

Big Island Lake Cree Nation
Consolidated Financial Statements
March 31, 2019





Big Island Lake Cree Nation Contents

For the year ended March 31, 2019

Page

Management's Responsibility

Independent Auditor's Report

Consolidated Financial Statements

Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4

Notes to the Consolidated Financial Statements.....	5
--	----------

Schedules

Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	14
Schedule 2 - Consolidated Schedule of Expenses by Object.....	16
Schedule 3 - Schedule of Revenue and Expenses - Band Government.....	17
Schedule 4 - Schedule of Revenue and Expenses - Education.....	18
Schedule 5 - Schedule of Revenue and Expenses - Health.....	19
Schedule 6 - Schedule of Revenue and Expenses - Social Development.....	20
Schedule 7 - Schedule of Revenue and Expenses - Community Infrastructure.....	21
Schedule 8 - Schedule of Revenue and Expenses - Capital.....	22
Schedule 9 - Schedule of Revenue and Expenses - Lands, Revenues and Trust.....	23
Schedule 10 - Schedule of Revenue and Expenses - Other.....	24

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.

November 11, 2019

(Signatures on file)

Administrator

Independent Auditor's Report

To the Members of Big Island Lake Cree Nation:

Opinion

We have audited the consolidated financial statements of Big Island Lake Cree Nation (the "Cree Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, accumulated surplus, changes in net debt, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Cree Nation as at March 31, 2019, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management and Chief and Council for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Cree Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cree Nation or to cease operations, or has no realistic alternative but to do so.

Chief and Council 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.

Independent Auditor's Report

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Prince Albert, Saskatchewan

November 11, 2019

MNP LLP

Chartered Professional Accountants



Big Island Lake Cree Nation
Consolidated Statement of Financial Position
As at March 31, 2019

	2019	2018
<hr/>		
Financial assets		
Current		
Cash	542,840	326,779
Accounts receivable (Note 4)	395,427	214,313
Restricted cash (Note 5)	4,200,581	72,489
	5,138,848	613,581
Funds held in trust (Note 6)	1,667,831	1,765,354
Restricted cash (Note 7)	83,628	245,714
	<hr/>	<hr/>
Total financial assets	6,890,307	2,624,649
<hr/>		
Liabilities		
Current		
Bank indebtedness (Note 8)	349,279	284,719
Accounts payable and accruals	1,197,324	1,232,864
Deferred revenue (Note 9)	4,238,689	68,600
Current portion of long-term debt (Note 10)	544,675	507,339
	6,329,967	2,093,522
Long-term debt (Note 10)	5,766,086	6,129,382
	<hr/>	<hr/>
Total financial liabilities	12,096,053	8,222,904
	<hr/>	<hr/>
Net debt	(5,205,746)	(5,598,255)
	<hr/>	<hr/>
Contingencies (Note 11)		
Non-financial assets		
Tangible capital assets (Schedule 1)	27,901,548	28,712,906
	<hr/>	<hr/>
Accumulated surplus (Note 17)	22,695,802	23,114,651
	<hr/>	<hr/>
Approved on behalf of the Chief and Council		
<u>(Signature on file)</u>	Chief	<u>(Signature on file)</u> Councillor



Big Island Lake Cree Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2019

	<i>Schedules</i>	2019 Budget	2019 Actual	<i>2018 Actual</i>
Revenue				
Government funding				
Indigenous Services Canada (Note 14)		7,874,119	8,270,267	15,213,951
Indigenous Services Canada Recovery		-	-	(1,154)
First Nations and Inuit Health Branch (Note 15)		693,455	832,011	632,907
Canada Mortgage and Housing Corporation (Note 16)		288,656	391,105	834,091
		8,856,230	9,493,383	16,679,795
Treaty Six Education Council		350,302	485,812	611,689
First Nations Trust		390,484	393,957	401,635
Saskatchewan Indian Institute of Technology		482,006	318,278	107,248
Federation of Sovereign Indigenous Nations		89,500	204,270	87,329
Rental income		189,232	258,832	219,967
Other revenue		743,815	283,877	398,340
Royalties		365,862	180,448	86,122
Battleford Agency Tribal Chief		3,000	95,316	261,006
Lease Revenue		102,359	74,070	163,321
Interest revenue		32,413	63,295	17,734
Daycare funding		-	23,488	26,705
		11,605,203	11,875,026	19,060,891
Program expenses				
Band Government	3	1,904,500	1,056,249	1,218,750
Education	4	4,414,563	5,084,709	4,832,063
Health	5	818,000	867,918	650,070
Social Development	6	2,436,660	2,140,633	2,480,311
Community Infrastructure	7	993,100	2,244,350	2,245,436
Capital	8	1,180,000	7,963	4,500,020
Lands, Revenues and Trust	9	42,000	3,625	9,856
Other	10	835,900	888,428	838,561
Total expenditures		12,624,723	12,293,875	16,775,067
Surplus (deficit)		(1,019,520)	(418,849)	2,285,824
Accumulated surplus, beginning of year		23,114,651	23,114,651	20,828,827
Accumulated surplus, end of year		22,095,131	22,695,802	23,114,651

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, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Annual surplus (deficit)	(1,019,520)	(418,849)	2,285,824
Purchases of tangible capital assets	-	(735,320)	(4,146,083)
Amortization of tangible capital assets	-	1,546,678	1,290,530
	-	811,358	(2,855,553)
(Increase) decrease in net debt	(1,019,520)	392,509	(569,729)
Net financial assets (debt), beginning of year	(5,598,255)	(5,598,255)	(5,028,526)
Net debt, end of year	(6,617,775)	(5,205,746)	(5,598,255)

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, 2019

2019 **2018**

Cash provided by (used for) the following activities

Operating activities

Surplus (deficit)	(418,849)	2,285,824
Non-cash items		
Amortization	1,546,678	1,290,530
	1,127,829	3,576,354
Changes in working capital accounts		
Accounts receivable	(181,115)	55,777
Accounts payable and accruals	(35,540)	(241,017)
Deferred revenue	4,170,089	(280,881)
	5,081,263	3,110,233

Financing activities

Advances of long-term debt	249,001	2,020,739
Repayment of long-term debt	(574,961)	(447,398)
Increase (decrease) in bank indebtedness	64,560	(816,187)
Net withdrawal (deposit) to restricted cash - long term	162,086	187,355
	(99,314)	944,509

Capital activities

Purchases of tangible capital assets	(735,320)	(4,146,083)
--------------------------------------	-----------	-------------

Investing activities

Decrease (Increase) funds held in Trust	97,523	(121,054)
Net withdrawal (deposit) to restricted cash - short term	(4,128,091)	233,707
	(4,030,568)	112,653

Increase in cash resources	216,061	21,312
-----------------------------------	----------------	---------------

Cash resources, beginning of year	326,779	305,467
--	----------------	----------------

Cash resources, end of year	542,840	326,779
------------------------------------	----------------	----------------

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, 2019

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 3430 *Restructuring Transactions*

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 Section.

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.

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.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

3. Significant accounting policies (Continued from previous page)

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.

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.

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.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

3. Significant accounting policies (Continued from previous page)

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, 2019. No liability has been identified or recorded at March 31, 2019.

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

	2019	2018
Indigenous Services Canada	232,569	145,549
Other accounts receivable	268,781	191,849
Member advances	180,753	165,386
CMHC	25,521	25,494
	707,624	528,278
Less: Allowance for doubtful accounts	312,197	313,965
	395,427	214,313



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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 Indigenous Services Canada (ISC).

	2019	2018
Capital Projects - ISC	4,200,581	72,483

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.

	2019	2018
Capital Trust		
Balance, beginning of year	1,634,005	1,534,933
Revenue	12,263	99,072
Balance, end of year	1,646,268	1,634,005
Revenue Trust		
Balance, beginning of year	131,349	109,367
Revenue	120,214	81,982
	251,563	191,349
Less: Transfers to Nation	230,000	60,000
Balance, end of year	21,563	131,349
	1,667,831	1,765,354

During the year Big Island Cree Nation withdrew the following amounts from their Revenue Trust Account::

- BCR 18-00101-0001 for \$ 60,000
- BCR 18-01401-0001 for \$100,000
- BCR 18-03101-0001 for \$ 20,000
- BCR 18-06001-0001 for \$ 50,000

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

	2019	2018
CMHC Replacement Reserve	83,628	245,714

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.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

8. Bank indebtedness

At March 31, 2019 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.

Total amounts drawn against the line of credit as at March 31, 2019 was \$6,706 (\$389 as at 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 and transfers</i>	<i>Amount recognized as revenue</i>	<i>Balance, end of year</i>
ISC - School Mechanical	49,040	(49,040)	-	-
ISC - Lagoon Project	15,960	(15,960)	-	-
ISC - Subdivision	1,071	(1,071)	-	-
ISC - FNIF Road	2,529	(2,529)	-	-
ISC - Water Treatment Plant Project	-	4,518,776	410,087	4,108,689
ISC - Solid Waste Transfer Station	-	130,000	-	130,000
	68,600	4,580,176	410,087	4,238,689

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>	2019	2018
Phase 2	3,149	5.24	April 1, 2019	2,486	39,103
Phase 3	1,087	1.43	April 1, 2022	99,563	111,101
Phase 4	564	2.68	October 1, 2023	54,119	59,541
Phase 5	1,250	1.12	February 1, 2020	153,022	166,237
Phase 6	1,147	1.05	April 1, 2020	81,098	93,942
Phase 7	7,024	1.92	July 1, 2019	772,386	841,179
Phase 8	11,873	1.50	July 1, 2022	1,721,242	1,837,083
				2,883,916	3,148,186

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.

2,745,652 2,944,612

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.

391,476 447,396



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

10. Long-term debt (Continued from previous page)

Ford Finance Canada - debt agreement; payable in monthly installments of \$2,028 with an interest rate of 7.49%. Secured by a vehicle having a net book value of \$60,498.	61,512	-
Ford Finance Canada - debt agreement; payable in monthly installments of \$2,028 with an interest rate of 7.49%. Secured by a vehicle having a net book value of \$60,498.	61,512	-
Ford Finance Canada - debt agreement; payable in monthly installments of \$1,487 with an interest rate of 6.29%. Secured by a vehicle having a net book value of \$63,572.	51,811	-
Ford Finance Canada - debt agreement; payable in monthly installments of \$1,319 with an interest rate of 6.29%. Secured by a vehicle having a net book value of \$57,540.	43,790	-
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 \$38,923.	36,561	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 \$37,953.	34,531	47,059
	6,310,761	6,636,721
Less: current portion	544,675	507,339
	5,766,086	6,129,382

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:

2020	544,675
2021	552,421
2022	539,997
2023	462,098
2024	461,355

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.



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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.

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 Indigenous Services Canada (ISC) as a result of Treaties entered into with the Crown in Right of Canada. These treaties are administered by ISC 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:	12,171,869
Add:	-
Basic needs 2018-19 reconciliation	95,403
Institutional care 2018-19 reconciliation	7,166
Capital funding from 2018 deposited in current year	250,000
Subtract:	-
Solid Waste Transfer Station funding unearned	(4,040,089)
Solid Waste Transfer Station funding unearned	(130,000)
Basic needs 2017-18 reconciliation	(63,982)
Band employee benefits 2017-18 reconciliation	(9,382)
Band employee benefits 2018-19 reconciliation	(10,718)
Total funding per consolidated financial statements	8,270,267

15. First Nations and Inuit Health Branch reconciliation

FNIHB funding per confirmation	832,011
---------------------------------------	----------------

16. CMHC reconciliation

CMHC funding per confirmation:	
Subsidy	306,087
Retrofit	29,445
RRAP	55,573
Total funding per consolidated financial statements	391,105



Big Island Lake Cree Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

17. Accumulated surplus

	2019	2018
Equity in funds held in trust		
Balance, beginning of year	1,765,354	1,644,300
Contributions	132,477	181,054
Withdrawals	(230,000)	(60,000)
	1,667,831	1,765,354
Equity in CMHC reserves		
Balance, beginning of year	787,992	785,836
Allocation	70,049	2,156
	858,041	787,992
Equity in tangible capital assets		
Balance, beginning of year	22,523,578	21,297,288
Acquisition of tangible capital assets	735,320	4,146,083
Advance of long-term debt	(249,002)	(2,020,739)
Repayment of long-term debt	519,042	391,476
Amortization	(1,546,678)	(1,290,530)
	21,982,260	22,523,578
Unrestricted deficit		
Balance, beginning of year	(1,962,273)	(2,898,597)
Transfer to (from) equity in funds held in trust	97,523	(121,054)
Transfer to equity in CMHC reserves	(70,049)	(2,156)
Transfer to equity in tangible capital assets	541,318	(1,226,290)
Current surplus (deficit)	(418,849)	2,285,824
	(1,812,330)	(1,962,273)
	22,695,802	23,114,651

The Cree Nation does not have a Moveable Asset Reserve.

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, 2019, \$650,967 (2018 - \$569,947) is required to be on deposit to fund this reserve. At March 31, 2019, the Replacement Reserve is underfunded by \$567,317 (2018 underfunded \$351,210).

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, 2019, \$207,074 (2018 - \$191,045) is required to be on deposit to fund this reserve. At March 31, 2019 the operating reserve was underfunded by \$207,074 (2018 - \$191,045).



Big Island Lake Cree Nation Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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.

Lands, 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.



Big Island Lake Cree Nation **Schedule 1 - Consolidated Schedule of Tangible Capital Assets** *For the year ended March 31, 2019*

	<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	11,083,665	3,850,683	10,910,109	3,401,513	257,259	39,407,742
Acquisition of tangible capital assets	-	-	-	-	324,818	-	324,818
Transfer of construction-in-progress	-	3,561,000	-	1,113,537	-	-	4,674,537
Balance, end of year	9,904,513	14,644,665	3,850,683	12,023,646	3,726,331	257,259	44,407,097
Accumulated amortization							
Balance, beginning of year	6,179,587	3,925,810	1,543,010	3,517,218	2,823,520	-	17,989,145
Annual amortization	227,812	502,133	115,384	425,321	198,588	-	1,469,238
Balance, end of year	6,407,399	4,427,943	1,658,394	3,942,539	3,022,108	-	19,458,383
Net book value of tangible capital assets	3,497,114	10,216,722	2,192,289	8,081,107	704,223	257,259	24,948,714
2018							
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



Big Island Lake Cree Nation **Schedule 1 - Consolidated Schedule of Tangible Capital Assets** *For the year ended March 31, 2019*

	<i>Subtotal</i>	<i>Roads</i>	<i>Projects under construction</i>	<i>2019</i>	<i>2018</i>
Cost					<i>Actual</i>
Balance, beginning of year	39,407,742	3,462,843	4,712,985	47,583,570	43,437,487
Acquisition of tangible capital assets	324,818	-	410,502	735,320	4,146,083
Transfer of construction-in-progress	4,674,537	-	(4,674,537)	-	-
Balance, end of year	44,407,097	3,462,843	448,950	48,318,890	47,583,570
Accumulated amortization					
Balance, beginning of year	17,989,145	881,519	-	18,870,664	17,580,134
Annual amortization	1,469,238	77,440	-	1,546,678	1,290,530
Balance, end of year	19,458,383	958,959	-	20,417,342	18,870,664
Net book value of tangible capital assets	24,948,714	2,503,884	448,950	27,901,548	28,712,906
2018	21,418,597	2,581,324	4,712,985	28,712,906	
Net book value of tangible capital assets					



Big Island Lake Cree Nation **Schedule 2 - Schedule of Consolidated Expenses by Object** *For the year ended March 31, 2019*

	2019 <i>Budget</i> <i>Note 12</i>	2019 <i>Actual</i>	2018 <i>Actual</i>
Consolidated expenses by object			
Salaries and benefits	4,607,063	4,975,803	5,045,182
Basic needs	1,836,000	1,826,677	1,887,284
Amortization	34,000	1,546,678	1,290,530
Travel	406,000	645,597	437,903
Supplies	502,000	526,332	525,070
Student expenses	397,000	497,672	418,782
Contracted services	2,144,000	480,813	548,389
Utilities	322,500	311,594	282,676
Interest on long-term debt	282,000	247,228	250,118
Insurance	272,000	179,695	162,496
Band support	67,000	158,720	6,450
Consulting	11,000	140,953	28,999
Special Needs	170,000	123,872	150,171
Repairs and maintenance	442,000	101,414	269,400
Program expense	57,600	107,393	103,567
Community events	243,000	93,845	311,564
Professional fees	152,000	80,504	129,532
Vehicle	46,000	61,596	46,794
Rent	95,000	37,888	99,672
Bank charges and interest	71,360	28,368	38,609
Professional development	30,000	27,304	-
Honouraria	22,000	27,188	33,250
Training	18,300	18,889	9,923
Administration	240,000	18,672	12,839
Miscellaneous	114,000	15,866	97,239
Bad debts	39,000	6,661	84,598
Meeting	3,900	5,953	4,030
Automotive	-	700	-
Contribution to First Nations	-	-	4,500,000
	12,624,723	12,293,875	16,775,067



Big Island Lake Cree Nation
Band Government
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019 <i>Budget</i> <i>Note 12</i>	2019 <i>Actual</i>	2018 <i>Actual</i>
Revenue			
Indigenous Services Canada	489,513	589,451	539,750
Canada Mortgage and Housing Corporation	50,501	-	-
Royalties	90,114	170,767	80,025
Other revenue	715,876	264,299	364,829
Rental income	3,000	33,671	64,576
Federation of Sovereign Indigenous Nations	83,763	96,090	-
Saskatchewan Indian Institute of Technology	225,821	114,477	-
	1,658,588	1,268,755	1,049,180
Expenses			
Salaries and benefits	790,000	544,122	390,685
Travel	245,000	344,029	318,493
Band support	-	153,757	6,450
Contracted services	250,000	73,292	152,054
Professional fees	120,000	73,019	101,667
Community events	125,000	72,550	246,799
Utilities	50,000	45,690	126,481
Supplies	28,000	39,817	19,826
Bank charges and interest	48,000	23,800	36,287
Insurance	142,000	13,025	120,646
Rent	33,000	11,808	51,369
Bad debts	14,000	6,661	51,910
Meeting	2,000	5,765	2,280
Miscellaneous	20,000	5,581	21,789
Interest on long-term debt	32,000	1,053	505
Training	2,500	500	191
Vehicle	-	226	465
Repairs and maintenance	3,000	112	6,651
Administration	-	(358,558)	(435,798)
	1,904,500	1,056,249	1,218,750
Surplus (deficit) before transfers	(245,912)	212,506	(169,570)
Transfers between programs (Schedule 9 -)	-	230,000	60,000
Surplus (deficit)	(245,912)	442,506	(109,570)



Big Island Lake Cree Nation Education

Schedule 4 - Schedule of Revenue and Expenses

For the year ended March 31, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Revenue			
Indigenous Services Canada	3,470,000	4,338,981	4,212,849
Indigenous Services Canada Recovery	-	-	(1,154)
Treaty Six Education Council	266,539	485,812	611,689
Saskatchewan Indian Institute of Technology	256,185	203,801	107,248
Federation of Sovereign Indigenous Nations	9,500	83,180	31,500
Daycare funding	-	23,488	26,705
Other revenue	185,000	18,678	29,761
Interest revenue	15	-	-
Rental income	2,200	-	7,000
	4,189,439	5,153,940	5,025,598
Expenses			
Salaries and benefits	2,977,063	3,381,035	3,453,721
Student expenses	385,000	497,672	416,106
Administration	100,000	265,357	268,598
Supplies	200,000	167,615	137,639
Utilities	80,000	152,200	74,068
Consulting	11,000	140,953	28,999
Program expense	50,000	107,393	103,392
Travel	60,000	96,723	42,761
Amortization	34,000	89,920	37,960
Insurance	77,000	28,714	22,202
Professional development	30,000	27,304	-
Honouraria	22,000	27,188	33,250
Vehicle	40,000	21,626	33,704
Rent	42,000	17,769	42,398
Repairs and maintenance	75,000	14,648	13,762
Miscellaneous	63,000	14,462	69,789
Community events	4,000	12,099	9,716
Interest on long-term debt	-	10,392	2,826
Training	500	7,148	2,815
Bank charges and interest	22,000	3,761	233
Automotive	-	700	-
Professional fees	-	30	430
Contracted services	75,000	-	5,006
Band support	42,000	-	-
Bad debts	25,000	-	32,688
	4,414,563	5,084,709	4,832,063
Surplus	(225,124)	69,231	193,535



Big Island Lake Cree Nation Health

Schedule 5 - Schedule of Revenue and Expenses

For the year ended March 31, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Revenue			
First Nations and Inuit Health Branch	693,455	832,011	632,907
Indigenous Services Canada	41,453	41,453	41,453
Federation of Sovereign Indigenous Nations	80,000	25,000	55,829
Other revenue	3,000	-	3,750
	817,908	898,464	733,939
Expenses			
Salaries and benefits	375,000	471,170	356,873
Travel	47,000	113,917	34,752
Administration	52,000	104,972	85,875
Contracted services	207,000	67,794	50,532
Supplies	68,000	65,903	47,123
Utilities	13,500	17,791	13,809
Community events	4,000	8,270	49,356
Rent	11,000	7,814	509
Training	11,000	7,533	3,862
Repairs and maintenance	14,000	2,566	371
Meeting	1,900	188	1,750
Miscellaneous	2,600	-	3,900
Vehicle	1,000	-	-
Insurance	3,000	-	1,358
Professional fees	7,000	-	-
	818,000	867,918	650,070
Surplus	(92)	30,546	83,869



Big Island Lake Cree Nation
Social Development
Schedule 6 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Revenue			
Indigenous Services Canada	2,436,660	2,319,249	2,355,914
Expenses			
Basic needs	1,836,000	1,826,677	1,887,284
Salaries and benefits	180,000	160,661	309,366
Special Needs	170,000	123,872	150,171
Contracted services	78,000	14,134	2,183
Supplies	50,000	9,607	71,224
Travel	6,000	2,815	5,757
Administration	12,000	1,200	49,700
Utilities	1,500	1,020	-
Rent	-	497	-
Band support	25,000	150	-
Student expenses	12,000	-	2,676
Miscellaneous	5,500	-	-
Program expense	600	-	175
Bank charges and interest	60	-	-
Vehicle	-	-	1,275
Community events	60,000	-	500
	2,436,660	2,140,633	2,480,311
Surplus (deficit)	-	178,616	(124,397)



Big Island Lake Cree Nation
Community Infrastructure
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	<i>2019</i> <i>Budget</i> <i>Note 12</i>	<i>2019</i> <i>Actual</i>	<i>2018</i> <i>Actual</i>
Revenue			
Indigenous Services Canada	523,089	509,722	990,851
Expenses			
Amortization	-	1,341,375	1,100,421
Salaries and benefits	205,000	304,383	330,698
Contracted services	285,000	138,834	262,818
Insurance	5,000	137,956	-
Supplies	146,000	98,321	213,269
Utilities	175,000	92,494	68,319
Travel	15,000	62,149	24,541
Vehicle	5,000	35,062	991
Repairs and maintenance	100,000	26,619	179,483
Training	300	3,708	3,054
Band support	-	3,500	-
Administration	45,000	3,200	34,663
Community events	5,000	926	500
Professional fees	-	-	25,000
Rent	2,800	-	-
Bank charges and interest	1,100	-	-
Miscellaneous	2,900	(4,177)	1,679
	993,100	2,244,350	2,245,436
Deficit	(470,011)	(1,734,628)	(1,254,585)



Big Island Lake Cree Nation Capital

Schedule 8 - Schedule of Revenue and Expenses

For the year ended March 31, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Revenue			
Indigenous Services Canada	851,904	409,911	7,011,634
Interest revenue	2,350	4,887	-
Other revenue	324,945	-	-
	1,179,199	414,798	7,011,634
Expenses			
Travel	-	7,963	-
Bank charges and interest	-	-	20
Contracted Services	1,180,000	-	4,500,000
	1,180,000	7,963	4,500,020
Surplus	(801)	406,835	2,511,614



Big Island Lake Cree Nation
Lands, Revenues and Trust
Schedule 9 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Revenue			
Lease Revenue	102,359	74,070	163,321
Interest revenue	30,048	58,407	17,734
	132,407	132,477	181,055
Expenses			
Salaries and benefits	-	1,525	9,325
Travel	1,000	800	-
Band support	-	800	-
Supplies	-	500	81
Miscellaneous	15,000	-	-
Contracted services	1,000	-	300
Community events	25,000	-	150
	42,000	3,625	9,856
Surplus before other items	90,407	128,852	171,199
Transfers between programs (Schedule 3 -)	-	(230,000)	(60,000)
Surplus (deficit)	90,407	(101,148)	111,199



Big Island Lake Cree Nation Other

Schedule 10 - Schedule of Revenue and Expenses

For the year ended March 31, 2019

	2019 Budget Note 12	2019 Actual	2018 Actual
Revenue			
Canada Mortgage and Housing Corporation	238,155	391,105	834,091
Indigenous Services Canada	61,500	61,500	61,500
First Nations Trust	390,484	393,957	401,635
Rental income	184,032	225,162	148,390
Battleford Agency Tribal Chief	-	95,316	261,006
Royalties	19,563	9,682	6,096
Other revenue	-	900	-
	893,734	1,177,622	1,712,718
Expenses			
Interest on long-term debt	250,000	235,783	246,786
Contracted services	75,000	186,758	75,496
Supplies	10,000	144,571	35,909
Amortization	-	115,384	152,149
Salaries and benefits	80,000	112,906	194,514
Repairs and maintenance	250,000	57,470	69,133
Travel	32,000	17,200	11,599
Professional fees	25,000	7,455	2,435
Vehicle	-	4,682	10,359
Administration	31,000	2,500	9,802
Utilities	2,500	2,399	-
Bank charges and interest	200	807	2,069
Band support	-	513	-
Rent	6,200	-	5,396
Miscellaneous	5,000	-	81
Community events	20,000	-	4,543
Training	4,000	-	-
Insurance	45,000	-	18,290
	835,900	888,428	838,561
Surplus	57,834	289,194	874,157