health Canada Agreement	-	3,337,168	2,862,301
CMHC - Subsidy	363,752	375,081	155,505
CMHC - RRAP	-	9,035	159,629
Rental Income - CMHC units	98,260	141,300	88,555
CMHC - Other	-	42,320	-
First Nations Trust from sectors	-	-	50,000
Prince Albert Grand Council (PAGC)	1,082,214	1,562,841	1,405,858
Funds earned & held by Federal government	-	572,882	610,348
Earnings (loss) from investments in GBE	-	(260,114)	(491,915)
Admin fees	-	217,451	251,237
Interest Revenue	200	81,579	17,622
Other Revenue	67,000	344,488	235,065
Northern Lights CDC	-	-	28,750
Province of Saskatchewan	-	27,416	63,000
Recovery of unexpended funds	-	(16,453)	-
Gain on sale of capital assets	-	11,640	-
Unexpended Funds - current year	-	(213,094)	(170,190)
Unexpended funds - prior year	-	170,190	66,944
Deferred Revenue - current year	-	(2,966,281)	(4,396,241)
Deferred revenue - prior year	-	4,396,241	6,921,548
Total revenue	11,358,025	17,602,171	17,044,264
Expenses			
Community Development (Schedule 1)	1,534,152	2,442,815	2,606,437
Economic Development (Schedule 2)	-	32,742	148,213
Education (Schedule 3)	4,944,863	4,898,935	4,960,252
Indian Government Support (Schedule 4)	1,150,033	1,176,850	993,802
Land Management (Schedule 5)	143,533	154,713	218,064
Social Development (Schedule 6)	2,607,325	2,506,131	2,517,813
Indian Registration (Schedule 7)	26,299	26,299	25,667
Health Programs (Schedule 8)	-	3,844,759	3,699,741
CMHC Housing (Schedule 9)	462,212	382,862	550,672
Band Programs (Schedule 10)	21,677	648,879	657,748
10,890,094	16,114,985	16,378,409	
Current surplus (deficit)	(467,931)	1,487,186	665,855
Accumulated surplus - Beginning of year	-	18,635,205	17,969,350
Accumulated surplus - End of year	-	20,122,391	18,635,205
Expense by object (Note 18)			

The accompanying notes are an integral part of these financial statements.

James Smith Cree Nation

Statement of Changes in Net Debt

For the Year Ended March 31, 2019

	2019	2018
Annual surplus (deficit)	1,487,186	665,855
Tangible Capital Asset Additions	(2,149,457)	(7,202,367)
Tangible Capital Asset Disposals/Transfer	-	4,132,728
Amortization	1,106,758	1,101,701
	444,487	(1,302,083)
Decrease (increase) in prepaid expenses	(138)	3,940
Change in Net Debt	444,349	(1,298,143)
Beginning balance, Net Debt	(5,140,675)	(3,842,532)
Ending balance, Net Debt	(4,696,326)	(5,140,675)

The accompanying notes are an integral part of these financial statements.

James Smith Cree Nation

Consolidated Statement of Cash Flows

For the Year Ended March 31, 2019

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) for the period	1,487,186	665,855
Non-cash items:		
Amortization	1,106,758	1,101,701
Income from investment in government business enterprise	260,941	491,915
Change in working capital items:		
Change in prepaid expenses	(137)	3,940
Change in accounts payable and accrued liabilities	(561,395)	(67,427)
Change in deferred revenue	(1,387,056)	(2,422,061)
Change in receivables	(317,098)	377,932
Change in obligations under capital lease	408,201	-
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	997,400	151,855
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in restricted assets	1,044,176	2,090,041
Change in Trust funds held by federal government	(78,602)	(18,773)
Change in investment in GIC's	(11,994)	-
Capital asset purchases	(2,149,457)	(7,202,366)
Capital assets disposals/transfers	-	4,132,728
NET CASH USED BY INVESTING ACTIVITIES	(1,195,877)	(998,370)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds of long-term debt	408,512	221,180
Change in due to/from related entities	49,651	(34,330)
NET CASH USED BY FINANCING ACTIVITIES	458,163	186,850
Net increase (decrease) in cash	259,686	(659,665)
Cash at beginning of period	(572,924)	86,741
Cash at end of period	(313,238)	(572,924)

The accompanying notes are an integral part of these financial statements.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

1 Significant Accounting Policies

James Smith Cree Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include James Smith Cree Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

The reporting entity James Smith Cree Nation is governed by elected officials from the James Smith Cree Nation, the Chakastaypasin Band of the Cree Nation and the Peter Chapman Band. These financial statements include the activities that these three First Nation sectors are involved in on a "collective" basis. These are activities in which all three sectors pool their resources (assets, liabilities, revenues and expenses) and participate in the management of these resources. It does not include activities that an individual sector may undertake on an individual basis.

a Basis of Accounting

These financial statements have been prepared in accordance with CPA Canada public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Standards Board in Canada.

b Reporting entity

The James Smith Cree Nation reporting entity includes only the activities in which all three of the First Nations pool their resources (assets, liabilities, revenues and expenses) and participate in the management of these resources.

c Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

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

James Smith Cree Nation
James Smith Cree Nation CMHC Housing

Under the modified equity method of accounting, only James Smith Cree Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of James Smith Cree Nation.

Organizations accounted for on a modified equity basis include:

Pehonan Hydro Development LP
Fort a la Corne Ventures LP

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

1 Significant Accounting Policies (continued)

d Cash and cash equivalents

i Cash and short-term investments with maturity less than 90 days

Cash is defined as cash on hand, balances with banks net of bank overdrafts, and short-term investments with maturity dates of less than 90 days at acquisition which are held for the purpose of meeting short-term cash commitments. The cree nation's short-term investments are considered to be cash equivalents and are recorded at cost, which approximates current market value.

ii Restricted assets

Any cash or investment that is legally restricted from use is recorded in restricted assets. Cash and deposits are considered restricted when they are subject to contingent rights of third parties. If the restriction on cash or investments relates to acquiring a long-term asset, liquidating a long-term liability or is unavailable for a period longer than one year from the balance sheet date, the restricted cash or investment is classified as a long-term asset. Otherwise, restricted cash is classified as a current asset.

e Receivables

i Allowance based on specific accounts and management review

The cree nation provides an allowance for uncollectible accounts based upon prior experience and management's assessment of the collectibility of existing specific accounts.

ii Advances for personal use no interest charged

The cree nation has amounts due from employees. The loans are non-interest bearing with monthly payments made through payroll withholding.

f Financial instruments

i Fair values not materially different from book values

The cree nation has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

ii Loans at floating rate of interest

The cree nation is exposed to interest rate cash flow risk to the extent that its loans payable are at a floating rate of interest. The cree nation is also exposed to interest rate price risk to the extent that agreements receivable are at a fixed rate of interest.

iii Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. To manage this risk, the cree nation maintains a portion of its invested assets in liquid securities.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

1 Significant Accounting Policies (continued)

f Financial instruments (continued)

iv Market risk

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the company is exposed are foreign exchange risk, interest rate risk and price risk.

g Asset classification

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

h Net debt or net financial assets

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial assets is determined by its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

i Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

j Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and James Smith Cree Nation's incremental cost of borrowing.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

1 Significant Accounting Policies (continued)

j Tangible capital assets (continued)

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

Buildings	25 years Straight line
Computer equipment	4 years Straight line
Equipment	5 years Straight line
Infrastructure	25 years Straight line
Band houses	20 years Straight line
CMHC houses	20 years Straight line
Obligations under capital lease	15 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to James Smith Cree Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

k Segments

The Nation conducts its business through reportable segments. 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 expenses represent both amounts that are directly attributed 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.

l Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

m Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is not practicable.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

1 Significant Accounting Policies (continued)

m Revenue recognition (continued)

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in 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 a specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed. Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

n Use of estimates

The preparation of consolidated financial statements in accordance with Canadian Public Sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include recoverability of accounts receivable and the useful lives of tangible capital assets. Actual results could differ from those estimates and may have impact on future periods.

o Other Economic Interests

The Nation is a member of the Prince Albert Grand Council (PAGC). The Prince Albert Grand Council is an organization of twelve nations.

The Nation does not either share in the control or the profit or loss of Prince Albert Grand Council (PAGC). As a result, the financial statements of PAGC have not been consolidated or proportionately consolidated with the financial statements of James Smith Cree Nation.

p Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets; and

Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

1 Significant Accounting Policies (continued)

q Employee Future Benefits

The Nation's employee future benefit programs consist of a defined contribution pension plan. Contributions to the plan by the Nation are expensed as incurred.

2 Restricted Assets

The Nation has received federal assistance through the CMHC, pursuant to Section 95 of the National Housing Act, to reduce mortgage interest and enable the Nation to provide housing to members. The continuation of this interest rate reduction is contingent on the Nation being in compliance with the terms of the agreement, which requires that a monthly amount be set aside to provide for major renovations to Nation housing in future years.

The Nation has established a replacement reserve to ensure replacement of buildings financed by the CMHC, as well as a reserve related to surpluses generated in the post-1997 program, which are to be set aside and used to meet future subsidy requirements of income tested occupants over and above the maximum federal assistance.

The CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by Canada Deposit Insurance Corporation, or as otherwise approved by the CMHC. Reserve withdrawals are credited first to interest and then to principal.

Cash received to complete capital projects is held in separate bank accounts or guaranteed investment certificates.

Restricted assets are comprised of the following:

	2019	2018
Restricted assets		
Flood Recovery Roads	4,840,488	6,003,469
CMHC	198,296	231,427
Lagoon	174,470	22,403
Oil Clean up	66	178
School Assessment	(19)	-
	<u>5,213,301</u>	<u>6,257,477</u>

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

3 Investments

The James Smith Cree Nation Health Clinic has two guaranteed investment certificates.

	2019	2018
GIC - 5-year guaranteed investment certificate maturing in 2021 with annual interest payments at 2.3%. The investment is recorded at cost which approximates fair market value. This guaranteed investment certificate has been pledged as security for the long-term debt.	175,000	175,000
GIC - guaranteed investment certificate maturing in 2019 with annual interest payments at 1.75%. The investment is recorded at cost which approximates fair market value. This guaranteed investment certificate has been pledged as security for credit card.	11,994	-
	186,994	175,000

4 Trust funds held by federal government

	2019	2019	2019	2018
	Revenue	Capital	Total	Total
Surplus, beginning of year	19,640	479	20,119	1,346
Withdrawals	(494,280)	-	(494,280)	(591,575)
Interest earned	4,363	-	4,363	676
Lease revenue	568,108	-	568,108	609,261
Other revenue	411	-	411	411
	98,242	479	98,721	20,119

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 is primarily governed by Sections 63 to 69 of the Indian Act.

The trust withdrawals during the year were approved by Band Council Resolutions 2018-12-10 (for withdrawal of \$334,280) and 2018-06-05 (for withdrawal of \$160,000).

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

5 Accounts Receivable

	2019	2018
Due from members		
Advances	8,654	7,287
Due from others		
PAGC	131,839	38,251
Other receivables	84,055	84,661
Total	224,548	130,199
Due from government and other government organizations		
ISC	312,686	121,466
Health Canada	40,000	-
CMHC	17,354	25,824
Total due from government and other government organizations	370,040	147,290
Allowance for doubtful accounts	6,051	6,051
Total accounts receivable	600,640	283,541

6 Due from related entities

The Nation conducts business transactions with related entities. These transactions are in the normal course of business for fair consideration that is mutually agreed upon by the related parties. During the year the sectors transfer money to the Nation to pay for certain debt payments.

	2019	2018
Due from James Smith Sector	18,117	83,296
Due from Chakastaypasin Sector	5,642	(3,384)
Due from Peter Chapman sector	32,667	26,168
	56,427	106,080

7 Investment in government business enterprises

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of CPA Canada. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government. The First Nation owns a 99.99% interest in Fort a La Corne Ventures LP.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

7 Investment in government business enterprises (continued)

	December 31, 2019	December 31, 2018
Fort a La Corne Ventures LP		
Accounts receivable	1,631	28,544
Tangible capital assets	38,116	55,114
Prepaid Expenses	1,187	5,825
Due from partnership	25,000	25,000
	65,934	114,483
Bank indebtedness	4,637	18,988
Accounts payable and accrued liabilities	47,615	49,761
Investment in JSCN Medical Clinic LP	605,419	367,730
Long-term debt	34,043	43,644
	691,714	480,123
Equity	(625,780)	(365,640)
	65,934	114,483
Revenue	997,354	1,098,739
Expenses	(1,019,805)	(1,222,972)
Net operating income (loss)	(22,451)	(124,233)
Income (loss) on partnerships	(237,689)	(367,730)
Net loss	(260,140)	(491,963)

8 Bank indebtedness

The First Nation has an approved overdraft limit of \$ 250,000 with the Royal Bank of Canada. The First Nation also has an approved operating line of credit with a limit of \$300,000 with the First Nations Bank of Canada.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

9 Accounts payable and accrued liabilities

	2019	2018
Salaries and benefits	121,809	98,966
General suppliers and trade payables	116,043	702,528
	237,852	801,494
Due to government and other government organizations		
ISC	6,923	4,676
	244,775	806,170

10 Deferred revenue

ISC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area.

	Beginning of year	Current year deferral	Interest income	Revenue recognized	Transfers	2019
Unexpended funding						
Post secondary	43,786	10,109	-	(43,786)	-	10,109
Land management	9,255	12,646	-	(9,255)	-	12,646
Membership Codes	30,000	-	-	(30,000)	-	-
Social Assistance Employment & Training	2,534	32,790	-	(2,534)	-	32,790
Basic Needs	1,487	-	-	(1,487)	-	-
Special Needs	36,792	-	-	(36,792)	-	-
Information Technology	21,663	-	-	(21,663)	-	-
CORP Business Plan	24,673	-	-	(24,673)	-	-
Capacity Development	-	83,807	-	-	-	83,807
Climate & Health Assessment	-	54,870	-	-	-	54,870
Student & Youth Employment	-	18,872	-	-	-	18,872
Total Unexpended funds	170,190	213,094	-	(170,190)	-	213,094
Capital funding						
Flood road recovery	3,961,209	2,798,228	-	(3,961,209)	-	2,798,228
Lagoon expansion	15,986	168,053	-	(15,986)	-	168,053
Total deferred capital funding	3,977,195	2,966,281	-	(3,977,195)	-	2,966,281
Other Funding						
CMHC RRAP	419,046	-	-	(419,046)	-	-
Total deferred revenue	4,566,431	3,179,375	-	(4,566,431)	-	3,179,375

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

11 Obligations under capital lease

Obligation under capital lease - CWB National Leasing payable, with 1 monthly payment of \$21,640 then 35 monthly payments of \$1,306 plus applicable taxes. Full repayment of the obligation is due in 2022. The interest rate is nil, the obligation is secured by the leased equipment which has a net book value of \$64,406

	2019	2018
Obligation under capital lease - CWB National Leasing payable, with 1 monthly payment of \$21,640 then 35 monthly payments of \$1,306 plus applicable taxes. Full repayment of the obligation is due in 2022. The interest rate is nil, the obligation is secured by the leased equipment which has a net book value of \$64,406	42,766	-
Obligation under capital lease - CWB National Leasing payable, with 59 monthly payments of \$6,936 plus applicable taxes. Full repayment of the obligation is due in 2024. The interest rate is nil, the obligation is secured by the leased equipment which has a net book value of \$365,435	365,435	-
	408,201	-

Obligation under capital lease - CWB National Leasing payable, with 59 monthly payments of \$6,936 plus applicable taxes. Full repayment of the obligation is due in 2024. The interest rate is nil, the obligation is secured by the leased equipment which has a net book value of \$365,435

Estimated Principal repayment over the next 5 years:

2020	\$ 87,342
2021	87,343
2022	87,342
2023	73,087
2024	73,087

12 Long-term debt

CMHC Phase #5 - Mortgage bearing interest at 1.43%, repayable in monthly blended principal and interest installments of \$ 4,840, due for renewal April 1, 2022, maturity date of April 1, 2032; government guarantee pledged as security.

	2019	2018
CMHC Phase #5 - Mortgage bearing interest at 1.43%, repayable in monthly blended principal and interest installments of \$ 4,840, due for renewal April 1, 2022, maturity date of April 1, 2032; government guarantee pledged as security.	692,880	741,611

CMHC Phase #6 - Mortgage bearing interest at 1.21%, repayable in monthly blended principal and interest installments of \$ 7,495, due for renewal May 1, 2021, maturity date of May 1,2036; government guarantee pledged as security.

CMHC Phase #6 - Mortgage bearing interest at 1.21%, repayable in monthly blended principal and interest installments of \$ 7,495, due for renewal May 1, 2021, maturity date of May 1,2036; government guarantee pledged as security.	1,393,872	1,468,014
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CMHC Phase # 7 - Mortgage bearing interest at 2.41% repayable in monthly blended principal and interest installments of \$17,291, due for renewal April 1, 2023, maturity date of April 1, 2033; government guarantee pledged as security.

CMHC Phase # 7 - Mortgage bearing interest at 2.41% repayable in monthly blended principal and interest installments of \$17,291, due for renewal April 1, 2023, maturity date of April 1, 2033; government guarantee pledged as security.	2,477,788	2,538,902
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Section 10 housing - Mortgage bearing interest at 3.95%, repayable in monthly blended principal and interest installments of \$ 7,648, maturity date of March 1, 2020; secured by ministerial guarantee.

Section 10 housing - Mortgage bearing interest at 3.95%, repayable in monthly blended principal and interest installments of \$ 7,648, maturity date of March 1, 2020; secured by ministerial guarantee.	91,167	178,372
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Consolidated debt - Term loan bearing interest at RBC prime plus 1.95%, annual payments of \$ 249,000 plus blended quarterly payments of \$ 25,000, maturity date of July 1, 2019; government guarantee pledged as security. This loan was paid off during the 2019 fiscal year.

Consolidated debt - Term loan bearing interest at RBC prime plus 1.95%, annual payments of \$ 249,000 plus blended quarterly payments of \$ 25,000, maturity date of July 1, 2019; government guarantee pledged as security. This loan was paid off during the 2019 fiscal year.	-	397,193
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Bridge financing for CMHC housing - Demand loan bearing interest at RBC prime plus 2.0%, monthly interest payments plus periodic principal payments as CMHC advances funds, with full principal payment due on May 31,2018, secured by general security agreement, government guarantee pledged as security and CMHC mortgage advances. This loan was paid off during the 2019 fiscal year.

Bridge financing for CMHC housing - Demand loan bearing interest at RBC prime plus 2.0%, monthly interest payments plus periodic principal payments as CMHC advances funds, with full principal payment due on May 31,2018, secured by general security agreement, government guarantee pledged as security and CMHC mortgage advances. This loan was paid off during the 2019 fiscal year.	-	166,979
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Health loan - Term loan bearing interest at prime plus 1%, repayable in monthly blended principal and interest installments of \$ 2,200, due in 2021, secured by general security agreement, assignment of Health Funding Contribution Agreement and assignment of Guaranteed Investment Certificate. This loan was paid off during the 2019 fiscal year.

Health loan - Term loan bearing interest at prime plus 1%, repayable in monthly blended principal and interest installments of \$ 2,200, due in 2021, secured by general security agreement, assignment of Health Funding Contribution Agreement and assignment of Guaranteed Investment Certificate. This loan was paid off during the 2019 fiscal year.	-	148,152
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James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

12 Long-term debt (continued)

	2019	2018
Health loan - 5.84% finance contract payable in blended monthly payments of \$809 due in 2022, secured by specific assignment of equipment.	25,281	33,253

First Nations Bank - Term loan bearing interest at 5.55% repayable in annual principal payments of \$200,000 due April 15 of each year with monthly interest. Full repayment of the loan is due in 2023. Secured by general security agreement.

1,350,000	-
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First Nation Bank - Term loan bearing interest at 5.72% repayable in monthly blended principal and interest installments of \$960. Full repayment of the loan is due in 2024. Secured by general security agreement and the vehicle being financed.

50,000	-
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Total long-term debt

6,080,988	5,672,476
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Estimated Principal repayment over the next 5 years:

2020	\$ 580,788
2021	498,672
2022	502,192
2023	500,428
2024	506,710
Subsequent	3,492,198

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

13 Capital Assets

March 31, 2019	Community Buildings	Band Housing	CMHC Housing	Community Equipment	Infrastructure	Assets under capital lease	Assets under construction	Total
Cost								
Balance, beginning of year	7,809,192	2,769,552	7,415,819	824,360	13,909,661	-	2,943,564	35,672,148
Additions	-	-	-	134,284	-	429,840	1,585,333	2,149,457
Balance, end of year	7,809,192	2,769,552	7,415,819	958,644	13,909,661	429,840	4,528,897	37,821,605
Accumulated amortization								
Balance, beginning of year	4,049,757	2,769,552	2,614,416	758,494	1,706,608	-	-	11,898,827
Amortization	301,119	-	211,420	37,833	556,386	-	-	1,106,758
Balance, end of year	4,350,876	2,769,552	2,825,836	796,327	2,262,994	-	-	13,005,585
Net Book Value, end of Year	3,458,316	-	4,589,983	162,317	11,646,667	429,840	4,528,897	24,816,020
March 31, 2018								
Cost								
Balance, beginning of year	7,777,018	2,769,552	4,783,090	768,215	12,409,661	-	4,094,973	32,602,509
Additions	32,174	-	2,632,729	56,145	1,500,000	-	2,981,319	7,202,366
Disposals	-	-	-	-	-	-	(4,132,728)	(4,132,728)
Balance, end of year	7,809,192	2,769,552	7,415,819	824,360	13,909,661	-	2,943,564	35,672,147
Accumulated amortization								
Balance, beginning of year	3,747,641	2,769,552	2,402,996	726,715	1,150,222	-	-	10,797,126
Amortization	302,116	-	211,420	31,779	556,386	-	-	1,101,701
Balance, end of year	4,049,757	2,769,552	2,614,416	758,494	1,706,608	-	-	11,898,827
Net Book Value, end of year	3,759,436	-	4,801,402	65,866	12,203,053	-	2,943,564	23,773,320

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

14 Accumulated Surplus

	2019	2018
Operating fund	2,181,680	772,718
Equity in capital assets	18,326,830	18,100,843
Equity in investments	(625,832)	(364,891)
CMHC replacement reserve	127,298	84,324
CMHC operating reserve	112,415	42,211
	20,122,391	18,635,205

- * The operating fund reports on the general activities of the First Nation's administration;
- * Equity in capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services;
- * Equity in investments reports on commercial business operations owned by the First Nation; and
- * The CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

15 Reconciliation of ISC revenue

	2019	2018
ISC - Set	244,868	206,060
ISC - Fixed	5,119,883	4,934,859
ISC - Flexible	3,778,230	3,342,918
ISC - Grant	669,492	692,228
ISC - current year receivable (payable)	(43,992)	10,183
	9,768,481	9,186,248

The following is a reconciliation of the funds received from ISC:

	2019	2018
Balance per ISC confirmation	10,531,344	9,157,089
Current year receivable (payable)		
Band employee benefits	(2,245)	15,230
Band Employee Benefits, prior year	(15,230)	(11,024)
Basic Needs	24,563	-
Governance - Membership Codes	-	30,000
Governance - IM/IT	(21,663)	-
Institutional care - expense recovery	-	(5,047)
Institutional care - pool of funds not accessed	(10,342)	-
CORP - Business Planning	(19,073)	-
	(43,990)	29,159
Funding allocated to sectors		
Specific claims settlements paid directly to sectors	(718,873)	-
	(762,863)	29,159
As per statement of operations	9,768,481	9,186,248

16 Health Canada - Moveable Assets Reserve (MAR)

Health Canada funding agreements requires the Nation to report on funding received and related expenditures for all assets over \$1,000 that are not permanently attached to the health facility building (e.g. medical equipment, furniture, vehicles).

There was no MAR for the current year.

17 Lease commitments

The Nation has lease commitments for office equipment. The required quarterly lease payments are \$2,553 per quarter.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

18 Expenses by object

	2019	2019	2018
	Budget	Actual	Actual
Wages & benefits	3,836,794	5,348,779	5,321,953
Consultants and contractors	776,359	2,811,196	4,169,965
Assistance -basic needs	1,880,727	1,909,466	1,927,259
Amortization	-	1,106,758	1,101,701
Supplies	1,053,521	1,374,987	1,530,524
Student allowance	688,100	685,661	645,776
Travel, meetings, per diems	170,498	564,227	572,463
Training	-	577,262	507,528
Lease payments to traditional land holders	-	482,557	455,927
Repairs and maintenance	263,936	177,070	402,103
Student tuition	366,050	381,847	355,195
Administration	57,275	412,452	351,939
Honorariums	269,307	364,356	346,062
Student support	154,178	136,346	177,046
Assistance to band members	-	88,377	121,323
Utilities	136,638	137,203	140,419
Bad debt expense	-	827	121,666
Other expenses	-	100,833	110,951
Assistance - special needs	140,124	153,263	118,969
Insurance	143,838	134,288	98,816
Bank charges	32,450	53,618	96,119
Professional fees	440,230	98,752	91,801
Employment & training	-	-	74,564
Long term debt - payments (principal and interest)	604,767	421,612	522,859
Long term debt - principal repayment	-	(257,085)	(444,028)
Telephone	28,000	93,739	55,946
Janitorial	38,000	49,018	44,753
Automotive	-	37,097	40,233
Recreational activities	43,550	48,530	136,949
Graduation, awards, prizes	27,000	25,656	23,406
Program expenses	17,240	20,858	17,935
Administration fees	6,250	7,250	7,900
Assisted living	57,789	49,304	39,308
Lease payments on equipment	76,005	74,215	74,397
Flow-through to entities	-	30,000	-
Transfer to capital assets	-	(1,585,334)	(2,981,318)
	11,308,626	16,114,985	16,378,409

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

19 Pension Plan

The James Smith Cree Nation and eligible employees participate in the London Life Pension Plan, a defined contribution pension plan.

The James Smith Cree Nation financial obligation is limited to providing contributions at a specific rate in respect of employees' current service. Information regarding contributions to the above mentioned pension plans is as follows:

	2019
Employee contribution rate (percentage of salary)	4.0% - 7.0%
Employer contribution rate (percentage of salary)	4.0% - 7.0%

20 Contingent liabilities

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. The Nation is reviewing the applicability of the legislation on its lands and the environmental objectives and liabilities, if any, for its activities and potential site reclamation and restoration obligations. The Nation has yet to determine the applicability of the legislation, or the amounts, if any, of such obligations.

James Smith Cree Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, James Smith Cree Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on James Smith Cree Nation's financial statements.

21 Economic dependence

James Smith Cree Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada. The ability of the Nation to continue to operate is dependent upon the Government of Canada's continued financial commitment to continue with the funding arrangement. These financial statements are subject to review by ISC. The Nation is also dependent upon Prince Albert Grand Council for funding in order to provide services to membership.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

22 Canada Mortgage and Housing Corporation Reserves

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the Nation established the following:

The replacement reserve to ensure replacement of capital equipment and for major repairs to housing units, which requires an annual cash allocation of \$42,840 to the reserve. At March 31, 2019, the reserve is required to be funded to a level of \$127,298 (2018 - \$84,324). At March 31, 2019 the cash balance in the reserve is \$70,952 (2018 - \$84,234).

An operating surplus reserve established for housing units under the Post 1996 Fixed Subsidy Program which requires surpluses to be funded with cash. Future operating losses are able to draw on the reserve funds to sustain operations. At March 31, 2019, the reserve is required to be funded to a level of \$112,415 (2018 - \$42,211). At March 31, 2019 the cash balance in the reserve is \$127,344 (2018 - \$147,103).

23 Annual Surplus Net of Capital Related Revenues and Amortization

	2019	2018
Annual Surplus (deficit)	1,487,186	665,855
Less capital related revenues included in annual surplus:		
Federal government transfers recognized	(1,585,334)	(2,318,801)
Loss (income) from Government Business Enterprise	(98,148)	(1,652,946)
Add amortization expense included in annual surplus	260,114	491,915
	1,106,758	1,101,701
	1,268,724	(59,330)

24 Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the James Smith Cree Nation Chief and Council.

25 ISC funding

The Nation (Recipient) receives funding from Indigenous Services Canada (ISC) by entering into an agreement with ISC.

There are five approaches that ISC may consider in the design and delivery of transfer payment programs:

1. Grant approach – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.

2. Set contribution approach – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

25 ISC funding (continued)

Any unspent funding and any funding spent on ineligible expenditure must be returned to ISC annually.

3. Fixed contribution approach – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by ISC. A plan must be submitted and approved by ISC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by ISC.

4. Flexible contribution approach – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to ISC at the end of the project, program or agreement.

5. Block contribution approach – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by ISC.

26 Segmented information

As previously discussed in note 1 the Nation conducts its business through reportable segments as follows:

1 - Indigenous Services Canada (ISC)

Claims and Indian Government: Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

Community Development: Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also, costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Economic Development: Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

26 Segmented information (continued)

Education: Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with INAC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labour market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide Internet access, information technology equipment, technical support and training to students and school staff.

Indian Government Support: Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

Lands Management: Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

Social Development: First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

Indian Registration: Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the Indian Act.

Governance and Institutions of Government: Costs associated with Governance and Institution of Government activities.

2 - Health Programs (FNIHB)

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas: Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

James Smith Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2019

26 Segmented information (continued)

3 - Canada Mortgage and Housing Corporation (CMHC)

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

4 - Band programs

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

27 Comparative figures

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

James Smith Cree Nation

Schedule #1

Community Development
Schedule of Operations
For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	620,107	620,107	605,701
ISC - Flexible	667,905	1,167,905	850,868
Interest Revenue	-	74,420	17,425
First Nations Trust transfers from sectors	-	-	50,000
Prince Albert Grand Council	142,335	164,697	137,762
Other Revenue	39,000	38,951	27,949
Deferred Revenue - Current Year	-	(2,966,281)	(3,977,195)
Deferred revenue - prior year	-	3,977,195	6,411,535
	1,469,347	3,076,994	4,124,045
Expenses			
Consultants and contractors	322,655	1,811,749	2,519,810
Amortization -Capital Programs	-	825,448	828,165
Wages & benefits	330,256	428,018	372,891
Supplies	235,455	384,700	479,903
Repairs and maintenance	137,205	105,226	313,923
Administration	-	91,651	67,877
Long term debt - payments (principal & interest)	249,245	83,381	349,245
Insurance	80,930	80,930	84,266
Utilities	68,238	68,225	83,184
Lease payments	64,005	64,005	64,005
Travel, meetings, per diems	31,662	61,969	50,871
Administration fees	6,250	7,250	7,900
Bank charges	-	9,908	-
Telephone	4,500	4,439	4,498
Honorariums	3,750	1,250	-
Long term debt - principal repayment	-	-	(324,795)
Transfer to capital assets	-	(1,585,334)	(2,295,306)
	1,534,151	2,442,815	2,606,437
Current surplus before transfers	(64,804)	634,179	1,517,608
Transfers			
Transfer to/from other programs	-	-	50,000
Current surplus	(64,804)	634,179	1,567,608

James Smith Cree Nation

Schedule #2

Economic Development Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	-	-	44,673
ISC - current year receivable (payable)	-	(19,073)	-
Northern Lights CDC	-	-	28,750
Administration	-	27,416	62,999
Unexpended Funds - current year	-	-	(24,673)
Unexpended funds - prior year	-	24,673	-
	-	33,016	111,749
Expenses			
Consultants and contractors	-	27,000	92,217
Professional fees	-	5,600	-
Bank charges	-	142	123
Travel, meetings, per diems	-	-	48,473
Supplies	-	-	7,400
	-	32,742	148,213
Current surplus (deficit)	-	274	(36,464)

James Smith Cree Nation

Schedule #3

Education

Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	3,961,199	3,961,199	3,947,267
Prince Albert Grand Council	939,879	1,030,651	978,017
Gain on sale of capital assets	-	11,638	-
Unexpended funds - prior year	-	43,786	50,513
Unexpended Funds - current year	-	(28,981)	(43,786)
	4,901,078	5,018,293	4,932,011
Expenses			
Wages & benefits	2,672,300	2,606,067	2,759,435
Student allowance	688,100	685,661	645,776
Supplies	498,910	506,901	556,828
Student tuition	366,050	381,847	355,195
Consultants and contractors	223,694	223,694	224,814
Student support	154,178	136,346	145,183
Travel, meetings, per diems	68,500	74,476	49,320
Utilities	60,000	61,827	54,411
Janitorial	38,000	49,018	44,753
Repairs and maintenance	72,331	45,654	31,289
Graduation, awards, prizes	27,000	25,656	23,406
Program expenses	17,240	20,858	17,935
Administration	21,900	18,514	18,243
Telephone	5,000	31,371	4,936
Honorariums	7,000	8,175	6,336
Insurance	6,660	6,660	-
Professional fees	6,000	6,000	12,000
Lease payments	12,000	10,210	10,392
	4,944,863	4,898,935	4,960,252
Current surplus	(43,785)	119,358	(28,239)

James Smith Cree Nation

Schedule #4

Indian Government Support Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Grant	692,228	669,492	692,228
ISC - Fixed	105,425	156,139	49,531
ISC - Set	200,886	165,402	134,942
ISC - Flexible	253,333	253,333	-
ISC - current year receivable (payable)	-	(17,477)	15,230
Interest and other	28,000	237,395	120,978
Deferred revenue - prior year	-	-	4,274
Unexpended Funds - current year	-	(138,677)	-
	1,279,872	1,325,607	1,017,183
Expenses			
Wages & benefits	493,007	452,211	452,244
Honorariums	130,000	245,006	307,282
Consultants and contractors	208,333	173,582	23,455
Supplies	28,750	82,124	53,020
Recreational activities	43,550	43,550	-
Administration	5,625	10,051	-
Professional fees	99,125	77,992	69,046
Repairs and maintenance	40,000	24,056	36,243
Telephone	18,500	22,308	15,518
Insurance	27,268	17,717	-
Travel, meetings, per diems	40,875	17,251	27,371
Bank charges	15,000	10,175	9,623
Bad debt expense	-	827	-
	1,150,033	1,176,850	993,802
Current surplus before transfers	129,839	148,757	23,381
Transfers			
Transfer to/from other programs	-	-	(50,000)
Current surplus (deficit)	129,839	148,757	(26,619)

James Smith Cree Nation

Schedule #5

Land Management Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	143,533	143,534	143,533
Other Revenue	-	15,757	54,514
Unexpended funds - prior year	-	9,255	16,431
Unexpended Funds - current year	-	(12,646)	(9,255)
	143,533	155,900	205,223
Expenses			
Wages & benefits	97,603	85,188	74,658
Travel, meetings, per diems	15,152	27,037	21,817
Consultants and contractors	-	14,570	67,356
Supplies	10,358	12,768	45,763
Utilities	8,400	7,150	2,825
Honorariums	4,875	3,800	-
Professional fees	5,645	2,700	5,645
Insurance	1,500	1,500	-
	143,533	154,713	218,064
Current surplus (deficit)	-	1,187	(12,841)

James Smith Cree Nation

Schedule #6

Social Development Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	192,605	192,605	118,487
ISC - Set	57,789	57,789	44,355
ISC - Flexible	2,356,931	2,356,992	2,411,050
ISC - current year receivable (payable)	-	14,222	(5,048)
Unexpended Funds - current year	-	(32,790)	(40,813)
Unexpended funds - prior year	-	40,813	-
	2,607,325	2,629,631	2,528,031
Expenses			
Assistance -basic needs	1,880,727	1,909,466	1,927,259
Supplies	271,548	241,250	101,694
Assistance - special needs	140,124	153,263	118,969
Wages & benefits	227,137	122,388	86,026
Bank charges	17,000	16,342	11,047
Travel, meetings, per diems	13,000	14,118	8,533
Assisted living	57,789	49,304	39,308
Recreational activities	-	-	112,550
Employment & training	-	-	74,564
Student support	-	-	31,863
Honorariums	-	-	6,000
	2,607,325	2,506,131	2,517,813
Current surplus before transfers	-	123,500	10,218
Transfers			
Transfer to/from other programs	-	(104,332)	(104,332)
Current surplus (deficit)	-	19,168	(94,114)

James Smith Cree Nation

Schedule #7

Indian Registration Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	26,299	26,299	25,667
Expenses			
Wages & benefits	16,491	16,433	15,937
Supplies	8,500	8,500	8,530
Travel, meetings, per diems	1,308	1,366	1,200
	26,299	26,299	25,667
Current surplus (deficit)	-	-	-

James Smith Cree Nation

Schedule #8

Health Programs Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
Health Canada Agreement	-	3,337,168	2,862,301
Admin fees	-	217,451	251,237
Prince Albert Grand Council	-	367,493	290,079
Interest Revenue	-	7,024	-
Interest and other	-	47,405	10,063
Recovery of unexpended funding	-	(16,453)	-
	-	3,960,088	3,413,680
Expenses			
Wages & benefits	-	1,611,708	1,518,145
Training	-	577,262	507,528
Consultants and contractors	-	538,924	541,342
Travel, meetings, per diems	-	357,611	359,839
Administration	-	263,436	242,421
Supplies	-	129,622	126,811
Honorariums	-	106,125	26,445
Other expenses	-	100,833	109,551
Amortization - Health	-	69,891	62,116
Automotive	-	37,097	40,233
Telephone	-	35,621	30,994
Bank charges	-	16,629	12,650
Bad debt expense	-	-	121,666
	-	3,844,759	3,699,741
Current surplus before transfers	-	115,329	(286,061)
Transfers			
Transfer to/from other programs	-	104,332	104,332
Current surplus (deficit)	-	219,661	(181,729)

James Smith Cree Nation

Schedule #9

CMHC Housing Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
CMHC - Subsidy	363,752	375,081	155,505
Rental Income - CMHC units	98,260	141,300	88,555
CMHC - RRAP	-	9,035	159,629
CMHC - Other	-	42,320	-
Interest Revenue	200	135	197
Deferred Revenue - Current Year	-	-	(419,046)
Deferred revenue - prior year	-	419,046	505,739
	462,212	986,917	490,579
Expenses			
Long term debt - payments (principal and interest)	355,522	338,231	173,614
Amortization - CMHC	-	211,420	211,420
Transfer to operating reserve	-	70,338	19,500
Transfer to restricted reserve	-	42,840	24,480
Administration	29,750	28,800	23,400
Insurance	27,480	27,480	14,550
Travel, meetings, per diems	-	9,524	5,039
Supplies	-	9,034	150,574
Wages & benefits	-	6,766	42,616
Professional fees	6,460	6,460	5,110
Repairs and maintenance	42,550	2,134	20,648
Transfer to replacement reserve	-	134	-
Bank charges	450	98	62,675
Consultants and contractors	-	-	644,871
Other expenses	-	-	1,400
Transfer to capital assets	-	-	(686,013)
Transfer to CMHC reserves	-	(113,312)	(43,980)
Long term debt - principal repayment	-	(257,085)	(119,232)
	462,212	382,862	550,672
Current surplus (deficit)	-	604,055	(60,093)

James Smith Cree Nation

Schedule #10

Band Programs Schedule of Operations

For the Year Ended March 31, 2019

	2019	2019	2018
	Budget	Actual	Actual
Revenue			
ISC - Fixed	-	20,000	-
ISC - Set	-	21,677	26,763
ISC - Flexible	21,677	-	81,000
ISC - current year receivable (payable)	-	(21,663)	-
Ottawa trust lease/interest	-	572,882	610,348
Interest and other	-	4,981	21,561
Income (loss) on GBE	-	(260,114)	(491,915)
Unexpended Funds - current year	-	-	(51,663)
Unexpended funds - prior year	-	51,663	-
	21,677	389,426	196,094
Expenses			
Lease payments to traditional land holders	-	482,557	455,927
Assistance to band members	-	88,377	121,323
Flow-through to entities	-	30,000	-
Consultants and contractors	21,677	21,678	56,100
Wages & benefits	-	20,000	-
Recreational activities	-	4,980	24,398
Travel, meetings, per diems	-	875	-
Bank charges	-	325	-
Supplies	-	87	-
	21,677	648,879	657,748
Current surplus (deficit)	-	(259,453)	(461,654)