

Big Island Lake Cree Nation
Consolidated Financial Statements
March 31, 2018





Big Island Lake Cree Nation Contents

For the year ended March 31, 2018

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Management's Responsibility



To the Members of Big Island Lake Cree Nation:

The accompanying consolidated financial statements of Big Island Lake Cree Nation are the responsibility of management and have been approved by the Chief and Council.

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

MNP LLP is appointed by the Chief and Council to audit the consolidated financial statements and report directly to the members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

July 27, 2018

Signature on file

Administrator

Independent Auditors' Report

To the Members of Big Island Lake Cree Nation:

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Big Island Lake Cree Nation as at March 31, 2018 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Prince Albert, Saskatchewan

July 27, 2018

MNP LLP

Chartered Professional Accountants



Big Island Lake Cree Nation
Consolidated Statement of Financial Position
As at March 31, 2018

	2018	2017
Financial assets		
Current		
Cash	326,785	305,467
Accounts receivable (Note 4)	214,313	270,090
Restricted cash (Note 5)	72,483	306,190
	613,581	881,747
Funds held in trust (Note 6)	1,765,354	1,644,300
Restricted cash (Note 7)	245,714	433,069
Total financial assets	2,624,649	2,959,116
Liabilities		
Current		
Bank indebtedness (Note 8)	284,719	1,100,906
Accounts payable and accruals	1,232,863	1,473,873
Deferred revenue (Note 9)	68,600	349,481
Current portion of long-term debt (Note 10)	507,339	360,195
	2,093,521	3,284,455
Long-term debt (Note 10)	6,129,382	4,703,185
Total financial liabilities	8,222,903	7,987,640
Net debt	(5,598,254)	(5,028,524)
Contingencies (Note 11)		
Non-financial assets		
Tangible capital assets (Schedule 1)	28,712,906	25,857,353
Accumulated surplus (Note 17)	23,114,652	20,828,829
Approved on behalf of the Chief and Council		
<i>Signature on file</i> _____	Chief	<i>Signature on file</i> _____
		Councillor

The accompanying notes are an integral part of these financial statements



Big Island Lake Cree Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2018

	<i>Schedules</i>	2018 Budget Note 12	2018 Actual	2017 Actual
Revenue				
Federal government funding				
Indigenous Services Canada (Note 14)		7,874,119	15,213,951	8,734,077
Indigenous Services Canada recovery		-	(1,154)	(134,664)
Canada Mortgage and Housing Corporation (Note 15)		288,656	834,091	288,656
First Nations and Inuit Health Branch (Note 16)		693,455	632,907	1,318,455
First Nations and Inuit Health Branch recovery		-	-	(30,968)
		8,856,230	16,679,795	10,175,556
Treaty Six Education Council		266,539	447,155	266,539
First Nations Trust		390,484	401,635	390,484
Other revenue		1,191,569	563,126	848,297
Battleford Agency Tribal Chief		-	261,006	3,000
Rental income		189,232	219,967	269,995
Lease income		102,359	163,321	102,359
Saskatchewan Indian Institute of Technology		2,200	133,701	256,185
Federation of Sovereign Indigenous Nations		89,500	87,329	89,500
Royalties		109,677	86,122	109,677
Interest income		32,413	17,734	32,413
		11,230,203	19,060,891	12,544,005
Program expenses				
Band Government	3	1,529,500	1,214,542	1,540,613
Education	4	4,414,563	4,836,271	4,535,642
Health	5	620,255	650,070	708,459
Social Development	6	2,436,660	2,480,311	2,430,656
Community Infrastructure	7	2,173,100	2,245,437	1,823,275
Capital	8	-	4,500,020	314,356
Lands, Revenues and Trust	9	42,000	9,856	23,494
Other	10	597,745	838,561	742,885
		11,813,823	16,775,068	12,119,380
Surplus		(583,620)	2,285,823	424,625
Accumulated surplus, beginning of year		20,828,829	20,828,829	20,404,204
Accumulated surplus, end of year		20,245,209	23,114,652	20,828,829

The accompanying notes are an integral part of these financial statements



Big Island Lake Cree Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2018

	<i>2018 Budget Note 12</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Annual surplus	(583,620)	2,285,823	424,625
Purchases of tangible capital assets	-	(4,146,083)	(2,977,677)
Amortization of tangible capital assets	-	1,290,530	1,026,482
Use of prepaid expenses	-	-	27,640
	-	(2,855,553)	(1,923,555)
Increase in net debt	(583,620)	(569,730)	(1,498,930)
Net financial assets (debt), beginning of year	(5,028,524)	(5,028,524)	(3,529,594)
Net debt, end of year	(5,612,144)	(5,598,254)	(5,028,524)

The accompanying notes are an integral part of these financial statements



Big Island Lake Cree Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2018

	2018	2017
<hr/>		
Cash provided by (used for) the following activities		
Operating activities		
Surplus	2,285,823	424,625
Non-cash items		
Amortization	1,290,530	1,026,482
	3,576,353	1,451,107
Changes in working capital accounts		
Accounts receivable	55,777	239,002
Prepaid expenses	-	27,640
Accounts payable and accruals	(241,010)	(61,527)
Deferred revenue	(280,881)	54,972
	3,110,239	1,711,194
<hr/>		
Financing activities		
Advances of long-term debt	2,020,739	3,183,364
Repayment of long-term debt	(447,398)	(2,612,815)
Increase (decrease) in bank indebtedness	(816,187)	621,466
Restricted cash	233,707	(49,454)
	990,861	1,142,561
<hr/>		
Capital activities		
Purchases of tangible capital assets	(4,146,083)	(2,677,677)
<hr/>		
Investing activities		
Funds held in Trust	(121,054)	(91,317)
Withdrawal (deposit) to restricted cash	187,355	(381,145)
	66,301	(472,462)
<hr/>		
Increase (decrease) in cash resources	21,318	(296,384)
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Cash resources, beginning of year	305,467	601,851
<hr/>		
Cash resources, end of year	326,785	305,467
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The accompanying notes are an integral part of these financial statements



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

1. Operations

The Big Island Lake Cree Nation (the "Cree Nation") is located in the province of Saskatchewan, and provides various services to its members. Big Island Lake Cree Nation includes the Cree Nation's members, government and all related entities that are accountable to the Cree Nation and are controlled by the Cree Nation.

2. Change in accounting policies

Effective April 1, 2017, the First Nation adopted the recommendations relating to the following Sections, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 2200 *Related Party Disclosures*
- PS 3420 *Inter-entity Transactions*
- PS 3210 *Assets*
- PS 3320 *Contingent Assets*
- PS 3380 *Contractual Rights*

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements of adopting the new Sections.

3. Significant accounting policies

These 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

The financial statements consolidate the financial activities of all entities and departments comprising the Cree Nation reporting entity, except for Cree Nation business entities. Trusts administered on behalf of third parties by Big Island Lake Cree Nation are excluded from the Cree Nation reporting entity.

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

- Big Island Lake Cree Nation;
- Big Island Lake CMHC Housing Program;
- Pee-Wey Holding Inc.

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 and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Restricted cash

Restricted cash consists of funds held in a project bank account for specific capital projects. Long-term restricted cash consists of funds held in the CMHC replacement and operating reserve bank accounts; the CMHC reserves are used to pay eligible expenditures of the CMHC units.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

3. Significant accounting policies (Continued from previous page)

Tangible capital assets

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

Amortization

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

		Rate
Buildings	declining balance	5 %
Housing	declining balance	5 %
Community infrastructure	declining balance	10 %
Vehicles and equipment	declining balance	25 %

Projects under construction are not amortized until they are put into use.

Funds held in Trust

Funds held in trust on behalf of Cree 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 moneys consist of:

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

Funds held in trust on behalf of Cree 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.

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

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 debt

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



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

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

Revenue recognition

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.

Non-government funding

Non-government funding 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 consolidated statement of financial position in the year of receipt.

Other revenue

Rental and lease revenue is recognized over the rental/lease term. Other revenues are earned from other services provided by the Cree Nation and are recognized when the service has been provided.

Funds held in Ottawa Trust Fund

Revenue is recognized when amounts can be reasonably estimated and collectability is known.

Measurement uncertainty

The preparation of consolidated financial statements in conformity 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 revenue and expenses during the reporting period.

Accounts receivable 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.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Cree Nation is responsible for.

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 cost directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2018.

At each financial reporting date, the Cree 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 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.

No provision for contaminated sites has been reported in these consolidated financial statements.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

3. Significant accounting policies (Continued from previous page)

Segments

The Cree Nation conducts its business through 8 reportable segments: Band Government, Education, Health, Social Development, Community Infrastructure, Capital, Lands Revenues and Trust, and Other. These operating segments are established by senior management to facilitate the achievement of the Cree Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses 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 revenue, where permitted by the funder.

4. Accounts receivable

	2018	2017
Other accounts receivable	191,849	217,171
Member advances	165,386	62,756
Indigenous Services Canada	145,549	110,437
CMHC	25,494	12,924
First Nation and Inuit Health Branch	-	29,657
	528,278	432,945
Less: Allowance for doubtful accounts	313,965	162,855
	214,313	270,090

5. Restricted cash

Restricted cash consists of cash managed by a capital project manager who is responsible for payment of expenses relating to capital projects funded by INAC and the Cree Nation is responsible for payment of expenses relating to a project funded through FNIHB.

	2018	2017
Capital Projects - INAC	72,483	302,247
Capital Project - FNIHB	-	3,943
	72,483	306,190



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

6. Funds held in trust

Capital and revenue trust moneys are transferred to the Cree Nation on the consent of the Minister of Indigenous Services Canada, with the authorization of the Cree Nation's Council.

	2018	2017
Capital Trust		
Balance, beginning of year	1,534,933	1,503,526
Revenue	99,072	32,497
	1,634,005	1,536,023
Less: Transfers to Nation	-	1,090
Balance, end of year	1,634,005	1,534,933
Revenue Trust		
Balance, beginning of year	109,367	49,457
Revenue	81,982	99,910
	191,349	149,367
Less: Transfers to Nation	60,000	40,000
Balance, end of year	131,349	109,367
	1,765,354	1,644,300

During the year through BCR 17-01401-0001 Big Island Lake Cree Nation withdrew \$60,000 from the Revenue Trust account. These funds were used to cover the costs of Cree Nation services including recreation activities, graduation services, Elders community programs, band member assistance, and cultural activities. These funds were spent in the Band Government segment.

7. Restricted cash long-term

	2018	2017
CMHC Replacement Reserve	245,714	433,069

Long-term restricted cash funds held in the CMHC reserve bank account are to be used to pay eligible expenditures of the CMHC housing units.

8. Bank indebtedness

At March 31, 2018 the Cree Nation has lines of credit available up to \$600,000 bearing interest at prime plus 2.25%. Lines of credit are secured by band council resolutions assigning gaming revenues. Bank indebtedness represents line of credit plus outstanding cheque's.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

9. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Amount recognized as revenue</i>	<i>Balance, end of year</i>
INAC - School Mechanical	291,885	18,789	261,634	49,040
INAC - Lagoon Project	15,960	-	-	15,960
INAC - Subdivision	1,071	-	-	1,071
INAC - FNIF Road	2,529	-	-	2,529
Health Canada - Headstart Building	38,037	-	38,037	-
	349,482	18,789	299,671	68,600

10. Long-term debt

The following loans are secured by government guarantees, and relate to the construction of on-reserve housing. The Cree Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with the payment of principal and interest on the following mortgages:

<i>CMHC Phase</i>	<i>Monthly Payment Including Interest</i>	<i>Interest Rate</i>	<i>Renewal Date</i>	2018	2017
Phase 2	3,149	5.24	April 1, 2019	39,103	74,219
Phase 3	1,087	1.43	April 1, 2022	111,101	122,455
Phase 4	538	1.62	May 1, 2018	59,541	64,984
Phase 5	1,250	1.12	February 1, 2020	166,237	179,305
Phase 6	1,147	1.05	April 1, 2020	93,942	106,652
Phase 7	7,024	1.92	July 1, 2019	841,179	908,671
Phase 8	11,873	1.50	July 1, 2022	1,837,083	-
				3,148,186	1,456,284
First Nations Bank - debt agreement; secured by a general security agreement and Direction to Pay passed by a Band Council resolution and assignment of First Nation Trust Funds; repayable at \$39,792 quarterly with interest paid monthly, computed at prime plus 2.75% per annum; matures July 2021.				2,944,612	3,103,780
First Nations Bank - debt agreement; secured by a general security agreement and Direction to Pay passed by a Band Council resolution and assignment of First Nation Trust Funds; repayable at \$13,980 quarterly with interest paid monthly, computed at 5.73% per annum; matures January 2021.				447,396	503,316
Ford Finance Canada - debt agreement; payable in monthly installments of \$1,266 with an interest rate of 5.240%. Secured by a vehicle having a net book value of \$55,604.				49,468	-
Ford Finance Canada - debt agreement; payable in monthly installments of \$1,237 with an interest rate of 5.590%. Secured by a vehicle having a net book value of \$54,218.				47,059	-
				6,636,721	5,063,380
Less: current portion				507,339	360,195
				6,129,382	4,703,185



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

10. 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
2019	507,339
2020	492,866
2021	465,895
2022	453,727
2023	457,528

11. Contingencies

These financial statements are subject to review by the Cree Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews

12. Budget information

The disclosed budget information has been approved by the Chief and Council of the Big Island Lake Cree Nation on March 21, 2018.

The budget process followed by management only includes activities managed directly by the Cree Nation. Management does not prepare a budget for capital projects. As such, no amounts have been included in the annual budget of the Cree Nation for the School Mechanical Project and the Health Canada Headstart building project.

Management does not budget for amortization expenses and as such, no amounts have been included in the annual budget of the Cree Nation for amortization.

Management does not budget for royalty revenues deposited into the Ottawa Trust Fund account or funds withdrawn from the Ottawa Trust Fund account. As such, no amounts have been included in the annual budget of the Cree Nation for the deposit of royalty revenues or the withdrawal of Ottawa Trust funds.

13. Economic dependence

Big Island Lake Cree Nation receives a significant portion of its revenue from the Government of Canada as a result of Treaties entered into with the Crown in Right of Canada. These treaties are administered by Indigenous and Northern Affairs 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.

14. Indigenous Services Canada reconciliation

ISC funding per confirmation:	14,923,604
Add:	-
Band employee benefits 2017-18 reconciliation	9,382
Basic needs 2017-18 reconciliation	63,982
Institutional care 2017-18 reconciliation	6,615
School mechanical project revenue recognized in 2017-18	242,845
Subtract:	-
Basic needs 2016-17 reconciliation	(32,477)
Total funding per consolidated financial statements	15,213,951



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

15. CMHC reconciliation

CMHC funding per confirmation:

Subsidy	268,179
Retrofit	112,508
Replacement reserve top-up	453,404
Total funding per consolidated financial statements	834,091

16. First Nations and Inuit Health Branch reconciliation

FNIHB funding per confirmation	594,870
Add:	-
Deferred revenue recognized in 2017-18	38,037
Total funding per consolidated financial statements	632,907

17. Accumulated surplus

	2018	2017
Equity in funds held in trust		
Balance, beginning of year	1,644,300	1,552,983
Contributions	181,054	132,407
Withdrawals	(60,000)	(41,090)
	1,765,354	1,644,300
Equity in CMHC reserves		
Balance, beginning of year	785,836	731,537
Allocation	2,156	54,299
	787,992	785,836
Equity in tangible capital assets		
Balance, beginning of year	21,297,288	20,147,561
Acquisition of tangible capital assets	4,146,083	2,977,677
Advance of long-term debt	(2,020,739)	(3,183,364)
Repayment of long-term debt	391,476	2,381,896
Amortization	(1,290,530)	(1,026,482)
	22,523,578	21,297,288
Unrestricted deficit		
Balance, beginning of year	(2,898,595)	(2,327,877)
Transfer to equity in funds held in trust	(121,054)	(91,317)
Transfer to equity in CMHC reserves	(2,156)	(54,299)
Transfer to equity in tangible capital assets	(1,226,290)	(1,149,727)
Transfer of equity in portfolio investment	-	300,000
Current surplus (deficit)	2,285,823	424,625
	(1,962,272)	(2,898,595)
	23,114,652	20,828,829

The Cree Nation does not have a Moveable Asset Reserve.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

18. Canada Mortgage and Housing Corporation reserves

Under agreements with CMHC the Cree Nation has established the following:

A replacement reserve, established to ensure replacement of capital equipment and for major repairs to the housing units requires an annual cash allocation to the reserve. At March 31, 2018, \$596,947 (2017 - \$540,040) is required to be on deposit to fund this reserve. At March 31, 2018, the Replacement Reserve is underfunded by \$351,210 (2017 underfunded \$106,949).

An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program require surpluses to be retained in cash to offset future operating losses. At March 31, 2018, \$191,045 (2017 - \$180,421) is required to be on deposit to fund this reserve. At March 31, 2018 the operating reserve was underfunded by \$191,045

19. Segments

The Cree Nation has 8 reportable segments. These segments are differentiated by the major activities or services they provide. The Cree Nation's segments are as follows:

Band Government - includes administration and governance activities.

Education - includes the operations of education programs.

Health - includes the administration and delivery of the health programs.

Social Development - includes the operations and delivery of social programs.

Community Infrastructure - includes activities for the maintenance of the Cree Nation's buildings and infrastructure.

Capital - reports on capital projects.

Land, Revenues and Trust - reports revenues allocated to the fund and transfers to other segments.

Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

20. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation. On the statement of financial position the due to government and government organizations was combined with accounts payable and accrued liabilities and the long-term debt balance has been classified to present a current portion of long-term debt.



Big Island Lake Cree Nation

Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2018

	<i>Buildings</i>	<i>Band Housing</i>	<i>CMHC Housing</i>	<i>Infrastructure</i>	<i>Vehicles and equipment</i>	<i>Land</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	9,904,513	10,349,787	3,850,683	10,910,109	3,116,511	257,259	38,388,862
Acquisition of tangible capital assets	-	-	-	-	285,002	-	285,002
Transfer of construction-in-progress	-	733,878	-	-	-	-	733,878
Balance, end of year	9,904,513	11,083,665	3,850,683	10,910,109	3,401,513	257,259	39,407,742
Accumulated amortization							
Balance, beginning of year	5,958,779	3,587,706	1,421,553	3,128,119	2,682,293	-	16,778,450
Annual amortization	220,808	338,104	121,457	389,099	141,227	-	1,210,695
Balance, end of year	6,179,587	3,925,810	1,543,010	3,517,218	2,823,520	-	17,989,145
Net book value of tangible capital assets	3,724,926	7,157,855	2,307,673	7,392,891	577,993	257,259	21,418,597
Net book value of tangible capital assets	3,945,734	6,762,081	2,429,130	7,781,990	434,218	257,259	21,610,412



Big Island Lake Cree Nation **Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

For the year ended March 31, 2018

	<i>Subtotal</i>	<i>Roads</i>	<i>Projects under construction</i>	<i>2018</i>	<i>2017</i>
					<i>Actual</i>
Cost					
Balance, beginning of year	38,388,862	3,462,843	1,585,782	43,437,487	40,459,810
Acquisition of tangible capital assets	285,002	-	3,861,081	4,146,083	2,977,677
Transfer of construction-in-progress	733,878	-	(733,878)	-	-
Balance, end of year	39,407,742	3,462,843	4,712,985	47,583,570	43,437,487
Accumulated amortization					
Balance, beginning of year	16,778,450	801,684	-	17,580,134	16,553,652
Annual amortization	1,210,695	79,835	-	1,290,530	1,026,482
Balance, end of year	17,989,145	881,519	-	18,870,664	17,580,134
Net book value of tangible capital assets	21,418,597	2,581,324	4,712,985	28,712,906	25,857,353
Net book value of tangible capital assets	21,610,412	2,661,159	1,585,782	25,857,353	



Big Island Lake Cree Nation **Schedule 2 - Schedule of Consolidated Expenses by Object** *For the year ended March 31, 2018*

	<i>2018 Budget Note 12</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Consolidated expenses by object			
Salaries and benefits	4,632,063	5,045,182	4,598,578
Contribution to First Nations	-	4,500,000	-
Basic needs	1,836,000	1,887,284	1,833,518
Amortization	-	1,290,530	1,026,482
Contracted services	1,905,255	561,892	1,111,458
Supplies	502,000	523,831	502,377
Travel	406,000	437,141	399,525
Student expenses	397,000	423,541	397,527
Community events	93,000	305,207	211,798
Utilities	322,500	282,676	321,253
Repairs and maintenance	442,000	268,836	282,701
Interest on long-term debt	44,045	250,118	215,930
Insurance	272,000	162,496	261,202
Special Needs	170,000	150,171	168,155
Professional fees	152,000	129,532	204,759
Program expense	50,600	100,487	62,263
Rent	220,000	99,672	94,815
Miscellaneous	121,000	99,135	109,919
Bad debts	39,000	84,598	15,736
Vehicle	46,000	46,794	36,329
Bank charges and interest	71,160	38,919	70,547
Honouraria	22,000	33,250	21,667
Consulting	86,000	15,992	10,708
Administration	(135,000)	12,839	45,828
Band support	67,000	10,993	66,530
Training	18,300	9,922	17,694
Meeting	3,900	4,030	4,049
Professional development	30,000	-	28,032
	11,813,823	16,775,068	12,119,380



Big Island Lake Cree Nation
Band Government
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget Note 12</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Revenue			
Indigenous Services Canada	489,513	539,750	489,513
Canada Mortgage and Housing Corporation	50,501	-	50,501
Royalties	90,114	80,025	90,114
Rental income	3,000	64,576	83,763
Other revenue	424,639	364,829	337,876
Battleford Agency Tribal Chief	-	-	3,000
	1,057,767	1,049,180	1,054,767
Expenses			
Salaries and benefits	790,000	390,685	790,340
Travel	245,000	318,493	261,015
Community events	-	246,799	121,730
Contracted services	250,000	152,054	192,822
Utilities	50,000	126,481	49,638
Insurance	142,000	120,646	141,610
Professional fees	120,000	101,667	174,451
Bad debts	14,000	51,910	13,590
Rent	158,000	51,369	32,816
Bank charges and interest	48,000	36,287	48,302
Miscellaneous	20,000	21,789	20,109
Supplies	28,000	19,826	27,998
Repairs and maintenance	3,000	6,651	2,684
Band support	-	6,450	-
Meeting	2,000	2,280	2,118
Interest on long-term debt	32,000	505	31,976
Vehicle	-	465	-
Training	2,500	191	2,441
Program expense	-	-	250
Administration	(375,000)	(440,006)	(373,277)
	1,529,500	1,214,542	1,540,613
Deficit before transfers	(471,733)	(165,362)	(485,846)
Transfers between programs (Schedule 9 -)	-	60,000	40,000
Deficit	(471,733)	(105,362)	(445,846)



Big Island Lake Cree Nation Education

Schedule 4 - Schedule of Revenue and Expenses

For the year ended March 31, 2018

	2018 Budget Note 12	2018 Actual	2017 Actual
Revenue			
Indigenous Services Canada	3,470,000	4,212,849	4,329,984
Indigenous Services Canada Recovery	-	(1,154)	(68,353)
Treaty Six Education Council	266,539	447,155	266,539
Other revenue	438,985	194,546	182,477
Saskatchewan Indian Institute of Technology	2,200	133,701	256,185
Federation of Sovereign Indigenous Nations	9,500	31,500	9,500
Rental income	2,200	7,000	2,200
Interest revenue	15	-	15
	4,189,439	5,025,597	4,978,547
Expenses			
Salaries and benefits	2,977,063	3,453,721	2,977,063
Student expenses	385,000	420,865	384,826
Administration	100,000	272,806	279,891
Supplies	200,000	135,960	202,078
Program expense	50,000	100,312	54,458
Utilities	80,000	74,068	79,733
Miscellaneous	63,000	69,789	57,451
Travel	60,000	42,761	59,081
Rent	42,000	42,398	41,977
Amortization	34,000	37,960	33,524
Vehicle	40,000	33,704	35,617
Honouraria	22,000	33,250	21,667
Bad debts	25,000	32,688	2,146
Insurance	77,000	22,202	76,302
Contracted services	-	18,013	73,166
Consulting	86,000	15,992	10,708
Repairs and maintenance	75,000	13,762	51,515
Community events	4,000	9,716	3,507
Interest on long-term debt	-	2,826	-
Training	500	2,815	360
Professional fees	-	430	-
Bank charges and interest	22,000	233	21,040
Professional development	30,000	-	28,032
Band support	42,000	-	41,500
	4,414,563	4,836,271	4,535,642
Surplus	(225,124)	189,326	442,905



Big Island Lake Cree Nation Health

Schedule 5 - Schedule of Revenue and Expenses

For the year ended March 31, 2018

	2018 Budget Note 12	2018 Actual	2017 Actual
Revenue			
First Nations and Inuit Health Branch	693,455	632,907	1,318,455
Indigenous Services Canada	41,453	41,453	41,453
First Nations and Inuit Health Branch recovery	-	-	(30,968)
Other revenue	3,000	3,750	3,000
Federation of Sovereign Indigenous Nations	80,000	55,829	80,000
	817,908	733,939	1,411,940
Expenses			
Salaries and benefits	327,635	356,873	371,323
Administration	58,564	85,875	51,781
Contracted services	88,463	50,532	114,402
Community events	4,000	47,542	4,070
Supplies	10,830	47,437	67,739
Travel	43,500	34,752	27,489
Utilities	12,000	13,809	13,490
Miscellaneous	8,800	5,771	2,580
Training	11,000	3,862	11,169
Meeting	1,900	1,750	1,931
Insurance	3,264	1,358	2,988
Rent	6,000	509	11,001
Program expense	31,135	-	6,930
Vehicle	1,000	-	290
Repairs and maintenance	5,500	-	14,173
Professional fees	6,664	-	7,103
	620,255	650,070	708,459
Surplus	197,653	83,869	703,481



Big Island Lake Cree Nation
Social Development
Schedule 6 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget Note 12</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Revenue			
Indigenous Services Canada	2,436,660	2,355,914	2,436,634
Indigenous Services Canada Recovery	-	-	(66,311)
	2,436,660	2,355,914	2,370,323
Expenses			
Basic needs	1,836,000	1,887,284	1,833,518
Salaries and benefits	180,000	309,366	179,078
Special Needs	170,000	150,171	168,155
Supplies	50,000	71,224	50,297
Administration	12,000	49,700	11,765
Travel	6,000	5,757	6,611
Student expenses	12,000	2,676	12,701
Contracted services	78,000	2,183	77,372
Vehicle	-	1,275	257
Community events	60,000	500	58,245
Program expense	600	175	625
Miscellaneous	5,500	-	5,483
Band support	25,000	-	25,030
Bank charges and interest	60	-	44
Utilities	1,500	-	1,475
	2,436,660	2,480,311	2,430,656
Deficit	-	(124,397)	(60,333)



Big Island Lake Cree Nation
Community Infrastructure
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018</i> <i>Budget</i> <i>Note 12</i>	<i>2018</i> <i>Actual</i>	<i>2017</i> <i>Actual</i>
Revenue			
Indigenous Services Canada	523,089	990,851	523,089
Expenses			
Amortization	-	1,100,421	840,809
Salaries and benefits	205,000	330,698	204,427
Contracted services	1,465,000	263,314	286,092
Supplies	146,000	213,394	146,234
Repairs and maintenance	100,000	178,553	103,562
Utilities	175,000	68,319	176,366
Administration	45,000	34,663	44,983
Professional fees	-	25,000	-
Travel	15,000	24,541	13,017
Training	300	3,054	320
Miscellaneous	2,900	1,679	2,943
Vehicle	5,000	991	165
Community events	5,000	500	300
Bank charges and interest	1,100	310	1,145
Insurance	5,000	-	62
Rent	2,800	-	2,850
	2,173,100	2,245,437	1,823,275
Deficit	(1,650,011)	(1,254,586)	(1,300,186)



Big Island Lake Cree Nation Capital

Schedule 8 - Schedule of Revenue and Expenses

For the year ended March 31, 2018

	2018 Budget Note 12	2018 Actual	2017 Actual
Revenue			
Indigenous Services Canada	851,904	7,011,634	851,904
Interest revenue	2,350	-	2,350
Other revenue	324,945	-	324,945
	1,179,199	7,011,634	1,179,199
Expenses			
Contribution to First Nations	-	4,500,000	-
Bank charges and interest	-	20	-
Contracted services	-	-	314,293
Salaries and benefits	-	-	63
	-	4,500,020	314,356
Surplus	1,179,199	2,511,614	864,843



Big Island Lake Cree Nation
Lands, Revenues and Trust
Schedule 9 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	2018 Budget Note 12	2018 Actual	2017 Actual
Revenue			
Lease Revenue	102,359	163,321	102,359
Interest revenue	30,048	17,734	30,048
	132,407	181,055	132,407
Expenses			
Salaries and benefits	25,000	9,325	400
Contracted services	1,000	300	630
Community events	-	150	5,236
Supplies	-	81	-
Travel	1,000	-	952
Miscellaneous	15,000	-	16,276
	42,000	9,856	23,494
Surplus before other items	90,407	171,199	108,913
Transfers between programs (Schedule 3 -)	-	(60,000)	(40,000)
Surplus	90,407	111,199	68,913



Big Island Lake Cree Nation

Other

Schedule 10 - Schedule of Revenue and Expenses

For the year ended March 31, 2018

	2018 Budget Note 12	2018 Actual	2017 Actual
Revenue			
Canada Mortgage and Housing Corporation	238,155	834,091	238,155
Indigenous Services Canada	61,500	61,500	61,500
First Nations Trust	390,484	401,635	390,484
Battleford Agency Tribal Chief	-	261,006	-
Rental income	184,032	148,390	184,032
Royalties	19,563	6,096	19,563
	893,734	1,712,718	893,734
Expenses			
Interest on long-term debt	12,045	246,786	183,955
Salaries and benefits	80,000	194,514	75,884
Amortization	-	152,149	152,149
Contracted services	75,000	75,496	52,680
Repairs and maintenance	250,000	69,870	110,767
Supplies	10,000	35,909	8,029
Insurance	45,000	18,290	40,239
Travel	32,000	10,837	31,360
Vehicle	-	10,359	-
Administration	31,000	9,802	30,686
Rent	6,200	5,396	6,170
Band support	-	4,543	-
Professional fees	25,000	2,435	23,205
Bank charges and interest	-	2,069	18
Miscellaneous	5,000	106	5,078
Utilities	2,500	-	551
Community events	20,000	-	18,710
Training	4,000	-	3,404
	597,745	838,561	742,885
Surplus	295,989	874,157	150,849