



English River First Nation

English River First Nation Consolidated Financial Statements

March 31, 2021



English River First Nation Contents

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Management's Responsibility



To the Members of English River First Nation:

Management is responsible for the preparation and presentation of the accompanying 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 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 financial statements.

The English River First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the 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.

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

July 22, 2021

Signed by: Rita Janvier

Director of Operations

Independent Auditor's Report

To the Members of English River First Nation:

Opinion

We have audited the consolidated financial statements of English River First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, 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, 2021, and the results of its consolidated operations, changes in its consolidated net financial assets, 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 Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the 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.

Those charged with governance 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 from previous page)*

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.

Saskatoon, Saskatchewan

July 22, 2021

MNP LLP

Chartered Professional Accountants



English River First Nation

Consolidated Statement of Financial Position

As at March 31, 2021

	2021	2020
Financial assets		
Current		
Cash and cash equivalents	5,698,698	1,059,755
Accounts receivable (Note 3)	787,708	649,587
Restricted cash (Note 4)	8,238,345	6,240,993
	14,724,751	7,950,335
Portfolio investments (Note 5)	9,119	9,119
Investments in Nation business entities (Note 6)	14,959,833	14,830,306
Funds held in Ottawa Trust Fund (Note 7)	3,866	3,396
Restricted cash (Note 4)	1,244,269	1,228,387
Total financial assets	30,941,838	24,021,543
Liabilities		
Current		
Bank indebtedness (Note 8)	-	75,268
Accounts payable and accruals	1,226,577	1,443,597
Deferred revenue (Note 9)	12,596,313	6,968,601
Advances from related parties (Note 10)	27,249	74,853
Current portion of long-term debt (Note 11)	296,000	496,000
Current portion of capital lease obligation (Note 12)	62,331	58,694
	14,208,470	9,117,013
Long-term debt (Note 11)	1,992,132	2,123,848
Capital lease obligation (Note 12)	5,366	67,697
Total financial liabilities	16,205,968	11,308,558
Net financial assets	14,735,870	12,712,985
Non-financial assets		
Tangible capital assets (Note 13) (Schedule 1)	33,624,253	32,592,736
Accumulated surplus (Note 14)	48,360,123	45,305,721
Approved on behalf of Chief and Council		
Signed by: Jerry Bernard	Chief	Signed by: Irene Apeis
Signed by: Sandra Wolverine	Councillor	Signed by: Randy McIntyre
		Councillor



English River First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021

	<i>Schedules</i>	<i>2021 Budget (Note 17)</i>	<i>2021 Actual</i>	<i>2020 Actual</i>
Revenue				
Indigenous Services Canada (Note 15)		12,712,388	14,809,209	8,545,369
Meadow Lake Health & Social Development Authority Inc.		3,536,185	2,728,055	2,857,983
MLTC Program Services Inc.		1,349,855	2,763,752	2,455,693
English River First Nation Community Benefits Trust		-	372,278	588,410
Canada Mortgage and Housing Corporation		-	243,694	250,381
MLTC Child & Family Services Inc.		455,890	245,772	727,781
Northern Lights Community Development Corporation		70,700	124,374	141,258
First Nations Trust		496,216	361,248	494,271
Northern Lights School Division		200,000	200,000	352,109
Rental income		116,610	180,156	194,212
Other revenue		301,809	152,278	238,298
MLTC RDI		369,500	125,000	185,000
Northern Sports, Culture & Recreation		61,953	61,953	61,384
Government of Saskatchewan		89,446	41,631	48,749
Investment income		24,000	40,122	-
GST rebates		30,661	29,065	30,661
Saskatchewan Indigenous Cultural Centre		19,316	19,316	87,785
Loss from investment in Nation business entities (Note 6)		-	(1,386,903)	(247,900)
		19,834,529	21,111,000	17,011,444
Program expenses				
Band Programs	3	331,781	664,291	1,091,777
Band Support	4	1,975,113	1,761,457	1,187,881
Capital	5	76,610	3,035,913	3,314,833
Community Infrastructure	6	606,253	1,582,657	1,188,119
Economic Development	7	2,191,717	596,259	1,145,186
Education	8	4,619,911	3,984,423	3,948,185
Health	9	2,411,700	4,003,325	3,854,533
Reserves & Trusts	10	95,151	393,364	167,058
Social Assistance	11	292,359	2,034,909	1,695,062
		12,600,595	18,056,598	17,592,634
Annual surplus (deficit)		7,233,934	3,054,402	(581,190)
Accumulated surplus, beginning of year		45,305,721	45,305,721	45,886,911
Accumulated surplus, end of year		52,539,655	48,360,123	45,305,721



English River First Nation

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2021

	2021 Budget (Note 17)	2021 Actual	2020 Actual
Annual surplus (deficit)	7,233,934	3,054,402	(581,190)
Purchases of tangible capital assets	(959,185)	(4,174,778)	(2,191,000)
Amortization of tangible capital assets	-	3,143,261	3,197,605
Increase in net financial assets	6,274,749	2,022,885	425,415
Net financial assets, beginning of year	12,712,985	12,712,985	12,287,570
Net financial assets, end of year	18,987,734	14,735,870	12,712,985

The accompanying notes are an integral part of these financial statements



English River First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus (deficit)	3,054,402	(581,190)
Non-cash items		
Amortization	3,143,261	3,197,605
Loss from investment in Nation business entities	1,386,903	247,900
	7,584,566	2,864,315
Changes in working capital accounts		
Accounts receivable	(138,121)	(301,411)
Restricted cash	(2,013,234)	(5,521,807)
Accounts payable and accruals	(217,020)	345,894
Deferred revenue	5,627,712	5,163,655
	10,843,903	2,550,646
Financing activities		
Advances of long-term debt	170,210	-
Decrease in bank indebtedness	(75,268)	(38,584)
Repayment of long-term debt	(501,926)	(615,205)
Repayment of capital lease obligations	(58,694)	(55,270)
Advances from related parties (net)	(47,604)	6,403
	(513,282)	(702,656)
Capital activities		
Purchases of tangible capital assets	(4,174,778)	(2,191,000)
Investing activities		
Increase in funds held in trust	(470)	(463)
Investments in Nation business entities (net)	(1,516,430)	206,664
	(1,516,900)	206,201
Increase (decrease) in cash and cash equivalents	4,638,943	(136,809)
Cash and cash equivalents, beginning of year	1,059,755	1,196,564
Cash and cash equivalents, end of year	5,698,698	1,059,755
Supplementary cash flow information		
Interest paid	54,971	105,104

The accompanying notes are an integral part of these financial statements



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

1. Operations

The English River First Nation (the "First Nation") is located in Treaty 10 territory, in the Province of Saskatchewan, and provides various services to its members. The English River First Nation financial reporting entity includes the First Nation's government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the Global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were impacted by COVID-19 due to distancing measures, reduced gaming revenues from First Nations Trust, and reduced office hours. As the First Nation provides essential services to its members, Indigenous Services Canada has increased the amount of financial resources provided to the First Nation in order to ensure the safe and orderly provision of services. The First Nation's total revenues were not negatively impacted as a result.

2. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada, and include 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, which are recorded using the modified equity method.

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

- English River - Patuanak
- English River - La Plonge
- English River CMHC Housing Program

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

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

- Des Nedhe Development Limited Partnership;
- English River Enterprises Equipment Rental Limited Partnership;
- English River Enterprises Inc.;
- English River Enterprises Limited Partnership No. 1;
- English River Enterprises Property Management Limited Partnership;
- Tron Construction & Mining Limited Partnership;
- Des Nedhe Investments Limited Partnership;
- Des Nedhe Management Inc.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

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

- Tron Industrial Services Limited Partnership

Other economic interests

The First Nation does not share in either the control or the profit or loss of the following entities. As a result, the financial statements of the following entities have not been consolidated or proportionately consolidated with the financial statements of English River First Nation.

The First Nation is a member of Meadow Lake Tribal Council. The Tribal Council is an organization of nine Nations.

The English River First Nation Community Benefits Trust is not included in the consolidated financial statements as it is administered and controlled by independent Trustees.

The English River Treaty Land Entitlement Trust is not included in the consolidated financial statements as it is administered and controlled by independent Trustees.

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 and cash equivalents

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 general operations is included in restricted cash. Restricted cash consists of CMHC Operating Reserve, CMHC Replacement Reserve, and capital project bank accounts and term deposits.

Portfolio investments

Portfolio investments which are owned by English River First Nation but not controlled by the First Nation are accounted for using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported at.

Funds held in Ottawa Trust Fund

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

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



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

2. Significant accounting policies (Continued from previous page)

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution where fair value can be reasonably determined.

Amortization

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Rate
Infrastructure	20 years
Buildings	20 years
Equipment	5 years

Assets under construction are not amortized until they are put into use. Land is not amortized.

The First Nation holds original reserve land. This land is recognized in the First Nation's consolidated financial statements. The First Nation also holds land purchased through English River TLE which has been converted to reserve land. This land is recorded at cost.

Long-lived assets

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

Asset classification

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

Net financial assets

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

Revenue recognition

Non-Government Funding

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 is reflected as deferred revenue on the statement of financial position in the year of receipt.

Government Transfers

The First 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 First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Funds held in Ottawa Trust Fund

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.



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

Other revenue

Rental revenues are recognized over the rental term. Other revenue is earned from services provided by the First Nation and is recognized when the service has been performed.

Employee future benefits

The First Nation's employee future benefit programs consist of a defined contribution pension plan. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employees.

Segments

The First Nation conducts its business through 9 reportable segments:

- Band Programs
- Band Support
- Capital
- Community Infrastructure
- Economic Development
- Education
- Health
- Reserves & Trusts
- Social Assistance

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. Inter program administration fees have been recorded based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector account standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period.

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.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

3. Accounts receivable

	2021	2020
Northern Lights School Division	350,000	150,000
Indigenous Services Canada	305,842	304,750
MLTC Program Services Inc.	71,493	128,906
Northern Lights Community Development Corporation	33,759	-
Members	30,127	34,762
Canada Mortgage and Housing Corporation	20,128	20,865
Other	13,971	47,916
	825,320	687,199
Less: Allowance for doubtful accounts	37,612	37,612
	787,708	649,587

4. Restricted cash

	2021	2020
Current		
Capital projects	8,238,345	6,240,993
Long-term		
CMHC replacement reserve	793,742	782,487
CMHC operating reserve	450,527	445,900
	1,244,269	1,228,387
	9,482,614	7,469,380

5. Portfolio investments

	2021	2020
Measured at cost:		
Canadian Shield Limited Partnership	9,042	9,042
Canadian Shield Ltd.	75	75
MLTC Resource Development Limited Partnership	1	1
MLTC Resource Development Inc.	1	1
	9,119	9,119



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

6. Investments in Nation business entities

The First Nation has investments in the following industries:

	<i>Opening</i>	<i>Share of Earnings (loss)</i>	<i>Distribution</i>	<i>Investment by English River First Nation</i>	<i>Total investment</i>
Investment Holding & Management	(1,605,443)	1,170,950	(143,735)	302,340	(275,888)
Mining Services	3,825,199	(2,590,510)	-	754,658	1,989,347
Retail & Commercial Management	12,610,550	32,657	-	603,167	13,246,374
	14,830,306	(1,386,903)	(143,735)	1,660,165	14,959,833

An entity included in the Investment Holding & Management industry provides management services for a fee to entities operating in the other two industries.

Summary financial information for each First Nation business enterprise, by industry, for their year ended December 31, 2020 accounted for using the modified equity method, is as follows:

	<i>Assets</i>	<i>Liabilities</i>	<i>Net Assets</i>	<i>Share of Net Assets</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Earnings (loss)</i>	<i>Share of earnings (loss)</i>
Investment Holding & Management	15,265,341	16,232,432	(967,091)	(275,888)	4,966,623	3,794,224	1,172,399	1,170,950
Mining Services	14,801,600	12,794,277	2,007,323	1,989,347	19,519,131	22,112,234	(2,593,103)	(2,590,510)
Retail & Commercial Management	26,669,839	13,417,066	13,252,773	13,246,374	29,359,043	29,320,288	38,755	32,657

Principal repayments on long-term debt of the First Nation's business enterprises, by industry, in each of the next five years are estimated as follows:

	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>Thereafter</i>	<i>Total</i>
Long-term debt owed to parties external to the First Nation							
Investment Holdings & Management	236,860	288,417	259,979	272,079	284,743	1,083,945	2,426,023
Retail & Commercial Management	491,889	515,864	541,123	566,550	595,361	6,791,935	9,502,722



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

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

Investment Holdings & Management includes the following Nation business enterprises:

- Des Nedhe Developments Limited Partnership
- Des Nedhe Investments Limited Partnership
- Des Nedhe Management Inc.

Mining Services includes the following Nation business enterprises:

- Tron Construction and Mining Limited Partnership
- Tron Industrial Services Limited Partnership
- English River Enterprises Equipment Rentals Limited Partnership

Retail & Commercial Management includes the following Nation business enterprises:

- English River Enterprises Limited Partnership No. 1
- English River Enterprises Inc.
- English River Enterprises Property Management Limited Partnership

During the year, the First Nation purchased supplies from business enterprises at their exchange amount, which is the amount of consideration established between the parties.

The First Nation's investees have a different year-end than March 31, 2021. The First Nation uses the investees' December 31 year-end financial statements to account for its investment in these investees. There have been no significant events or transactions between the year-end of the investees and the year-end of the First Nation.

7. Funds held in Ottawa Trust Fund

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

	2021	2020
Capital Trust		
Balance, beginning and end of year	945	945
Revenue Trust		
Balance, beginning of year	2,451	1,988
Interest	470	463
Balance, end of year	2,921	2,451
	3,866	3,396

8. Bank indebtedness

Bank indebtedness is represented by cash balances less outstanding cheques. At March 31, 2021, the First Nation has a line of credit available of \$250,000 (2020 - \$250,000). At March 31, 2021, \$nil (2020 - \$nil) had been drawn against the line of credit. The line of credit charges interest at bank prime plus 1.85% and is secured by redirection of ISC and MLTC funding.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

9. Deferred revenue

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

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

	<i>Balance, beginning of the year</i>	<i>Amount received</i>	<i>Amount expended in current year</i>	<i>Balance, end of year</i>
CMHC - Rapid Housing	-	161,696	-	161,696
MLTC - Child & Family Services	43,492	324,855	245,772	122,575
MLTC - CRIF	73,125	145,093	218,218	-
MLTC - FNSSP/New Paths	79,882	379,220	298,314	160,788
MLTC - Home Care	-	158,067	138,952	19,115
MLTC - Security Guard	-	105,884	79,587	26,297
MLTC - Traditional Healer	-	18,347	1,840	16,507
MLTC - Jordan's Principle	145,707	753,513	822,341	76,879
MLTC - EMR/Data Entry	22,238	38,245	60,483	-
MLTC - Palliative Care	26,326	27,299	2,344	51,281
MLTC - COVID Food Security	54,132	-	-	54,132
MLTC - Communicable Disease Prevention	18,340	18,340	-	36,680
MLTC - Emergency Response	15,000	15,000	7,433	22,567
MLTC - Headstart	143,907	254,402	153,050	245,259
MLTC - Community Wellness	-	130,835	67,851	62,984
MLTC - FASD	-	3,000	-	3,000
MLTC - FNARF	-	11,102	4,272	6,830
MLTC - Pandemic Supports	-	591,483	222,615	368,868
English River First Nation Community Benefits Trust	291,092	331,188	372,279	250,001
ISC - Landfill	15,477	-	-	15,477
ISC - WTP Optimization	969,074	3,000,000	370,322	3,598,752
ISC - La Plonge WTP Upgrade	357,079	800,000	164,261	992,818
ISC - Hydrant Replacement	27,613	400,000	32,854	394,759
ISC - La Plonge Sewer Line	100,000	-	-	100,000
ISC - Subdivision	3,652,438	414,300	2,989,666	1,077,072
ISC - School Boiler Replacement	-	1,000,000	55,499	944,501
ISC - Waste Transfer Station	295,808	140,374	308,089	128,093
ISC - Social Assistance Employment & Training	161,355	242,383	-	403,738
ISC - Jordan's Principle	31,000	-	-	31,000
ISC - Capacity Development/Community Navigator	5,377	127,500	70,283	62,594
ISC - Caribou River Rapids	31,050	276,645	108,050	199,645
ISC - 10 Unit Renovations	214,222	-	-	214,222
ISC - Treaty 10 Gathering	62,086	618,055	381,120	299,021
ISC - Emergency Management Assistance	34,068	38,720	-	72,788
ISC - Membership Code	8,518	-	-	8,518
ISC - HR Training	-	64,980	-	64,980
ISC - Traditional Territories	-	21,500	-	21,500
ISC - Construction	-	771,000	-	771,000
ISC - Funeral Feasibility Study	4,000	-	-	4,000



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

9. Deferred revenue (Continued from previous page)

	<i>Balance, beginning of the year</i>	<i>Amount received</i>	<i>Amount expended in current year</i>	<i>Balance, end of year</i>
ISC - COVID Emergency Management Assistance	-	608,069	297,013	311,056
ISC - COVID Surge Capacity	-	5,000	500	4,500
ISC - COVID ICFS3 EMAP	-	202,371	20,237	182,134
ISC - COVID Food Security	86,195	483,100	320,057	249,238
ISC - COVID Infrastructure - Storage Units	-	61,641	36,381	25,260
ISC - COVID CDCM Public Health	-	1,256,647	522,459	734,188
	6,968,601	13,999,854	8,372,142	12,596,313

10. Advances from related parties

English River First Nation is related to the following entities by virtue of their ownership interest in them. The advances are unsecured, bear no interest and have no fixed terms of repayment.

	2021	2020
Tron Construction & Mining Limited Partnership	26,250	26,250
Tron Industrial Services Limited Partnership	999	999
Des Nedhe Management Inc.	-	47,604
	27,249	74,853



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

11. Long-term debt

	2021	2020
First Nations Bank loan, to finance construction of a fire hall, interest at prime plus 2.10%, maturity date of January 2036 with interest paid monthly and principal of \$7,038 paid quarterly. Secured by a general security agreement plus the redirection of all First Nations Trust gaming distributions to First Nations Bank until all borrowings are repaid in full.	422,250	450,400
First Nations Bank loan, to finance the labour dispute settlement, interest at prime plus 1.90%, maturity date of June 2021 with interest and principal of \$12,361 paid monthly.	40,447	195,741
First Nations Bank loan, to finance the acquisition of a fire truck, interest at prime plus 2.10%, maturity date of April 2021 with interest paid monthly and principal of \$13,250 paid quarterly. Secured by a general security agreement.	13,250	66,250
CMHC housing mortgage - Phase I, interest at 0.65%, maturity date of February 2025, repayable in monthly principal and interest payments of \$855. Secured by a ministerial guarantee.	39,653	49,583
CMHC housing mortgage - Phase II, interest at 0.76%, maturity date of July 2025, repayable in monthly principal and interest payments of \$1,365. Secured by a ministerial guarantee.	69,812	85,431
CMHC housing mortgage - Phase III, interest at 2.49%, maturity date of January 2028, repayable in monthly principal and interest payments of \$1,398. Secured by a ministerial guarantee.	105,401	119,390
CMHC housing mortgage - Phase IV, interest at 0.79%, maturity date of September 2029, repayable in monthly principal and interest payments of \$1,528. Secured by a ministerial guarantee.	150,656	167,492
CMHC housing mortgage - Phase V, interest at 0.73%, maturity date of February 2025, repayable in monthly principal and interest payments of \$2,120. Secured by a ministerial guarantee.	98,186	122,780
CMHC housing mortgage - Phase VI, interest at 0.73%, maturity date of November 2029, repayable in monthly principal and interest payments of \$11,695. Secured by a ministerial guarantee.	1,178,267	1,307,229
CMHC housing mortgage advance towards completion of the CMHC Phase VII housing units. Terms to be established upon completion of construction. Secured by a ministerial guarantee.	170,210	-
First Nations Bank loan, repaid during the year.	-	55,552
	2,288,132	2,619,848
Less: current portion	296,000	496,000
	1,992,132	2,123,848



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

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

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

2022	296,000
2023	244,000
2024	246,000
2025	245,000
2026	203,000

Long-term debt is subject to certain financial covenants with respect to timely submission of the annual audited consolidated financial statements to their lender as well as other restrictions that may be in place. As at March 31, 2021, the First Nation is in compliance with all such covenants.

12. Capital lease obligation

	2021	2020
National Leasing capital lease obligation, interest at 5.99%, maturity date of April 2022, repayable in monthly interest and principal payments of \$5,392, with the leased assets, having a net book value of \$92,997 (2020 - \$163,995), pledged as collateral.	67,697	126,391
Less: current portion	62,331	58,694
	5,366	67,697

Minimum lease payments related to the obligation under capital lease are as follows:

2022	64,708
2023	5,393
Less: imputed interest	2,404
Balance of obligation	67,697
Less: current portion	62,331
	5,366

13. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1. Details of amounts included in assets under construction are as follows:

Project	Budget	Cumulative costs to March 31, 2021
WTP Optimization (AT288)	8,378,500	1,018,326
La Plonge WTP Upgrade (AT373)	3,091,500	207,182
Hydrant Replacement (CT594)	927,000	55,241
Subdivision Stage 5 (CT660)	5,764,300	4,337,228
Sewer Line Replacement (CT607)	881,000	-
School Broiler Replacement (CT789)	2,128,000	55,499
CMHC Phase 7 housing units	867,580	562,176

Assets under construction are financed by Indigenous Services Canada and are managed by a third party contractor. Amortization is not recorded on these assets until construction is complete.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

13. Tangible capital assets (Continued from previous page)

Tangible capital assets include assets under capital lease with a gross cost of \$309,990 (2020 - \$309,990), and accumulated amortization of \$216,993 (2020 - \$145,995).

Tangible capital assets also includes land with a carrying value of \$4,404,856 (2020 - \$4,404,856) for which no amortization has been recorded.

The First Nation holds works of art and historical treasures, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

14. Accumulated surplus

Accumulated surplus consists of the following:

	2021	2020
Equity in Ottawa Trust Funds	3,866	3,396
Equity in investments	14,968,952	14,839,425
Equity in CMHC reserves	1,523,728	1,416,260
Equity in tangible capital assets	31,308,871	30,042,238
Operating surplus (deficit)	554,706	(995,598)
	48,360,123	45,305,721

The equity in tangible capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating tangible capital assets that will be used to provide future services.

The CMHC reserves are replacement and operating reserves and are required to be funded to provide for future upgrades to existing CMHC housing units and finance any future operating deficits of the program as required by agreements with CMHC. The Nation has set aside \$1,244,269 (2020 - \$1,228,387) to fund the CMHC housing reserve requirements.

15. Reconciliation of funding from Indigenous Services Canada

	2021	2020
Funding per ISC confirmation	19,553,338	13,098,373
Add:		
Prior year unearned funding	6,055,360	1,231,882
Current year accounts receivable	-	304,750
Prior year funding earned in current year	111,365	-
Less:		
Current year unearned funding	(10,910,854)	(6,055,360)
Recovery of prior year Band Employee Benefits funding	-	(34,276)
Funding reported per financial statements	14,809,209	8,545,369

16. Economic dependence

English River First Nation receives substantially all of its revenue from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada, which also includes revenues received from Meadow Lake Tribal Council. These treaties are administered by ISC under the terms and conditions of the Indian Act. The treaty provisions under Treaty 10 include Education, Health, Hunting, Fishing and Gathering. 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.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

17. Budget information

The disclosed budget information was approved by the Chief and Council of English River First Nation at a meeting held on July 7, 2020.

In preparation of the annual budget of the First Nation management does not budget for amortization, revenues and expenses relating to the English River Community Benefits Trust, social assistance amounts reimbursed through MLTC, principal payments included on the balance sheet, or earnings and distributions from investments in Nation business entities.

The budget process followed by management only includes activities directed by the First Nation. Management does not prepare a budget for capital projects administered through third party managers. These third party managers provide detailed cost budgets for each capital project.



English River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Land</i>	<i>Infrastructure</i>	<i>Buildings</i>	<i>Equipment</i>	<i>Assets under construction</i>	<i>2021</i>	<i>2020</i>
Cost							
Balance, beginning of year	4,404,856	31,659,660	33,783,985	3,243,797	2,060,874	75,153,172	72,962,172
Acquisition of tangible capital assets	-	-	-	-	4,174,778	4,174,778	2,191,000
Balance, end of year	4,404,856	31,659,660	33,783,985	3,243,797	6,235,652	79,327,950	75,153,172
Accumulated amortization							
Balance, beginning of year	-	17,252,805	22,600,345	2,707,286	-	42,560,436	39,362,831
Annual amortization	-	1,582,983	1,314,875	245,403	-	3,143,261	3,197,605
Balance, end of year	-	18,835,788	23,915,220	2,952,689	-	45,703,697	42,560,436
Net book value of tangible capital assets	4,404,856	12,823,872	9,868,765	291,108	6,235,652	33,624,253	32,592,736
2020 Net book value of tangible capital assets	4,404,856	14,406,855	11,183,640	536,511	2,060,874	32,592,736	



English River First Nation

Schedule 2 - Schedule of Consolidated Expenses by Object

For the year ended March 31, 2021

	2021 Budget (Note 17)	2021 Actual	2020 Actual
Amortization	-	3,143,261	3,197,605
Assistance	45,000	1,708,055	1,688,832
At risk child prevention services	169,090	72,438	186,596
Bank charges and interest	20,000	22,066	24,622
Contracted services	2,159,091	1,247,369	1,344,589
Fuel	37,692	50,093	88,233
Graduation	27,000	25,317	20,695
Honouraria	26,842	23,215	90,027
Hot lunch program	44,000	71,068	40,479
Insurance	67,735	273,452	245,686
Interest on long-term debt and capital lease obligation	-	54,971	105,104
Meeting	29,950	14,055	16,271
Municipal agreement	-	-	16,130
Office equipment lease	50,000	41,985	73,548
Office supplies	56,906	69,622	74,329
Professional development	6,444	1,640	3,692
Professional fees	121,909	325,578	185,199
Repairs and maintenance	79,638	155,247	243,917
Salaries and benefits	5,599,887	5,986,688	5,435,439
Sports and culture	136,309	360,991	689,107
Student expenses	766,606	555,977	553,978
Supplies	1,724,952	2,109,020	1,299,706
Telephone	99,183	160,740	123,808
Training and workshops	69,449	45,808	73,084
Travel	570,145	468,361	643,784
Tuition	261,986	289,478	454,750
Utilities	304,894	693,354	593,109
Vehicle operating costs	125,887	86,749	80,315
	12,600,595	18,056,598	17,592,634



English River First Nation Band Programs

Schedule 3 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
English River First Nation Community Benefits Trust	372,278	588,410
Indigenous Services Canada	70,283	55,172
Northern Lights Community Development Corporation	124,374	101,258
MLTC Program Services Inc.	45,963	38,463
Meadow Lake Health & Social Development Authority Inc.	25,000	-
MLTC Child & Family Services Inc.	-	362,850
First Nations Trust	361,248	494,271
Northern Sports, Culture & Recreation	61,953	61,384
Other revenue	5,575	14,583
Government of Saskatchewan	5,000	4,500
	1,071,674	1,720,891
Expenses		
Assistance	-	100,300
Bank charges and interest	200	560
Contracted services	979	31,854
Interest on long-term debt	21,893	40,584
Meeting	2,837	8,920
Repairs and maintenance	-	38,150
Salaries and benefits	141,127	172,653
Sports and culture	153,388	132,529
Supplies	313,316	466,676
Travel	30,551	29,618
Utilities	-	69,933
	664,291	1,091,777
Surplus	407,383	629,114



**English River First Nation
Band Support**

Schedule 4 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	1,302,116	596,851
MLTC Program Services Inc.	268,006	44,121
Meadow Lake Health & Social Development Authority Inc.	-	45,868
Other revenue	56,490	14,864
GST rebates	29,065	30,661
	1,655,677	732,365
Expenses		
Administration	(570,396)	(314,133)
Bank charges and interest	19,843	23,220
Contracted services	119,754	44,840
Honouraria	300	1,508
Interest on long-term debt	5,608	16,138
Meeting	3,202	1,073
Office equipment lease	17,128	28,070
Office supplies	28,136	12,948
Professional fees	179,042	134,740
Salaries and benefits	749,531	645,760
Supplies	806,448	120,558
Telephone	89,437	67,404
Travel	313,424	405,755
	1,761,457	1,187,881
Deficit	(105,780)	(455,516)



English River First Nation Capital

Schedule 5 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	4,467,011	2,400,440
Canada Mortgage and Housing Corporation	243,694	250,381
Rental income	140,156	159,062
Investment income	16,122	-
Other revenue	-	49,726
	4,866,983	2,859,609
Expenses		
Amortization	2,751,309	2,805,653
Bank charges and interest	534	629
Contracted services	37,375	100,018
Fuel	2,737	2,109
Insurance	58,052	55,714
Interest on long-term debt	20,497	35,157
Office supplies	-	29,279
Professional fees	9,030	9,030
Repairs and maintenance	25,795	93,962
Salaries and benefits	28,585	43,372
Supplies	98,785	135,778
Travel	3,214	2,913
Vehicle operating costs	-	1,219
	3,035,913	3,314,833
Surplus (deficit)	1,831,070	(455,224)



**English River First Nation
Community Infrastructure**

Schedule 6 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	1,825,812	627,545
Rental income	40,000	35,150
Government of Saskatchewan	36,631	44,249
Other revenue	15,167	2,260
	1,917,610	709,204
Expenses		
Contracted services	225,780	144,593
Fuel	16,363	29,996
Insurance	155,325	129,897
Interest on long-term debt	6,014	4,046
Municipal agreement	-	16,130
Repairs and maintenance	71,284	78,378
Salaries and benefits	409,090	356,476
Supplies	224,341	94,609
Telephone	2,738	434
Travel	6,697	4,576
Utilities	447,961	319,618
Vehicle operating costs	17,064	9,366
	1,582,657	1,188,119
Surplus (deficit)	334,953	(478,915)



English River First Nation
Economic Development

Schedule 7 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	1,750,454	442,916
MLTC Program Services Inc.	335,504	368,906
Northern Lights Community Development Corporation	-	40,000
MLTC RDI	125,000	185,000
Other revenue	65,611	139,817
Investment income	24,000	-
Earnings (loss) from investment in Nation business entities	(1,386,903)	(247,900)
	913,666	928,739
Expenses		
Assistance	130,257	233,104
Bank charges and interest	158	213
Contracted services	352	407,963
Fuel	12,158	24,476
Office supplies	-	3,120
Professional fees	82,389	41,429
Repairs and maintenance	19,810	2,061
Salaries and benefits	335,748	405,543
Supplies	301	11,868
Telephone	513	1,128
Travel	14,573	5,014
Vehicle operating costs	-	9,267
	596,259	1,145,186
Surplus (deficit)	317,407	(216,447)



English River First Nation Education

Schedule 8 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	4,262,519	3,955,757
MLTC Program Services Inc.	341,895	352,048
Northern Lights School Division	200,000	352,109
Saskatchewan Indigenous Cultural Centre	19,316	87,785
	4,823,730	4,747,699
Expenses		
Administration	110,654	112,654
Assistance	-	3,000
Contracted services	12,724	24,379
Fuel	3,858	7,642
Graduation	25,317	20,695
Hot lunch program	69,068	33,099
Insurance	27,275	27,275
Interest on long-term debt	959	9,179
Meeting	-	4,721
Office equipment lease	14,323	33,051
Office supplies	29,616	23,450
Professional development	-	1,220
Repairs and maintenance	8,968	27,573
Salaries and benefits	2,218,141	2,122,323
Sports and culture	37,073	87,784
Student expenses	555,977	553,978
Supplies	346,650	141,351
Telephone	13,976	11,748
Travel	17,757	94,964
Tuition	289,478	454,750
Utilities	154,478	128,663
Vehicle operating costs	48,131	24,686
	3,984,423	3,948,185
Surplus	839,307	799,514



English River First Nation Health

Schedule 9 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Meadow Lake Health & Social Development Authority Inc.	2,703,055	2,812,115
Indigenous Services Canada	737,920	299,884
MLTC Child & Family Services Inc.	245,772	364,931
MLTC Program Services Inc.	-	4,060
Other revenue	9,165	17,048
	3,695,912	3,498,038
Expenses		
Administration	397,964	183,326
Amortization	391,952	391,952
At risk child prevention services	72,438	186,596
Contracted services	763,482	503,544
Fuel	14,977	24,010
Honouraria	12,174	55,435
Hot lunch program	2,000	7,380
Insurance	32,800	32,800
Meeting	216	1,557
Office equipment lease	10,534	12,427
Office supplies	2,943	4,245
Professional development	1,640	2,472
Repairs and maintenance	1,658	3,793
Salaries and benefits	1,621,843	1,357,397
Sports and culture	170,530	468,794
Supplies	260,196	318,759
Telephone	50,292	41,352
Training and workshops	45,808	73,084
Travel	37,409	74,938
Utilities	90,915	74,895
Vehicle operating costs	21,554	35,777
	4,003,325	3,854,533
Deficit	(307,413)	(356,495)



**English River First Nation
Reserves & Trusts**

Schedule 10 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	393,094	164,558
Other revenue	270	-
	393,364	164,558
Expenses		
Administration	61,778	18,153
Bank charges and interest	1,331	-
Contracted services	82,585	63,967
Honouraria	10,741	33,084
Meeting	7,800	-
Office supplies	5,879	-
Professional fees	55,117	-
Repairs and maintenance	27,732	-
Salaries and benefits	101,865	44,089
Supplies	5,028	3,330
Telephone	2,898	739
Travel	30,610	3,696
	393,364	167,058
Deficit	-	(2,500)



**English River First Nation
Social Assistance**

Schedule 11 - Consolidated Segment Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	2021	2020
Revenue		
MLTC Program Services Inc.	1,772,384	1,648,095
Indigenous Services Canada	-	2,246
	1,772,384	1,650,341
Expenses		
Assistance	1,577,798	1,352,428
Contracted services	4,338	23,431
Office supplies	3,048	1,287
Salaries and benefits	380,758	287,826
Supplies	53,955	6,777
Telephone	886	1,003
Travel	14,126	22,310
	2,034,909	1,695,062
Deficit	(262,525)	(44,721)