



**English River First Nation
Consolidated Financial Statements**

March 31, 2022



English River First Nation Contents

For the year ended March 31, 2022

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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 28, 2022

Signed By: Rita Janvier

Director of Operations

To the Members of English River First Nation:

Opinion

We have audited the financial statements of English River First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, change 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 financial position of the First Nation as at March 31, 2022, and the results of its operations, changes in its consolidated net financial assets, and its 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 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 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 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 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 financial statements, including the disclosures, and whether the 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 28, 2022

MNP LLP

Chartered Professional Accountants

MNP



English River First Nation
Consolidated Statement of Financial Position
As at March 31, 2022

2022 **2021**
(as restated
Note 19)

Financial assets

Current

Cash and cash equivalents	10,522,064	5,698,698
Accounts receivable (Note 3)	713,187	787,707
Advances to related parties (Note 4)	200,000	-
Restricted cash (Note 5)	7,957,359	8,238,345
	19,392,610	14,724,750
Portfolio investments (Note 6)	9,119	9,119
Investments in Nation business entities (Note 7)	9,745,884	14,959,833
Funds held in Ottawa Trust (Note 8)	4,328	3,866
Restricted cash (Note 5)	1,248,833	1,244,269
Total financial assets	30,400,774	30,941,837

Liabilities

Current

Accounts payable and accruals (Note 19)	961,669	1,617,873
Deferred revenue (Note 10), (Note 19)	16,080,842	13,483,439
Advances from related parties (Note 11)	26,250	27,249
Current portion of long-term debt (Note 12)	244,000	296,000
Current portion of capital lease obligation (Note 13)	5,366	62,331
	17,318,127	15,486,892
Long-term debt (Note 12)	1,873,413	1,992,132
Capital lease obligation (Note 13)	-	5,366
Total financial liabilities	19,191,540	17,484,390

Net financial assets	11,209,234	13,457,447
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Non-financial assets

Tangible capital assets (Note 14), (Note 19) (Schedule 1)	39,289,049	34,015,549
Accumulated surplus (Note 15), (Note 19)	50,498,283	47,472,996

Approved on behalf of Chief and Council

Signed By: Chief Jerry Bernard	Chief	Signed By: Randy McIntyre	Councillor
Signed By: Jenny Wolverine	Councillor	Signed By: Katrina Eaglechild	Councillor



English River First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2022

	<i>Schedules</i>	<i>2022 Budget (Note 18)</i>	<i>2022 Actual</i>	<i>2021 Actual (as restated Note 19)</i>
Revenue				
Indigenous Services Canada (Note 16), (Note 19)		10,094,262	17,714,963	13,922,083
Meadow Lake Health & Social Development Authority Inc.		3,912,167	3,467,962	2,728,055
MLTC Program Services Inc.		2,835,667	2,988,839	2,763,752
MLTC Child & Family Services Inc.		711,548	353,412	245,772
Canada Mortgage and Housing Corporation		-	403,228	243,694
English River First Nation Community Benefits Trust		-	68,519	372,278
Northern Lights Community Development Corporation		70,700	33,295	124,374
Meadow Lake Tribal Council Resource Development Inc.		-	1,117,222	125,000
Other revenue		274,137	875,524	152,102
Northern Lights School Division		200,000	439,335	200,000
First Nations Trust		496,216	273,835	361,248
Denison Mines Corporation		77,500	215,773	-
Rental income		116,610	179,866	180,156
Northern Sports, Culture & Recreation		61,953	55,550	61,953
Treaty 10 Gathering		-	-	176
Investment income		-	30,322	40,122
Government of Saskatchewan		102,286	24,629	41,631
Goods and Services Tax rebates		30,661	22,020	29,065
Saskatchewan Indigenous Cultural Centre		-	-	19,316
Loss from investment in Nation business entities (Note 7)		-	(5,198,822)	(1,386,903)
		18,983,707	23,065,472	20,223,874
Program expenses				
Band Programs	3	874,578	976,164	664,291
Band Support	4	3,268,468	2,201,750	1,761,457
Capital	5	1,112,019	3,359,432	3,035,913
Community Infrastructure	6	690,829	1,390,863	1,582,657
Economic Development	7	374,392	798,131	596,259
Education	8	4,517,661	4,073,303	3,965,021
Health	9	4,488,240	4,782,574	4,003,325
Reserves and Trusts	10	94,465	707,959	412,766
Social Assistance	11	427,934	1,781,609	2,034,909
		15,848,586	20,071,785	18,056,598
Surplus before other revenue		3,135,121	2,993,687	2,167,276
Other revenue				
Gain on disposal of tangible capital assets		-	31,600	-
Surplus		3,135,121	3,025,287	2,167,276
Accumulated surplus, beginning of year		47,472,996	47,472,996	45,305,720
Accumulated surplus, end of year		50,608,117	50,498,283	47,472,996



English River First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2022

	2022 Budget (Note 18)	2022 Actual	2021 Actual (as restated Note 19)
Annual surplus			
Purchases of tangible capital assets	3,135,121	3,025,287	2,167,276
Amortization of tangible capital assets	(959,185)	(8,386,968)	(4,566,074)
Gain on sale of tangible capital assets	-	3,113,468	3,143,261
Proceeds of disposal of tangible capital assets	-	(31,600)	-
	-	31,600	-
Increase in net financial assets	2,175,936	(2,248,213)	744,463
Net financial assets, beginning of year	13,457,447	13,457,447	12,712,984
Net financial assets, end of year	15,633,383	11,209,234	13,457,447

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, 2022

2022 **2021**
(as restated
Note 19)

Cash provided by (used for) the following activities

Operating activities

Annual surplus	3,025,287	2,167,276
Non-cash items		
Amortization	3,113,468	3,143,261
Gain on disposal of tangible capital assets	(31,600)	-
Loss from investment in Nation business entities	5,198,822	1,386,903
	11,305,977	6,697,440
Changes in working capital accounts		
Accounts receivable	74,520	(138,120)
Restricted cash	276,422	(2,013,234)
Accounts payable and accruals	(656,204)	(217,020)
Deferred revenue	2,597,403	6,906,134
	13,598,118	11,235,200

Financing activities

Advances of long-term debt	125,593	170,210
Decrease in bank indebtedness	-	(75,268)
Repayment of long-term debt	(296,312)	(501,926)
Repayment of capital lease obligations	(62,331)	(58,694)
Advances to related parties (net)	(200,999)	(47,604)
	(434,049)	(513,282)

Capital activities

Purchases of tangible capital assets	(8,386,968)	(4,566,074)
Proceeds of disposal of tangible capital assets	31,600	-

Investing activities

Increase in funds held in trust	(462)	(470)
Investments in Nation business entities (net)	15,127	(1,516,430)
	14,665	(1,516,900)

Increase in cash and cash equivalents

Cash and cash equivalents, beginning of year	4,823,366	4,638,944
Cash and cash equivalents, end of year	10,522,064	5,698,698

Supplementary cash flow information

Interest paid	33,628	54,971
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English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

1. Operations

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.

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.;
- 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.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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

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

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.

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.



English River First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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

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.

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.



English River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

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

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, 2022

3. Accounts receivable

	2022	2021
MLTC Program Services Inc.	438,654	71,493
Indigenous Services Canada	99,633	305,842
Northern Lights School Division	95,000	350,000
Other	57,186	13,970
Members	23,991	30,127
Canada Mortgage and Housing Corporation	20,128	20,128
Northern Lights Community Development Corporation	<u>16,207</u>	33,759
	750,799	825,319
Less: Allowance for doubtful accounts	<u>37,612</u>	37,612
	713,187	787,707

4. Advances to related parties

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

	2022	2021
Des Nedhe Management Inc.	<u>200,000</u>	-

5. Restricted cash

	2022	2021
Current		
Capital projects	<u>7,957,359</u>	8,238,345
Long-term		
CMHC replacement reserve	794,361	793,742
CMHC operating reserve	<u>454,472</u>	450,527
	1,248,833	1,244,269
	9,206,192	9,482,614

6. Portfolio investments

	2022	2021
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.	<u>1</u>	1
	9,119	9,119



English River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

7. 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	(275,888)	(1,194,161)	(15,127)	-	(1,485,176)
Mining Services	1,989,347	(4,219,002)	-	-	(2,229,655)
Retail & Commercial Management	13,246,374	214,341	-	-	13,460,715
	14,959,833	(5,198,822)	(15,127)	-	9,745,884

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, 2021 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	19,590,392	21,767,777	(2,177,385)	(1,485,176)	2,710,440	3,905,607	(1,195,167)	(1,194,161)
Mining Services	12,669,819	14,885,918	(2,216,099)	(2,229,655)	26,912,433	31,135,854	(4,223,421)	(4,219,002)
Retail & Commercial Management	29,875,756	16,408,425	13,467,331	13,460,715	33,291,054	33,076,442	214,612	214,341

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>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>Thereafter</i>	<i>Total</i>
Long-term debt owed to parties external to the First Nation							
Investment Holdings & Management	1,296,630	435,183	388,618	402,989	299,790	2,285,370	5,108,580
Retail & Commercial Management	518,326	601,123	566,550	595,361	624,514	6,165,059	9,070,933



English River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

7. 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, 2022. 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.

8. Funds held in Ottawa Trust

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.

	2022	2021
Capital Trust		
Balance, beginning and end of year	945	945
 Revenue Trust		
Balance, beginning of year	2,921	2,451
Interest	462	470
 Balance, end of year	3,383	2,921
 <hr/>	4,328	3,866

9. Credit arrangements

Bank indebtedness is represented by cash balances less outstanding cheques. At March 31, 2022, the First Nation has a line of credit available of \$250,000 (2021 - \$250,000). At March 31, 2022, \$nil (2021 - \$nil) had been drawn against the line of credit. The line of credit charges interest at bank prime plus 1.00% 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, 2022

10. 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 (as restated Note 19)</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	-
English River Community Benefits Trust	250,001	-	68,519	181,482
Indigenous Services Canada - Capital Projects	8,010,505	9,838,242	7,036,369	10,812,378
Indigenous Services Canada - Operating	3,787,475	2,745,070	2,881,536	3,651,009
MLTC CFS Inc.	122,575	581,460	366,966	337,069
MLTC Program Services Inc.	591,575	1,115,540	1,108,382	598,733
Meadow Lake Health & Social Development Authority	559,612	1,799,153	1,858,594	500,171
	13,483,439	16,079,465	13,482,062	16,080,842

11. 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.

	2022	2021
Tron Construction & Mining Limited Partnership	26,250	26,250
Tron Industrial Services Limited Partnership	-	999
	26,250	27,249

12. Long-term debt

	2022	2021
First Nations Bank loan, to finance construction of a fire hall, interest at prime plus 1.25%, 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.	394,100	422,250
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.	29,624	39,653
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.	53,905	69,812
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.	91,069	105,401



English River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

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

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.

133,451 150,656

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.

73,383 98,186

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.

1,045,718 1,178,267

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.

296,163 170,210

First Nations Bank loan, repaid during the year.

- 40,447

First Nations Bank loan, repaid during the year.

- 13,250

2,117,413 2,288,132

Less: current portion

244,000 296,000

1,873,413 1,992,132

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:

2023	244,000
2024	246,000
2025	245,000
2026	203,000
2027	199,000

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, 2022, the First Nation is in compliance with all such covenants.



English River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

13. Capital lease obligation

	2022	2021
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 \$30,999 (2021 - \$92,997), pledged as collateral.	5,366	67,697
Less: current portion	<u>5,366</u>	<u>62,331</u>
	-	<u>5,366</u>

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

2023	5,392
Less: imputed interest	26
Balance of obligation	5,366
Less: current portion	<u>5,366</u>
	-

14. 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, 2022
WTP Optimization (AT288)	8,378,500	6,423,572
La Plonge WTP Upgrade (AT373)	6,057,500	571,442
Hydrant Replacement (CT594)	927,000	73,025
Subdivision Stage 5 (CT660)	5,764,300	5,485,556
Sewer Line Replacement (CT607)	1,098,000	284,478
School Ventilation (CTA38)	102,742	-
School Broiler Replacement (CT789)	3,414,000	247,591
CMHC Phase 7 housing units	867,580	746,403
ERFN Housing units (6 units)	-	789,217

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

Tangible capital assets include assets under capital lease with a gross cost of \$309,990 (2021 - \$309,990), and accumulated amortization of \$278,991 (2021 - \$216,993).

Tangible capital assets also includes land with a carrying value of \$4,404,856 (2021 - \$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.



English River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

15. Accumulated surplus

Accumulated surplus consists of the following:

	2022	2021 (as restated Note 19)
Equity in Ottawa Trust Funds	4,328	3,866
Equity in investments	9,755,003	14,968,952
Equity in CMHC reserves	1,592,241	1,523,728
Equity in tangible capital assets	37,166,270	31,700,167
Operating surplus (deficit)	1,980,441	(723,717)
	50,498,283	47,472,996

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 \$1,248,833 (2021 - \$1,244,269) to fund the CMHC housing reserve requirements.

16. Reconciliation of funding from Indigenous Services Canada

	2022	2021 (as restated Note 19)
Funding per ISC confirmation	20,280,737	19,553,338
Add:		
Prior year unearned funding	11,797,980	6,055,360
Current year accounts receivable	99,633	-
Prior year funding earned in current year	-	111,365
Less:		
Current year unearned funding	(14,463,387)	(11,797,980)
Recovery of prior year Band Employee Benefits funding	-	-
Funding reported per financial statements	17,714,963	13,922,083

17. 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, 2022

18. Budget information

The disclosed budget information was approved by the Chief and Council of English River First Nation at a meeting held June 2021.

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 loan 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.

19. Correction of an error

During the year, the First Nation determined that a number of transactions relating to the capital projects externally managed on their behalf had not been included in the 2021 financial statements. The impact of this correction on the 2021 financial statements has resulted in an increase in the deferred revenue liability of \$887,127 due to revenue not being deferred which related to capital projects. Additional tangible capital assets of \$391,296 have been recognized along with a corresponding increase in accounts payable. Accumulated surplus decreased by \$887,127.



English River First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2022

	<i>Land</i>	<i>Infrastructure</i>	<i>Buildings</i>	<i>Equipment</i>	<i>Assets under construction</i>	2022	2021
(as restated Note 19)							
Cost							
Balance, beginning of year	4,404,856	31,659,660	33,783,985	3,243,797	6,626,948	79,719,246	75,153,172
Acquisition of tangible capital assets	-	-	65,056	327,576	7,994,336	8,386,968	4,566,074
Disposal of tangible capital assets	-	-	-	(49,421)	-	(49,421)	-
Balance, end of year	4,404,856	31,659,660	33,849,041	3,521,952	14,621,284	88,056,793	79,719,246
Accumulated amortization							
Balance, beginning of year	-	18,835,788	23,915,220	2,952,689	-	45,703,697	42,560,436
Annual amortization	-	1,582,983	1,316,501	213,984	-	3,113,468	3,143,261
Accumulated amortization on disposals	-	-	-	(49,421)	-	(49,421)	-
Balance, end of year	-	20,418,771	25,231,721	3,117,252	-	48,767,744	45,703,697
Net book value of tangible capital assets	4,404,856	11,240,889	8,617,320	404,700	14,621,284	39,289,049	34,015,549
2021 net book value of tangible capital assets	4,404,856	12,821,288	9,871,349	291,108	6,626,948	34,015,549	



English River First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2022

	2022 Budget (Note 18)	2022 Actual	2021 Actual
Administration	-	850	-
Amortization	-	3,113,468	3,143,261
Assistance	75,000	1,555,734	1,708,055
At risk child prevention services	169,090	95,977	72,438
Bank charges and interest	20,000	22,708	22,066
Contracted services	1,819,252	1,647,397	1,250,358
Fuel	37,692	50,178	50,093
Graduation	27,000	36,639	25,317
Honouraria	6,842	9,479	23,215
Hot lunch program	44,000	36,350	71,068
Insurance	67,735	282,217	273,452
Interest on long-term debt and capital lease obligation	959,186	33,628	54,971
Meeting	29,950	15,446	14,055
Office equipment lease	50,000	45,847	41,985
Office supplies	56,906	67,352	66,157
Professional development	6,444	6,959	1,640
Professional fees	146,909	332,685	325,578
Repairs and maintenance	79,638	212,294	155,247
Salaries and benefits	5,850,627	6,799,564	5,986,688
Sports and culture	623,622	487,875	358,002
Student expenses	766,606	403,417	558,637
Supplies	3,553,536	2,564,001	2,112,485
Telephone	99,183	141,629	160,740
Training and workshops	85,956	85,402	45,808
Travel	580,645	1,095,683	468,361
Tuition	261,986	257,009	286,818
Utilities	304,894	563,021	693,354
Vehicle operating costs	125,887	108,976	86,749
	15,848,586	20,071,785	18,056,598



English River First Nation Band Programs

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

For the year ended March 31, 2022

	2022	2021
Revenue		
English River First Nation Community Benefits Trust	68,519	372,278
Indigenous Services Canada	465,687	70,283
Northern Lights Community Development Corporation	33,295	124,374
MLTC Program Services Inc.	55,701	45,963
Meadow Lake Health & Social Development Authority Inc.	11,356	25,000
First Nations Trust	273,835	361,248
Northern Sports, Culture & Recreation	55,550	61,953
Other revenue	25,852	5,575
Government of Saskatchewan	5,000	5,000
Denison Mines Corporation	133,273	-
	1,128,068	1,071,674
Expenses		
Assistance	174,273	-
Bank charges and interest	539	200
Contracted services	-	979
Interest on long-term debt	13,405	21,893
Meeting	7,327	2,837
Salaries and benefits	200,228	141,127
Sports and culture	100,421	153,388
Supplies	166,169	313,316
Telephone	3,401	-
Travel	56,518	30,551
	722,281	664,291
Surplus	405,787	407,383



**English River First Nation
Band Support**

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

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	1,630,149	1,302,116
MLTC Program Services Inc.	280,550	268,006
Meadow Lake Health & Social Development Authority Inc.	54,132	-
GST rebates	22,020	29,065
Other revenue	11,858	56,490
	1,998,709	1,655,677
Expenses		
Administration	(564,570)	(570,396)
Bank charges and interest	18,563	19,843
Contracted services	225,680	119,754
Honouraria	-	300
Interest on long-term debt	5,145	5,608
Meeting	6,894	3,202
Office equipment lease	15,526	17,128
Office supplies	16,011	28,136
Professional development	2,274	-
Professional fees	137,770	179,042
Salaries and benefits	847,216	749,531
Supplies	998,893	806,448
Telephone	72,687	89,437
Travel	692,383	313,424
	2,474,472	1,761,457
Deficit	(475,763)	(105,780)



**English River First Nation
Capital**

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

For the year ended March 31, 2022

	2022	2021
		<i>(as restated Note 19)</i>
Revenue		
Indigenous Services Canada	8,010,390	3,579,885
Canada Mortgage and Housing Corporation	403,228	243,694
Rental income	137,178	140,156
Investment income	4,822	16,122
	8,555,618	3,979,857
Expenses		
Amortization	2,721,516	2,751,309
Bank charges and interest	543	534
Contracted services	193,443	37,375
Fuel	381	2,737
Insurance	67,996	58,052
Interest on long-term debt	12,701	20,497
Meeting	700	-
Professional fees	9,030	9,030
Repairs and maintenance	25,685	25,795
Salaries and benefits	159,447	28,585
Supplies	159,081	98,785
Travel	8,909	3,214
	3,359,432	3,035,913
Surplus before other items	5,196,186	943,944
Other revenue (expenses)		
Gain (loss) on disposal of capital assets	31,600	-
Surplus	5,227,786	943,944



English River First Nation
Community Infrastructure

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

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	2,274,641	1,825,812
Other revenue	51,190	15,167
Rental income	42,688	40,000
Government of Saskatchewan	19,629	36,631
	2,388,148	1,917,610
Expenses		
Contracted services	58,693	225,780
Fuel	26,492	16,363
Insurance	140,676	155,325
Interest on long-term debt	2,377	6,014
Repairs and maintenance	74,989	71,284
Salaries and benefits	420,200	409,090
Supplies	300,506	224,341
Telephone	2,649	2,738
Travel	21,652	6,697
Utilities	310,511	447,961
Vehicle operating costs	32,118	17,064
	1,390,863	1,582,657
Surplus	997,285	334,953



**English River First Nation
Economic Development**

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

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	114,129	1,750,454
MLTC Program Services Inc.	450,000	335,504
MLTC RDI	1,117,222	125,000
Denison Mines Corporation	82,500	-
Other revenue	77,288	65,611
Investment income	25,500	24,000
Earnings (loss) from investment in Nation business entities	(5,198,822)	(1,386,903)
	(3,332,183)	913,666
Expenses		
Administration	8,165	-
Assistance	147,285	130,257
Bank charges and interest	168	158
Contracted services	24,260	352
Fuel	5,098	12,158
Professional fees	860	82,389
Repairs and maintenance	88,809	19,810
Salaries and benefits	447,825	335,748
Supplies	46,028	301
Telephone	912	513
Travel	7,967	14,573
Vehicle operating costs	1,915	-
	779,292	596,259
Surplus (deficit)	(4,111,475)	317,407



English River First Nation Education

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

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	4,320,064	4,262,519
MLTC Program Services Inc.	399,099	341,895
Northern Lights School Division	439,335	200,000
	5,158,498	4,804,414
Expenses		
Administration	223,716	110,654
Assistance	3,500	-
Contracted services	14,893	12,724
Fuel	-	3,858
Graduation	36,639	25,317
Hot lunch program	29,402	69,068
Insurance	27,275	27,275
Interest on long-term debt	-	959
Office equipment lease	18,629	14,323
Office supplies	35,588	29,616
Repairs and maintenance	15,452	8,968
Salaries and benefits	2,336,217	2,203,942
Sports and culture	48,377	37,073
Student expenses	403,417	558,637
Supplies	380,071	341,447
Telephone	18,204	13,976
Travel	40,857	17,757
Tuition	257,009	286,818
Utilities	145,563	154,478
Vehicle operating costs	38,494	48,131
	4,073,303	3,965,021
Surplus	1,085,195	839,393



English River First Nation

Health

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

For the year ended March 31, 2022

	2022	2021
Revenue		
Meadow Lake Health & Social Development Authority Inc.	3,402,474	2,703,055
Indigenous Services Canada	570,128	737,920
MLTC Child & Family Services Inc.	353,412	245,772
MLTC Program Services Inc.	17,029	-
Other revenue	19,142	9,165
	4,362,185	3,695,912
Expenses		
Administration	333,539	397,964
Amortization	391,952	391,952
At risk child prevention services	95,977	72,438
Contracted services	895,550	766,471
Fuel	18,207	14,977
Honouraria	9,479	12,174
Hot lunch program	6,948	2,000
Insurance	46,270	32,800
Meeting	525	216
Office equipment lease	11,692	10,534
Office supplies	1,713	2,943
Professional development	4,685	1,640
Professional fees	31,250	-
Repairs and maintenance	3,105	1,658
Salaries and benefits	1,750,530	1,621,843
Sports and culture	339,077	167,541
Supplies	460,576	260,196
Telephone	43,068	50,292
Training and workshops	85,402	45,808
Travel	109,633	37,409
Utilities	106,947	90,915
Vehicle operating costs	36,449	21,554
	4,782,574	4,003,325
Deficit	(420,389)	(307,413)



**English River First Nation
Reserves and Trusts**

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

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	196,221	393,094
Other revenue	666,548	94
Saskatchewan Indigenous Cultural Centre	-	19,316
Treaty 10 Gathering	-	176
	862,769	412,680
Expenses		
Administration	-	61,778
Bank charges and interest	2,895	1,331
Contracted services	120,569	82,585
Honouraria	-	10,741
Meeting	-	7,800
Office supplies	8,317	2,414
Professional fees	153,775	55,117
Repairs and maintenance	4,254	27,732
Salaries and benefits	271,065	116,064
Supplies	21,292	13,696
Telephone	387	2,898
Travel	125,405	30,610
	707,959	412,766
Surplus (deficit)	154,810	(86)



English River First Nation

Social Assistance

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

For the year ended March 31, 2022

	2022	2021
Revenue		
MLTC Program Services Inc.	1,786,460	1,772,384
Indigenous Services Canada	133,554	-
Other revenue	23,646	-
	1,943,660	1,772,384
Expenses		
Assistance	1,230,676	1,577,798
Contracted services	114,309	4,338
Office supplies	5,723	3,048
Salaries and benefits	366,836	380,758
Supplies	31,385	53,955
Telephone	321	886
Travel	32,359	14,126
	1,781,609	2,034,909
Surplus (deficit)	162,051	(262,525)