

**Big Island Lake Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2020*





# Big Island Lake Cree Nation Contents

*For the year ended March 31, 2020*

**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

<b>Notes to the Consolidated Financial Statements.....</b>	<b>5</b>
--	----------

## **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.

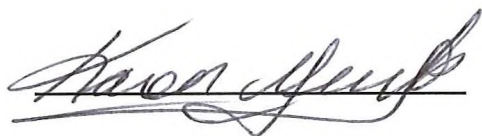
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate 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.

June 17, 2021



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 "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, changes in net financial assets 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 consolidated financial position of the First Nation as at March 31, 2020, 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 First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with 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 First 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 First Nation or to cease operations, or has no realistic alternative but to do so.

Chief and Council are responsible for overseeing the First Nation's financial reporting process.

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

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

## Independent Auditor's Report *continued*

---

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

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

July 5, 2021

*MNP LLP*


Chartered Professional Accountants



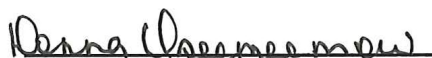
**Big Island Lake Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2020*

	2020	2019
<b>Financial assets</b>		
<b>Current</b>		
Cash	651,872	542,840
Accounts receivable (Note 3)	971,707	395,427
Inventory for resale	22,419	-
Restricted cash (Note 4)	2,398,557	4,200,581
	4,044,555	5,138,848
<b>Funds held in trust (Note 5)</b>	1,706,259	1,667,831
<b>Restricted cash (Note 6)</b>	99,773	83,628
<b>Total financial assets</b>	5,850,587	6,890,307
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 7)	313,217	349,279
Accounts payable and accruals	1,039,620	1,197,326
Deferred revenue (Note 8)	3,323,605	4,238,689
Current portion of long-term debt (Note 9)	562,648	544,675
	5,239,090	6,329,969
<b>Long-term debt (Note 9)</b>	5,243,004	5,766,086
<b>Total financial liabilities</b>	10,482,094	12,096,055
<b>Net debt</b>	(4,631,507)	(5,205,748)
<b>Contingencies (Note 10)</b>		
<b>Subsequent events (Note 17)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	28,545,679	27,901,548
<b>Accumulated surplus (Note 14)</b>	23,914,172	22,695,800

Approved on behalf of the Chief and Council

  
\_\_\_\_\_

Councillor

  
\_\_\_\_\_

Councillor



# Big Island Lake Cree Nation

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2020

	<i>Schedules</i>	<b>2020 Budget Note 11</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>Revenue</b>				
Indigenous Services Canada (Note 13)		7,874,119	12,091,291	8,270,267
Indigenous Services Canada - Health		693,455	1,121,189	832,011
Canada Mortgage and Housing Corporation		288,656	291,190	391,105
Other revenue		743,815	677,046	531,864
First Nations Trust		390,484	388,484	393,957
Federation of Sovereign Indigenous Nations		89,500	329,709	206,324
Saskatchewan Indian Institute of Technology		482,006	215,645	203,254
Rental income		189,232	259,125	258,832
Royalties		365,862	130,452	180,448
Store sales		-	126,764	-
Lease Revenue		102,359	83,354	74,070
Treaty Six Education Council		350,302	37,067	374,283
Interest revenue		32,413	28,236	63,295
Battleford Agency Tribal Chiefs		3,000	42,036	95,316
		<b>11,605,203</b>	<b>15,821,588</b>	<b>11,875,026</b>
<b>Program expenses</b>				
Band Government	3	1,904,500	1,453,228	1,059,300
Education	4	4,309,563	6,926,720	5,084,709
Health	5	818,000	1,103,387	875,881
Social Development	6	2,424,660	2,541,759	2,140,633
Community Infrastructure	7	1,073,100	2,074,277	2,244,350
Lands, Revenues and Trust	9	17,000	-	3,625
Other	10	835,900	731,875	885,378
<b>Total expenditures</b>		<b>11,382,723</b>	<b>14,831,246</b>	<b>12,293,876</b>
<b>Surplus (deficit) before other items</b>		<b>222,480</b>	<b>990,342</b>	<b>(418,850)</b>
<b>Other income</b>				
Gain on disposal of tangible capital asset		-	228,030	-
<b>Surplus (deficit)</b>		<b>222,480</b>	<b>1,218,372</b>	<b>(418,850)</b>
<b>Accumulated surplus, beginning of year</b>		<b>22,695,800</b>	<b>22,695,800</b>	<b>23,114,650</b>
<b>Accumulated surplus, end of year</b>		<b>22,918,280</b>	<b>23,914,172</b>	<b>22,695,800</b>

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, 2020*

	<i><b>2020 Budget Note 11</b></i>	<i><b>2020 Actual</b></i>	<i><b>2019 Actual</b></i>
<b>Annual surplus (deficit)</b>	<b>222,480</b>	<b>1,218,372</b>	<b>(418,850)</b>
Purchases of tangible capital assets	-	<b>(2,233,274)</b>	(735,320)
Amortization of tangible capital assets	-	<b>1,589,143</b>	1,546,678
Gain on disposal of tangible capital assets	-	<b>(228,030)</b>	-
Proceeds of disposal of tangible capital assets	-	<b>228,030</b>	-
	-	<b>(644,131)</b>	811,358
<b>(Increase) decrease in net debt</b>	<b>222,480</b>	<b>574,241</b>	392,508
<b>Net financial assets (debt), beginning of year</b>	<b>(5,205,748)</b>	<b>(5,205,748)</b>	<b>(5,598,256)</b>
<b>Net debt, end of year</b>	<b>(4,983,268)</b>	<b>(4,631,507)</b>	<b>(5,205,748)</b>

*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, 2020*

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus (deficit)	1,218,372	(418,850)
Non-cash items		
Amortization	1,589,143	1,546,678
Gain on disposal of tangible capital asset	(228,030)	-
	2,579,485	1,127,828
Changes in working capital accounts		
Accounts receivable	(576,280)	(181,115)
Accounts payable and accruals	(157,705)	(35,540)
Deferred revenue	(915,084)	4,170,089
Inventory	(22,419)	-
	907,997	5,081,262
<b>Financing activities</b>		
Advances of long-term debt	-	249,001
Repayment of long-term debt	(505,109)	(574,961)
Increase (decrease) in bank indebtedness	(36,062)	64,560
	(541,171)	(261,400)
<b>Capital activities</b>		
Purchases of tangible capital assets	(2,233,274)	(735,320)
Proceeds of disposal of tangible capital assets	228,030	-
<b>Investing activities</b>		
Decrease (Increase) funds held in Trust	(38,428)	97,524
Net withdrawal (deposit) to restricted cash - long term	1,802,023	162,086
Net withdrawal (deposit) to restricted cash - short term	(16,145)	(4,128,091)
	1,747,450	(3,868,481)
<b>Increase in cash resources</b>	<b>109,032</b>	<b>216,061</b>
<b>Cash resources, beginning of year</b>	<b>542,840</b>	<b>326,779</b>
<b>Cash resources, end of year</b>	<b>651,872</b>	<b>542,840</b>

*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, 2020

### 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. 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 First Nation reporting entity, except for First Nation business entities. Trusts administered on behalf of third parties by Big Island Lake Cree Nation are excluded from the First Nation reporting entity.

The First 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.

#### **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:

		<b>Rate</b>
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.



# Big Island Lake Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

---

### 2. Significant accounting policies (Continued from previous page)

#### **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. Trust moneys consist of:

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

#### **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.

##### 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.



# Big Island Lake Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

### 2. Significant accounting policies (Continued from previous page)

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

Legal provisions are estimated when an obligation has arisen as a result of a past event, payment for the obligation is probable, and the amount can be estimated reliably.

#### **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, 2020. No liability has been identified or recorded at March 31, 2020.

#### **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.

### 3. Accounts receivable

	2020	2019
Indigenous Services Canada	610,271	232,569
Member advances	352,981	180,753
Other accounts receivable	224,032	268,781
CMHC	169,725	25,521
	<b>1,357,009</b>	707,624
Less: Allowance for doubtful accounts	<b>385,302</b>	312,197
	<b>971,707</b>	395,427

### 4. 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).

	2020	2019
Capital Projects - ISC	2,398,557	4,200,581



## Big Island Lake Cree Nation

### Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

#### 5. 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.

	2020	2019
<b>Capital Trust</b>		
Balance, beginning of year	1,646,268	1,634,005
Revenue	23,378	12,263
Balance, end of year	1,669,646	1,646,268
<b>Revenue Trust</b>		
Balance, beginning of year	21,563	131,349
Revenue	87,050	120,214
	108,613	251,563
Less: Transfers to Nation	72,000	230,000
Balance, end of year	36,613	21,563
	1,706,259	1,667,831

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

- BCR 20019-2020-04 Grad Assistance for \$ 16,000.
- BCR 2019-2020-14 Band Assistance for \$ 26,000.
- BCR 2019-2020-23 Assistance \$ 30,000.

#### 6. Restricted cash long-term

	2020	2019
CMHC Replacement Reserve	99,773	83,628

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.

#### 7. Bank indebtedness

At March 31, 2020 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, 2020 was \$7,224 (\$6,706 as at March 31, 2019).



# Big Island Lake Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

### 8. 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 - Water Treatment Plant Project	4,108,689	870,000	1,814,263	3,164,426
ISC - Solid Waste Transfer Station	130,000	-	50,000	80,000
ISC - Preparedness/Mitigation	-	64,900	-	64,900
ISC - Preparedness/Mitigation	-	14,279	-	14,279
	<b>4,238,689</b>	<b>949,179</b>	<b>1,864,263</b>	<b>3,323,605</b>

### 9. 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>	<b>2020</b>	<b>2019</b>
Phase 2	3,149	5.24		-	2,486
Phase 3	1,087	1.43	April 1, 2022	87,861	99,563
Phase 4	564	2.68	October 1, 2023	48,729	54,119
Phase 5	1,250	1.12	May 1, 2020	139,662	153,022
Phase 6	1,147	1.05	April 1, 2020	68,121	81,098
Phase 7	6,969	1.75	October 1, 2024	702,062	772,386
Phase 8	11,873	1.50	July 1, 2022	1,603,815	1,721,242

**2,650,250** 2,883,916

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.

**2,626,276** 2,745,652

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.

**335,556** 391,476

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 \$42,349.

**41,092** 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 \$42,349.

**41,092** 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 \$44,501.

**36,805** 51,811



**Big Island Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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

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 \$40,278.	<b>30,336</b>	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 \$27,246.	<b>22,961</b>	36,561
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 \$26,567.	<b>21,284</b>	34,531
	<b>5,805,652</b>	6,310,761
Less: current portion	<b>562,648</b>	544,675
	<b>5,243,004</b>	5,766,086

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:

2021	562,648
2022	552,421
2023	539,997
2024	462,098
2025	461,355

**10. 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, 2020*

---

### 11. Budget information

The disclosed budget information has been approved by the Chief and Council of the Big Island Lake Cree Nation on September 28, 2019.

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.

### 12. 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 First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

### 13. Indigenous Services Canada reconciliation

ISC funding per confirmation:	12,300,949
Add:	
2018-19 Institutional care	7,166
Revenue recognized with progress of capital projects	994,262
Subtract:	
Education funding clawback	(10,719)
Deferred preparedness funding	(79,178)
<b>Total funding per consolidated financial statements</b>	<b>13,212,480</b>
Indigenous Services Canada	12,084,125
Indigenous Services Canada - Health	1,121,189
Indigenous Services Canada - Recovery	7,166
<b>Total funding per consolidated financial statements</b>	<b>13,212,480</b>





# **Big Island Lake Cree Nation** **Notes to the Consolidated Financial Statements** *For the year ended March 31, 2020*

## **14. Accumulated surplus**

	<b>2020</b>	<b>2019</b>
<b>Equity in funds held in trust</b>		
Balance, beginning of year	1,667,831	1,765,354
Contributions	110,428	132,477
Withdrawals	(72,000)	(230,000)
	<b>1,706,259</b>	<b>1,667,831</b>
<b>Equity in CMHC reserves</b>		
Balance, beginning of year	858,041	787,992
Allocation	(68,391)	70,049
	<b>789,650</b>	<b>858,041</b>
<b>Equity in tangible capital assets</b>		
Balance, beginning of year	21,982,260	22,523,578
Acquisition of tangible capital assets	1,841,801	735,320
Advance of long-term debt	-	(249,002)
Repayment of long-term debt	505,109	519,042
Amortization	(1,589,143)	(1,546,678)
	<b>22,740,027</b>	<b>21,982,260</b>
<b>Unrestricted deficit</b>		
Balance, beginning of year	(1,812,332)	(1,962,274)
Transfer to (from) equity in funds held in trust	(38,428)	97,523
Transfer to equity in CMHC reserves	68,391	(70,049)
Transfer to equity in tangible capital assets	(757,767)	541,318
Current surplus (deficit)	1,218,372	(418,850)
	<b>(1,321,764)</b>	<b>(1,812,332)</b>
	<b>23,914,172</b>	<b>22,695,800</b>

The Cree Nation does not have a Moveable Asset Reserve.

## **15. 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, 2020, \$572,249 (2019 - \$651,579) is required to be on deposit to fund this reserve. The replacement reserve is under funded at March 31, 2020 by \$472,476.

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, 2020, \$217,402 (2019 - \$208,083) is required to be on deposit to fund this reserve. The operating reserve is underfunded at March 31, 2020 by \$68,823.



## Big Island Lake Cree Nation

### Notes to the Consolidated Financial Statements

*For the year ended March 31, 2020*

---

#### 16. 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.

#### 17. Subsequent events

Effective April 1, 2020, Indigenous Services Canada terminated its funding agreement with the 102003869 Saskatchewan Corp. 102003869 Saskatchewan Corp. was operating as Big Island Lake Cree Nation Prevention Support and Services and provided support for the well-being of Big Island Lake Cree Nation membership. Under the terms of the funding agreement, the termination of 102003869 Saskatchewan Corp. resulted in all non financial assets contributed to Big Island Lake Cree Nation on April 1, 2020. All remaining financial liabilities were settled and all remaining financial assets were settled and then returned to Indigenous Services Canada after the final cessation of the organization on July 15, 2020. One of the assets contributed to the Cree Nation was the Youth and Prevention Centre with a net book value of \$668,000 caught fire and was deemed a total loss.

During March of 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on Big Island Lake Cree Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.



# Big Island Lake Cree Nation

## Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2020

	Buildings	Band Housing	CMHC Housing	Infrastructure	Vehicles and equipment	Land	Subtotal
<b>Cost</b>							
Balance, beginning of year	9,904,513	14,644,665	3,850,683	12,023,646	3,726,331	257,259	44,407,097
Acquisition of tangible capital assets	22,472	-	-	-	326,540	20,000	369,012
Balance, end of year	9,926,985	14,644,665	3,850,683	12,023,646	4,052,871	277,259	44,776,109
<b>Accumulated amortization</b>							
Balance, beginning of year	6,407,399	4,427,943	1,658,394	3,942,539	3,022,108	-	19,458,383
Annual amortization	216,098	583,901	115,384	404,055	194,588	-	1,514,026
Balance, end of year	6,623,497	5,011,844	1,773,778	4,346,594	3,216,696	-	20,972,409
<b>Net book value of tangible capital assets</b>	<b>3,303,488</b>	<b>9,632,821</b>	<b>2,076,905</b>	<b>7,677,052</b>	<b>836,175</b>	<b>277,259</b>	<b>23,803,700</b>
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

2019



# **Big Island Lake Cree Nation** **Schedule 1 - Consolidated Schedule of Tangible Capital Assets** *For the year ended March 31, 2020*

	<i>Subtotal</i>	<i>Roads</i>	<i>Projects under construction</i>	<i>2020</i>	<i>2019</i>
<b>Cost</b>					<i>Actual</i>
Balance, beginning of year	44,407,097	3,462,843	448,950	48,318,890	47,583,570
Acquisition of tangible capital assets	369,012	-	1,864,262	2,233,274	735,320
Balance, end of year	44,776,109	3,462,843	2,313,212	50,552,164	48,318,890
<b>Accumulated amortization</b>					
Balance, beginning of year	19,458,383	958,959	-	20,417,342	18,870,664
Annual amortization	1,514,026	75,117	-	1,589,143	1,546,678
Balance, end of year	20,972,409	1,034,076	-	22,006,485	20,417,342
<b>Net book value of tangible capital assets</b>	<b>23,803,700</b>	<b>2,428,767</b>	<b>2,313,212</b>	<b>28,545,679</b>	<b>27,901,548</b>
2019	24,948,714	2,503,884	448,950	27,901,548	
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, 2020*

	<i>2020 Budget Note 11</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
<b>Consolidated expenses by object</b>			
Salaries and benefits	4,632,063	5,908,711	4,975,803
Basic needs	1,328,155	2,043,124	1,826,677
Amortization	34,000	1,589,143	1,546,678
Contracted services	2,069,000	894,895	480,813
Supplies	502,000	840,751	526,332
Travel	406,000	511,882	645,597
Student expenses	397,000	370,119	497,672
Utilities	322,500	369,089	311,594
Interest on long-term debt	44,045	296,255	247,228
Repairs and maintenance	442,000	241,292	101,414
Insurance	272,000	229,941	179,695
Program expense	50,600	183,453	107,393
Professional fees	152,000	181,184	80,504
Community events	93,000	151,172	93,845
Special Needs	170,000	141,921	123,872
Consulting	86,000	141,006	140,953
Band member support	67,000	136,798	158,720
Administration	(135,000)	115,874	18,672
Vehicle	46,000	110,233	61,596
Bank charges and interest	71,160	91,842	28,368
Training	18,300	89,288	18,889
Bad debts	39,000	73,104	6,661
Honouraria	22,000	45,496	27,188
Rent	220,000	34,692	37,888
Miscellaneous	-	19,127	15,866
Meeting	3,900	11,849	5,953
Professional development	30,000	9,005	27,304
Automotive	-	-	701
	<b>11,382,723</b>	<b>14,831,246</b>	<b>12,293,876</b>



**Big Island Lake Cree Nation**  
**Band Government**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020</b> <i>Budget</i> <i>Note 11</i>	<b>2020</b> <i>Actual</i>	<b>2019</b> <i>Actual</i>
<b>Revenue</b>			
Indigenous Services Canada	(1,346,487)	680,981	589,451
Canada Mortgage and Housing Corporation	50,501	-	-
Other revenue	715,876	157,811	264,299
Royalties	90,114	130,452	170,767
Rental income	3,000	102,774	49,255
Saskatchewan Indian Institute of Technology	225,821	-	114,477
Federation of Sovereign Indigenous Nations	83,763	-	96,090
	<b>(177,412)</b>	<b>1,072,018</b>	<b>1,284,339</b>
<b>Expenses</b>			
Salaries and benefits	790,000	599,919	544,122
Travel	245,000	281,217	344,029
Contracted services	250,000	271,192	73,292
Professional fees	120,000	150,394	73,019
Band member support	-	135,798	153,757
Community events	125,000	116,233	72,550
Utilities	50,000	103,892	46,241
Supplies	28,000	93,415	39,817
Bad debts	14,000	73,104	6,661
Bank charges and interest	48,000	38,213	23,800
Insurance	142,000	26,936	13,025
Program expense	-	23,129	-
Rent	33,000	22,692	11,808
Training	2,500	17,665	500
Meeting	2,000	11,304	5,765
Repairs and maintenance	3,000	8,054	112
Vehicle	-	3,750	226
Interest on long-term debt	32,000	-	1,053
Miscellaneous	20,000	-	5,581
Administration	-	(523,679)	(356,058)
	<b>1,904,500</b>	<b>1,453,228</b>	<b>1,059,300</b>
<b>Surplus (deficit) before other items</b>	<b>(2,081,912)</b>	<b>(381,210)</b>	<b>225,039</b>
<b>Other income (expense)</b>			
Gain on disposal of tangible capital asset	-	228,030	-
<b>Surplus (deficit) before transfers</b>	<b>(2,081,912)</b>	<b>(153,180)</b>	<b>225,039</b>
<b>Transfers between programs (Schedule 9 - )</b>	<b>-</b>	<b>72,000</b>	<b>230,000</b>
<b>Surplus (deficit)</b>	<b>(2,081,912)</b>	<b>(81,180)</b>	<b>455,039</b>



# Big Island Lake Cree Nation

## Education

### Schedule 4 - Schedule of Revenue and Expenses

For the year ended March 31, 2020

	2020 Budget Note 11	2020 Actual	2019 Actual
<b>Revenue</b>			
Indigenous Services Canada	3,470,000	6,228,286	4,338,981
Other revenue	185,000	474,445	266,665
Federation of Sovereign Indigenous Nations	9,500	304,794	85,234
Saskatchewan Indian Institute of Technology	256,185	215,645	88,777
Treaty Six Education Council	266,539	37,067	374,283
Battleford Agency Tribal Chief	-	36,009	-
Rental income	2,200	13,950	-
Interest revenue	15	1,161	-
	<b>4,189,439</b>	<b>7,311,357</b>	<b>5,153,940</b>
<b>Expenses</b>			
Salaries and benefits	2,977,063	4,188,870	3,381,035
Administration	100,000	452,632	265,357
Student expenses	385,000	370,119	497,672
Supplies	200,000	367,655	167,615
Contracted services	75,000	367,603	-
Utilities	-	199,580	152,200
Program expense	50,000	159,862	107,393
Repairs and maintenance	75,000	152,413	14,648
Consulting	11,000	141,006	140,953
Travel	60,000	105,400	96,723
Vehicle	40,000	95,303	21,626
Amortization	34,000	94,832	89,920
Insurance	77,000	44,321	28,714
Honouraria	22,000	42,216	27,188
Professional fees	-	30,789	30
Training	500	24,262	7,148
Community events	4,000	23,204	12,099
Bank charges and interest	22,000	18,216	3,761
Interest on long-term debt	-	16,232	10,392
Rent	42,000	12,000	17,769
Miscellaneous	63,000	11,202	14,462
Professional development	30,000	9,003	27,304
Automotive	-	-	700
Band member support	42,000	-	-
	<b>4,309,563</b>	<b>6,926,720</b>	<b>5,084,709</b>
<b>Surplus</b>	<b>(120,124)</b>	<b>384,637</b>	<b>69,231</b>



# Big Island Lake Cree Nation Health

## Schedule 5 - Schedule of Revenue and Expenses

For the year ended March 31, 2020

	2020 Budget Note 11	2020 Actual	2019 Actual
<b>Revenue</b>			
Indigenous Services Canada - Health	693,455	1,121,189	832,011
Indigenous Services Canada	41,453	41,453	41,453
Federation of Sovereign Indigenous Nations	80,000	24,914	25,000
Other revenue	-	2,000	-
Interest revenue	-	-	4,887
	<b>814,908</b>	<b>1,189,556</b>	<b>903,351</b>
<b>Expenses</b>			
Salaries and benefits	375,000	610,584	471,170
Supplies	68,000	123,566	65,903
Administration	52,000	116,263	104,972
Contracted services	207,000	87,160	67,794
Travel	47,000	74,662	121,880
Training	11,000	38,827	7,533
Utilities	13,500	17,277	17,791
Community events	4,000	11,735	8,270
Vehicle	1,000	10,180	-
Insurance	3,000	9,028	-
Honouraria	-	3,280	-
Program expense	-	402	-
Bank charges and interest	-	297	-
Meeting	1,900	126	188
Miscellaneous	2,600	-	-
Repairs and maintenance	14,000	-	2,566
Professional fees	7,000	-	-
Rent	11,000	-	7,814
	<b>818,000</b>	<b>1,103,387</b>	<b>875,881</b>
<b>Surplus</b>	<b>(3,092)</b>	<b>86,169</b>	<b>27,470</b>





**Big Island Lake Cree Nation**  
**Social Development**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget Note 11</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
<b>Revenue</b>			
Indigenous Services Canada	2,436,660	2,659,842	2,319,249
<b>Expenses</b>			
Basic needs	1,836,000	2,043,124	1,826,677
Salaries and benefits	180,000	255,002	160,661
Special Needs	170,000	141,921	123,872
Bank charges and interest	60	34,038	-
Administration	12,000	22,111	1,200
Travel	6,000	20,728	2,815
Contracted services	78,000	19,025	14,134
Training	-	4,232	-
Vehicle	-	1,000	-
Meeting	-	419	-
Supplies	50,000	159	9,607
Program expense	600	-	-
Miscellaneous	5,500	-	-
Rent	-	-	497
Community events	60,000	-	-
Band member support	25,000	-	150
Utilities	1,500	-	1,020
	2,424,660	2,541,759	2,140,633
<b>Surplus</b>	12,000	118,083	178,616



**Big Island Lake Cree Nation**  
**Community Infrastructure**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget Note 11</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	523,089	554,967	509,722
Other revenue	-	200	-
	<b>523,089</b>	<b>555,167</b>	<b>509,722</b>
<b>Expenses</b>			
Amortization	-	1,378,927	1,341,375
Salaries and benefits	205,000	241,221	304,383
Contracted services	285,000	127,360	138,834
Supplies	146,000	89,124	98,321
Insurance	5,000	68,449	137,956
Administration	45,000	50,397	3,200
Utilities	255,000	44,888	92,494
Repairs and maintenance	100,000	41,727	26,619
Travel	15,000	28,945	62,149
Training	300	3,069	3,708
Bank charges and interest	1,100	110	-
Program expense	-	60	-
Rent	2,800	-	-
Vehicle	5,000	-	35,062
Miscellaneous	2,900	-	(4,177)
Band member support	-	-	3,500
Community events	5,000	-	926
	<b>1,073,100</b>	<b>2,074,277</b>	<b>2,244,350</b>
<b>Deficit</b>	<b>(550,011)</b>	<b>(1,519,110)</b>	<b>(1,734,628)</b>



# Big Island Lake Cree Nation Capital

## Schedule 8 - Schedule of Revenue and Expenses

*For the year ended March 31, 2020*

	<b>2020 Budget Note 11</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	-	1,864,262	409,911
Interest revenue	2,350	-	-
Other revenue	324,945	-	-
	<b>327,295</b>	<b>1,864,262</b>	<b>409,911</b>
<b>Surplus</b>	<b>327,295</b>	<b>1,864,262</b>	<b>409,911</b>



**Big Island Lake Cree Nation**  
**Lands, Revenues and Trust**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget Note 11</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>Revenue</b>			
Lease Revenue	102,359	83,354	74,070
Interest revenue	30,048	27,075	58,407
	<b>132,407</b>	<b>110,429</b>	<b>132,477</b>
<b>Expenses</b>			
Salaries and benefits	-	-	1,525
Travel	1,000	-	800
Band member support	-	-	800
Supplies	-	-	500
Miscellaneous	15,000	-	-
Contracted services	1,000	-	-
	<b>17,000</b>	<b>-</b>	<b>3,625</b>
<b>Surplus before other items</b>	<b>115,407</b>	<b>110,429</b>	<b>128,852</b>
<b>Transfers between programs (Schedule 3 - )</b>	<b>-</b>	<b>(72,000)</b>	<b>(230,000)</b>
<b>Surplus (deficit)</b>	<b>115,407</b>	<b>38,429</b>	<b>(101,148)</b>



# Big Island Lake Cree Nation Other

## Schedule 10 - Schedule of Revenue and Expenses

For the year ended March 31, 2020

	2020 Budget Note 11	2020 Actual	2019 Actual
<b>Revenue</b>			
Canada Mortgage and Housing Corporation	238,155	291,190	391,105
Indigenous Services Canada	61,500	61,500	61,500
First Nations Trust	390,484	388,484	393,957
Rental income	184,032	142,402	209,578
Store sales	-	126,764	-
Other revenue	390,484	42,590	900
Battleford Agency Tribal Chief	-	6,027	95,316
Royalties	19,563	-	9,682
	<b>1,284,218</b>	<b>1,058,957</b>	<b>1,162,038</b>
<b>Expenses</b>			
Interest on long-term debt	250,000	280,024	235,783
Supplies	10,000	166,832	144,571
Amortization	-	115,384	115,384
Insurance	45,000	81,206	-
Repairs and maintenance	250,000	39,098	57,470
Contracted services	75,000	22,556	186,758
Salaries and benefits	80,000	13,117	112,906
Miscellaneous	5,000	7,924	-
Utilities	2,500	3,452	1,849
Training	4,000	1,234	-
Band member support	-	1,000	513
Bank charges and interest	200	968	807
Travel	32,000	930	17,200
Rent	6,200	-	-
Professional fees	25,000	-	7,455
Community events	20,000	-	-
Vehicle	-	-	4,682
Administration	31,000	(1,850)	-
	<b>835,900</b>	<b>731,875</b>	<b>885,378</b>
<b>Surplus</b>	<b>448,318</b>	<b>327,082</b>	<b>276,660</b>