

Big River First Nation
Consolidated Financial Statements
March 31, 2018



Management's Responsibility

Independent Auditors' Report

Consolidated Financial Statements

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Management's Responsibility



To the Members of Big River First Nation:

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

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

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

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

July 16, 2018

(Signature on file) Administrator

Independent Auditors' Report

To the Members of Big River First Nation:

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

Other Matter

The consolidated financial statements of Big River First Nation for the year ended March 31, 2017 were reported on by another firm of Chartered Professional Accountants who expressed an unqualified opinion in their Independent Auditors' Report dated August 11, 2017.

Prince Albert, Saskatchewan

July 16, 2018

MNP LLP

Chartered Professional Accountants

Big River First Nation

Consolidated Statement of Financial Position

As at March 31, 2018

	2018	2017
Financial assets		
Current		
Cash	103,717	-
Marketable securities (Note 4)	1,712,783	721,565
Accounts receivable (Note 5)	1,016,052	928,827
Inventory for resale	153,300	107,677
Restricted cash (Note 6)	9,729,694	966,587
	12,715,546	2,724,656
Investments (Note 7)	22,005	22,005
Funds held in trust (Note 8)	39,923	38,648
Biological assets (Note 9)	359,750	359,750
Total financial assets	13,137,224	3,145,059
Liabilities		
Current		
Bank indebtedness (Note 10)	-	463,056
Accounts payable and accruals	855,505	223,788
Deferred revenue (Note 11)	9,656,820	1,405,242
Current portion of long-term debt (Note 12)	608,074	762,774
	11,120,399	2,854,860
Long-term debt (Note 12)	3,392,447	4,097,048
Net debt	(1,375,622)	(3,806,849)
Contingencies (Note 14)		
Non-financial assets		
Tangible capital assets (Note 13) (Schedule 1)	24,531,039	23,177,550
Accumulated surplus (Note 15)	23,155,417	19,370,701
Approved on behalf of the Council		
<u>(Signature on file)</u> Chief	<u>(Signature on file)</u>	Councillor

Big River First Nation

Consolidated Statement of Operations

For the year ended March 31, 2018

	<i>Schedules</i>	<i>2018 Budget Note 19</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Revenue				
Federal government funding				
Indigenous Services Canada (Note 16)		11,197,571	13,746,659	12,557,633
First Nations and Inuit Health Branch (Note 17)		1,322,096	1,574,624	1,131,592
Canada Mortgage and Housing Corporation		98,164	238,688	70,685
		12,617,831	15,559,971	13,759,910
Retail sales - Miami Gas Bar		4,150,000	4,258,277	4,340,545
Agency Chiefs Tribal Council		1,476,086	1,455,363	831,735
Forestry income		855,600	1,210,261	1,003,092
First Nations Trust		1,100,000	1,111,595	1,095,642
Saskatchewan Indian Institute of Technologies		265,774	364,516	234,167
Agency Chiefs Child and Family Services		217,102	274,186	220,474
Other revenue		130,200	238,048	28,297
Rental income		187,350	190,075	194,811
Bingo		148,000	166,549	76,945
Northern Lights Community Development Corporation		159,600	164,933	166,406
Cattle		179,750	142,891	214,181
Provincial government transfers		149,522	122,097	146,042
User fees		87,220	91,218	67,721
Tuition		-	10,186	66,775
		21,724,035	25,360,166	22,446,743
Program expenses				
Band Government	3	1,560,705	2,425,756	2,449,918
Education	4	7,815,294	7,572,905	7,041,522
Health	5	2,435,725	2,420,253	2,232,265
Capital Projects	6	261,062	1,253,032	2,565,706
Facilities Maintenance	7	2,027,990	2,051,534	2,097,882
First Nation Owned	8	5,744,000	5,861,470	6,309,203
		19,844,776	21,584,950	22,696,496
Surplus (deficit) before other items		1,879,259	3,775,216	(249,753)
Other income (expense)				
Gain on disposal of capital assets		-	9,500	-
Surplus (deficit)		1,879,259	3,784,716	(249,753)
Accumulated surplus, beginning of year		19,370,701	19,370,701	19,620,454
Accumulated surplus, end of year		21,249,960	23,155,417	19,370,701

Big River First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2018

	<i>2018 Budget Note 19</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Annual surplus (deficit)	1,879,259	3,784,716	(249,753)
Purchases of tangible capital assets	-	(2,789,630)	(877,593)
Amortization of tangible capital assets	-	1,436,141	1,353,449
(Gain) on sale of tangible capital assets	-	(9,500)	-
Proceeds of disposal of tangible capital assets	-	9,500	-
	-	(1,353,489)	475,856
Net debt, beginning of year	(3,806,849)	(3,806,849)	(4,032,952)
Net debt, end of year	(1,927,590)	(1,375,622)	(3,806,849)



Big River First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	3,784,716	(249,753)
Non-cash items		
Amortization	1,436,141	1,353,449
Gain on disposal of capital assets	(9,500)	-
Impairment of portfolio investment	-	50,000
	5,211,357	1,153,696
Changes in working capital accounts		
Accounts receivable	(87,225)	(221,682)
Inventory for resale	(45,623)	53,452
Accounts payable and accruals	631,717	(205,368)
Deferred revenue	8,251,578	802,744
	13,961,804	1,582,842
Financing activities		
Advances of long-term debt	-	230,000
Repayment of long-term debt	(859,301)	(1,168,593)
Increase (decrease) in bank indebtedness	(463,056)	463,056
	(1,322,357)	(475,537)
Capital activities		
Purchases of tangible capital assets	(2,789,630)	(877,593)
Proceeds of disposal of tangible capital assets	9,500	-
	(2,780,130)	(877,593)
Investing activities		
Net purchase of marketable securities	(991,218)	(330,003)
Increase in funds held in trust	(1,275)	(1,133)
Purchase of biological assets	-	(12,000)
	(992,493)	(343,136)
Increase (decrease) in cash resources	8,866,824	(113,424)
Cash resources, beginning of year	966,587	1,080,011
Cash resources, end of year	9,833,411	966,587
Cash resources are composed of:		
Cash	103,717	-
Restricted cash	9,729,694	966,587
	9,833,411	966,587

The accompanying notes are an integral part of these financial statements

1. Operations

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

2. Change in accounting policy

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

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

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

3. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity

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

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

- Big River First Nation
- Miami Gas Bar
- BRFN Holdings Incorporated

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.

Other economic interests

The First Nation does not either share in 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 the Big River First Nation.

- The First Nation is a member of the Agency Chiefs Tribal Council (ACTC). The ACTC is an organization of three Nations. The ACTC is mandated to enhance the services provided to the member Nations.
- The First Nation is a member of the Agency Chiefs Child and Family Services Inc. (AC Child and Family Services). AC Child and Family Services is an organization of four Nations. The mandate of AC Child and Family Services is to provide child and family protection and prevention services on-reserve to the four member Nations.

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

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash Resources

Cash and cash equivalent include balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Restricted Cash

Restricted cash consists of funds held in a project bank account for specific capital projects.

Portfolio investments

Long-term investments in entities that are not controlled by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Inventory for resale

Inventory for resale is valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less selling costs.

Tangible capital assets

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

Amortization

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

	<i>Method</i>	<i>Years</i>
Buildings and infrastructure	straight-line	20 years
Roads	straight-line	30 years
Vehicles and Equipment	straight-line	5-10 years
Computer equipment	straight-line	3 - 5 years
Furniture and fixtures	straight-line	3 - 5 years

Funds held in Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Trust Fund are reported on the statement of financial position. Trust moneys consist of:

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

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

Biological assets

Biological assets are valued based on their market value less estimated costs to sell, as the animals have a reliable and realizable market price with predictable disposal costs.

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

Long-lived assets and discontinued operations

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.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in surplus for the year.

Asset classification

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

Net debt

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

Revenue recognition

Government transfers

The 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.

Non-government funding

Non-government funding is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Other revenue

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

Funds held in Trust Fund

Revenue is recognized when amounts can be reasonably estimated and collectability is known. Due to measurement uncertainty, revenue related to the receipt of funds held in the Trust Fund are recognized when it is received in either capital or revenue account.

Retail sales

Revenue from retail sales are recognized upon completion of the sale transaction and is earned, measurable, and collectible.

Rebates on retail sales

Fuel and tobacco rebates received from Saskatchewan Finance are recorded as a reduction of cost of sales in the period in which the related sales to individuals with Treaty numbers occurred.

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

Measurement uncertainty

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2018.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

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

Segments

The First Nation conducts its business through 6 of reportable segments: Band Government, Education, Health, Capital Projects, Facilities Maintenance and First Nation Owned. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements. Inter-segment transfers are recorded at their exchange amount.

4. Marketable securities

	2018	2017
Measured at cost:		
Term Deposits with interest rates ranging from 0.45% to 0.60% with annual terms maturing during the next fiscal year	1,712,783	721,565

5. Accounts receivable

	2018	2017
Indigenous Services Canada	2,335	-
GST and PST receivables	32,841	17,591
Trade receivables	978,586	894,709
Payroll receivables	2,290	16,527
	1,016,052	928,827

6. Restricted cash

	2018	2017
Capital project - Solid Waste Transfer	1,079,548	133,938
Capital project - WTP Evaluation and Upgrade	272,683	69,859
Capital project - Low Pressure Water	5,492	5,492
Capital project - New School Project	1,944,724	44,199
Capital project - School Renovation	49,483	51,274
Capital project - Gasification Project	4,501,723	661,825
Capital project - Teacherage Project	1,399,840	-
Capital project - Aboriginal Headstart	476,201	-
	9,729,694	966,587

Restricted cash consists of cash managed by a capital project manager who is responsible for payments of expenses relating to capital projects funded by ISC.

7. Investment

	2018	2017
Measured at cost:		
First Nations of Bank of Canada	22,005	22,005

The First Nation owns 49.95% of Horizon Interiors Limited Partnership, 33% of A.C. Forestry Ltd., and 33% of A.C. Realty Ltd. These investments are impaired and have a carrying value of \$nil as at March 31, 2018 (2017 - \$nil).

8. Funds held in 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 Department of Indigenous Services Canada.

	2018	2017
Capital Trust		
Balance, beginning of year	11,829	11,829
Balance, end of year	11,829	11,829
Revenue Trust		
Balance, beginning of year	26,819	25,686
Interest	1,275	1,133
Balance, end of year	28,094	26,819
	39,923	38,648

9. Biological assets

	2018	2017
Cattle		
Opening balance	359,750	347,750
Additions	-	12,000
	359,750	359,750

10. Bank indebtedness

As at March 31, 2018, the First Nation had lines of credit totaling \$750,000 and \$55,000 (2017 - \$750,000 and \$55,000) available by way of business operating account overdrafts and are to be used for day to day cash flow requirements of the First Nation and the Miami Gas Bar, respectively. Interest is calculated at prime plus 1%. Security is in the form of Band Council Resolutions.

The standby letters of credit and standby letters of guarantee are available to the First Nation for payment of invoices and have a credit limit of \$75,000. Letters of credit may not have terms to expiry of more than 12 months from the date of issue.

11. Deferred revenue

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

	<i>Balance, beginning of year</i>	<i>Amount of funding received</i>	<i>Amount recognized as revenue</i>	<i>Balance, end of year</i>
Solid Waste Transfer - ISC Capital Project	133,938	1,036,000	90,390	1,079,548
WTP Evaluation and Upgrade - ISC Capital Project	69,812	225,000	36,981	257,831
Low Pressure Water - ISC Capital Project	5,492	-	-	5,492
New School Project - ISC Capital Project	44,199	1,920,000	44,489	1,919,710
School Renovation - ISC Capital Project	51,274	44,000	45,791	49,483
Gasification Project - ISC Capital Project	661,825	5,888,000	2,048,102	4,501,723
Teacherage Project - ISC Capital Project	-	1,400,000	160	1,399,840
Aboriginal Headstart - FNIHB Capital Project	-	675,000	262,528	412,472
Social Assistance - ISC Program	-	642,258	611,537	30,721
CMHC RRAP	122,260	-	122,260	-
Other	316,442	-	316,442	-
	1,405,242	11,830,258	3,578,680	9,656,820

12. Long-term debt

	<i>2018</i>	<i>2017</i>
Demand loan due October 1, 2019, repayable in monthly blended instalments of \$11,733 at a fixed rate of 4.34%; with a Band Council Resolution as security which includes a commitment to use ISC capital funding to fund principal payments in the event the rental income from the lease of the group home is insufficient to fund principal payments, in addition to an acknowledged assignment of adequate insurance on the group home is first loss payable to the lender and assignment of the lease with Agency Chiefs Child and Family Services for the group home	215,068	343,493
Demand loan	-	51,250
Demand loan	-	24,500
Demand loan	-	58,333
Demand loan	-	108,611
Demand loan due August 1, 2025, repayable in annual principal instalments of \$473,182 plus monthly accrued interest at prime plus 0.5%; with a Band Council Resolution as security which includes instructions to ISC to forward capital disbursements to the lender until the loan is repaid in full	3,785,453	4,258,635
Demand loan	-	15,000
	4,000,521	4,859,822
Less: current portion	608,074	762,774
	3,392,447	4,097,048

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

2019	608,074
2020	553,358
2021	473,182
2022	473,182
2023	473,182
	2,580,978

13. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Included in tangible capital assets are assets under construction of \$2,570,067 (2017 - \$87,576) for which no amortization has been taken.

14. Contingencies

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

The First Nation has an ownership interest of 33.33% in A.C. Forestry Ltd. As at March 31, 2018, A.C. Forestry had a total available debt of \$1,685,000, in the form of a demand loan. The First Nation has provided a guarantee and postponement of claim to the lender in support of the financing to A.C. Forestry Ltd. for the full amount of the financing. The demand loan bears interest at prime plus 3.55% and is repayable in bi-weekly principal and interest instalments of \$16,536. As at March 31, 2018 there has been no portion of this debt accrued by the First Nation (2017 - \$nil).

15. Accumulated surplus

Accumulated surplus consists of the following:

	2018	2017
Equity in Ottawa Trust Funds		
Balance, beginning of year	38,648	37,515
Interest earned	1,275	1,133
	39,923	38,648
Equity in tangible capital assets		
Balance, beginning of year	18,317,728	17,854,991
Acquisition of tangible capital assets	2,789,630	877,593
Disposals of tangible capital assets	(21,649)	-
Amortization	(1,436,141)	(1,353,449)
Disposal of accumulated amortization	21,649	-
Capital accounts payable	(103,597)	-
Advances of long-term debt	-	(230,000)
Repayment of long-term debt	859,301	1,168,593
	20,426,921	18,317,728
Unrestricted surplus		
Balance, beginning of year	1,014,325	1,727,948
Current year surplus (deficit)	3,784,716	(249,753)
Transfer to trust	(1,275)	(1,133)
Transfer to capital assets	(2,109,193)	(462,737)
	2,688,573	1,014,325
	23,155,417	19,370,701

16. Indigenous Services Canada

ISC funding per confirmation	21,773,821
Add:	
Year-end ISC reconciliation - Band Employee Benefits	2,335
Deferred revenue - Band Employee Benefit	18,999
Deferred revenue - Instructional Services	48,907
Deferred revenue - Special Education	200,013
Deferred revenue - Community Navigator	93,600
Deferred revenue - School Renovations	1,791
Deduct:	
Prior year ISC reconciliation - Band Employee Benefit	(68,131)
Deferred revenue - Social Assistance	(30,721)
Deferred revenue - Solid Waste Transfer	(945,610)
Deferred revenue - WTP Evaluation and Upgrade	(188,019)
Deferred revenue - New School Project	(1,875,511)
Deferred revenue - Gasification Project	(3,839,898)
Deferred revenue - Teacherage Project	(1,400,000)
Deferred revenue - Other	(44,917)
Total funding per consolidated financial statements	13,746,659

17. First Nations and Inuit Health Branch

FNIHB funding per confirmation	1,990,047
Deduct:	
Deferred revenue - Aboriginal Headstart	(412,472)
Prior year recovery - Admin	(2,951)
<u>Total funding per consolidated financial statements</u>	<u>1,574,624</u>

18. Commitments

During the year, the First Nation entered into a Management Service Agreement with Lake Country Cooperatives Association Limited to provide Management Services at the Miami Gas Bar. The monthly management fee is 5% of the gross sales, subject to a minimum of \$20,000 per month. The term of the agreement continues until October 31, 2022.

The First Nation has committed to the installation of natural gas to the Big River First Nation. The expected total costs for the project is \$10,216,695. ISC has agreed to fully fund the project. As of March 31, 2018, \$2,048,277 (2017 - \$nil) has been spent and \$6,550,000 (2017 - \$662,000) has been received from ISC. The project is expected to be completed in the fiscal year ending March 31, 2019.

The First Nation has committed to the installation of Solid Waste Transfer Stations on the Big River First Nation. The expected total costs for the project is \$1,192,374. ISC has agreed to fully fund the project. As of March 31, 2018, \$113,452 (2017 - \$23,062) has been spent and \$1,193,000 (2017 - \$157,000) has been received from ISC. The project is expected to be completed in the fiscal year ending March 31, 2019.

The First Nation has committed to the completion of an Aboriginal Headstart Building on the Big River First Nation. The expected total costs for the project is \$713,650. FNIHB has agreed to provide 94.6% of the funding, or \$675,000. The remaining costs of \$38,650 will be covered by the First Nation. As of March 31, 2018, \$262,528 (2017 - \$nil) has been spent and \$675,000 (2017 - \$nil) has been received from ISC. The project is expected to be completed in the fiscal year ending March 31, 2019.

The First Nation has committed to the completion of other capital infrastructure projects which are expected to be fully funded by ISC.

The First Nation has entered into a grader lease agreement with payments of \$4,544 monthly, bearing interest of 3.99%. The lease continues until July 1, 2020. The minimum lease payments over the next three years are as follows:

2019	54,530
2020	54,530
2021	13,633
	<u>122,693</u>

19. Budget information

The disclosed budget information has been approved by the Chief and Council of the Big River First Nation at the council meeting held on February 6, 2017.

The budget process followed by management only includes activities managed directly by the First Nation. Management does not prepare a budget for capital projects administered through third party project managers. As such no amounts have been included in the annual budget of the First Nation capital project ongoing during the year. The project revenues and expenditures are not included in management's disclosed budget figures for the Capital Projects segment.

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

20. Economic dependence

Big River First Nation receives a significant portion of its revenue from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

21. Social development program transactions

The First Nation's social development program is administered by Agency Chiefs Tribal Council (ACTC). The activities of the social development program are not recorded in the First Nation's consolidated financial statements because the First Nation cannot access or direct the use of these funds, and is not responsible for any program deficits. ACTC reports on the activities pertaining to the delivery of these services to the membership of the First Nation.

22. Employee future benefits

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering substantially all full-time employees. Contributions to the plan are based on 3% to 5% of their salary, and the First Nation matches the employees' contributions. The First Nation contributions and corresponding expense totaled \$262,067 in 2018 (2017 - \$246,140).

23. Segments

The First Nation has 6 of reportable segments. These segments are differentiated by the major activities or service they provide. The First Nation's segment are as follows:

First Nation owned - represents a variety of First Nation owned activities and economic development initiatives, including the Miami Gas Bar, funding from the First Nations Trust, the First Nation's forestry management activities, and the Centre of Excellence.

Education - provides a variety of services for students from nursery school to a complete grade 12 that meets all provincial criteria with a cultural influence that reflects the First Nation's identity. The department includes a nutrition program, student counselling services, a resource centre, a Cree language and culture program, and a community school program.

Band government - handles the finances and administration of the First Nation including support to Chief and Council and all other departments. The department provides internal support and central services to ensure the efficient and effective operations of the First Nation.

Health - offers twenty-six community based programs aimed towards the well-being and health of the First Nation's residents. The First Nation operates a health centre with both health and dental services, as well as a home care program, counselling for drug and alcohol addictions, community health representatives, daycare and headstart.

Facilities maintenance - ensures the upkeep of road maintenance and school maintenance as well as water safety, including an emergency water works plan. The department works to provide a safe working environment for all staff and ensure the community's safety.

Capital projects - this department is part of facilities maintenance and is responsible for larger maintenance projects that are non-recurring in nature and require capital funding. Recent capital projects include high school roof repairs and housing renovations.

For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

24. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Big River First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Land</i>	<i>Roads</i>	<i>Buildings and infrastructure</i>	<i>Equipment</i>	<i>Construction- in-progress</i>	<i>2018</i>	<i>2017</i>
Cost							
Balance, beginning of year	1,143,462	8,807	43,606,779	3,877,136	87,576	48,723,760	47,846,167
Acquisition of tangible capital assets	-	18,658	-	288,481	2,482,491	2,789,630	160,870
Construction-in-progress	-	-	-	-	-	-	716,723
Disposal of tangible capital assets	-	-	-	(21,649)	-	(21,649)	-
Balance, end of year	1,143,462	27,465	43,606,779	4,143,968	2,570,067	51,491,741	48,723,760
Accumulated amortization							
Balance, beginning of year	-	1,911	22,720,399	2,823,900	-	25,546,210	24,192,761
Annual amortization	-	605	1,176,294	259,242	-	1,436,141	1,353,449
Accumulated amortization on disposals	-	-	-	(21,649)	-	(21,649)	-
Balance, end of year	-	2,516	23,896,693	3,061,493	-	26,960,702	25,546,210
Net book value of tangible capital assets	1,143,462	24,949	19,710,086	1,082,475	2,570,067	24,531,039	23,177,550
2017							
Net book value of tangible capital assets	1,143,462	6,896	20,886,380	1,053,236	87,576	23,177,550	

Big River First Nation

Schedule 2 - Consolidated Expenses by Object

For the year ended March 31, 2018

	<i>2018 Budget Note 19</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Consolidated expenses by object			
Salaries and benefits	8,359,972	8,124,841	8,235,643
Retail purchases	3,335,000	3,349,948	3,499,125
Amortization	-	1,436,141	1,353,449
Training	1,080,956	1,147,202	1,138,361
Supplies	821,478	1,115,572	1,091,447
Youth support	1,171,122	925,708	486,543
Chief and council	682,000	891,952	886,096
Student allowance	784,177	854,290	745,100
Repairs and maintenance	569,985	733,385	1,183,209
Contracted services	316,410	448,149	1,477,252
Travel	409,968	443,374	387,768
Community events	261,980	293,702	358,561
Utilities	219,250	268,726	328,939
Member support	286,000	209,244	201,409
Telephone	135,256	189,084	119,841
Vehicle	126,640	155,829	102,425
Interest on long-term debt	149,792	154,089	172,833
Elders fees	81,870	115,350	111,840
Consulting	272,510	111,169	102,546
Insurance	120,229	107,169	102,257
Bad debts	7,500	96,977	145,966
Professional fees	195,000	96,512	108,066
Funeral	140,000	93,175	120,608
Rent	42,900	84,548	108,245
Meeting	39,176	41,522	28,800
Bank charges and interest	46,500	40,746	32,969
User fees	40,000	33,100	40,500
Transportation	15,000	15,300	5,454
Community donations	10,000	6,331	9,470
Advertising	5,000	1,815	5,729
Administration	119,105	-	6,045
	19,844,776	21,584,950	22,696,496

Big River First Nation
Band Government
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Revenue			
Indigenous Services Canada	937,675	899,813	1,128,645
Rental income	-	187,575	194,811
Northern Lights Community Development Corporation	159,600	164,933	166,406
Other revenue	-	450	13,100
	1,097,275	1,252,771	1,502,962
Expenses			
Chief and council	682,000	891,952	886,096
Amortization	-	795,055	776,249
Salaries and benefits	756,450	673,618	710,433
Member support	156,000	209,244	201,408
Travel	99,000	105,310	98,663
Funeral	140,000	93,175	120,608
Telephone	80,500	87,236	69,399
Insurance	75,000	66,318	63,126
Professional fees	50,000	47,663	45,071
Training	35,000	38,640	(2,392)
Supplies	45,000	37,339	28,400
Contracted services	70,000	36,263	31,373
Repairs and maintenance	32,000	29,571	26,534
Consulting	25,000	27,418	13,075
Meeting	20,000	27,313	19,161
Youth support	22,000	15,541	12,499
Bank charges and interest	10,500	12,437	9,627
Vehicle	10,000	10,383	13,002
Community donations	5,000	1,541	6,350
Advertising	5,000	1,436	4,529
Interest on long-term debt	1,000	488	3,369
Rent	-	-	20,458
Elders fees	-	-	20,138
Administration	(758,745)	(782,185)	(727,258)
	1,560,705	2,425,756	2,449,918
Deficit before transfers	(463,430)	(1,172,985)	(946,956)
Transfers from First Nation Owned	470,000	452,519	472,016
Surplus (deficit)	6,570	(720,466)	(474,940)

Big River First Nation
Education

Schedule 4 - Schedule of Revenue and Expenses

For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Indigenous Services Canada	7,043,887	7,292,362	6,994,018
Agency Chiefs Tribal Council	879,415	879,415	-
Tuition	-	10,186	66,775
	7,923,302	8,181,963	7,060,793
Expenses			
Salaries and benefits	4,957,288	4,865,890	4,731,018
Student allowance	784,177	854,290	745,100
Administration	429,975	450,470	414,929
Youth support	700,675	429,330	109,408
Training	430,084	399,526	653,606
Supplies	284,490	305,484	198,716
Travel	80,968	86,586	72,109
Telephone	16,000	60,744	10,066
Contracted services	26,860	37,453	13,930
Professional fees	20,000	20,000	24,087
Repairs and maintenance	12,552	18,961	18,725
Consulting	36,225	13,460	-
Insurance	8,500	8,500	9,811
Bank charges and interest	13,500	5,723	5,285
Rent	5,000	4,850	4,239
Community donations	5,000	4,790	3,120
Amortization	-	3,873	8,128
Meeting	2,500	1,675	2,350
Community events	1,500	1,200	16,795
Advertising	-	100	100
	7,815,294	7,572,905	7,041,522
Surplus	108,008	609,058	19,271

Big River First Nation Health

Schedule 5 - Schedule of Revenue and Expenses

For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
First Nations and Inuit Health Branch	1,322,096	1,312,096	1,131,592
Indigenous Services Canada	754,466	723,745	752,394
Agency Chiefs Tribal Council	419,500	331,731	328,496
User fees	48,000	39,091	-
Other revenue	-	3,555	1,000
Provincial government transfers	-	-	12,029
	2,544,062	2,410,218	2,225,511
Expenses			
Salaries and benefits	995,620	932,806	943,609
Training	540,772	520,893	372,724
Community events	191,480	212,395	175,160
Supplies	162,293	194,725	220,648
Administration	171,079	168,479	141,235
Youth support	104,373	113,201	92,893
Travel	82,500	70,536	74,364
Consulting	40,000	38,968	32,471
Telephone	31,456	34,980	34,626
User fees	40,000	33,100	40,500
Rent	29,400	29,400	29,400
Utilities	11,000	15,516	14,890
Vehicle	9,940	13,861	4,216
Insurance	9,886	9,886	9,829
Amortization	-	9,856	12,598
Repairs and maintenance	3,000	8,974	17,066
Elders fees	7,000	7,113	5,701
Meeting	5,926	5,285	6,811
Advertising	-	279	1,100
Interest on long-term debt	-	-	2,424
	2,435,725	2,420,253	2,232,265
Surplus (deficit)	108,337	(10,035)	(6,754)

Big River First Nation
Capital Projects
Schedule 6 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Revenue			
Indigenous Services Canada	747,489	3,059,915	1,896,370
First Nations and Inuit Health Branch	-	262,528	-
Canada Mortgage and Housing Corporation	98,164	238,688	70,685
	845,653	3,561,131	1,967,055
Expenses			
Amortization	-	596,388	525,505
Supplies	100,000	315,591	395,562
Contracted services	19,963	153,483	1,251,241
Repairs and maintenance	93,573	118,313	315,632
Salaries and benefits	39,526	41,547	43,096
Utilities	-	20,466	-
Travel	8,000	7,244	7,852
Interest on long-term debt	-	-	26,818
	261,062	1,253,032	2,565,706
Surplus (deficit)	584,591	2,308,099	(598,651)

Big River First Nation
Facilities Maintenance
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget</i>	<i>2018 Actual</i>	<i>2017 Actual</i>
Revenue			
Indigenous Services Canada	1,687,789	1,744,559	1,760,727
Agency Chiefs Tribal Council	77,171	89,311	68,976
User fees	39,220	52,127	39,221
Provincial government transfers	47,200	19,613	101,292
Other revenue	-	100	-
Rental income	187,350	-	-
	2,038,730	1,905,710	1,970,216
Expenses			
Salaries and benefits	985,057	976,554	1,046,393
Utilities	183,250	200,817	280,785
Repairs and maintenance	229,610	195,174	208,210
Administration	156,796	163,236	170,826
Supplies	124,945	139,660	99,510
Vehicle	89,200	113,831	70,795
Travel	79,000	108,313	90,711
Contracted services	94,187	103,521	100,600
Consulting	50,000	17,115	12,000
Youth support	12,000	12,180	6,936
Insurance	10,895	10,766	7,516
Meeting	10,750	7,249	478
Training	1,500	2,467	3,073
Telephone	800	471	21
Interest on long-term debt	-	180	28
	2,027,990	2,051,534	2,097,882
Deficit	10,740	(145,824)	(127,666)

Big River First Nation
First Nation Owned
Schedule 8 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget</i>	<i>2018</i>	<i>2017</i>
Revenue			
Indigenous Services Canada	26,265	26,265	25,479
Retail sales - Miami Gas Bar	4,150,000	4,258,277	4,340,545
Forestry income	855,600	1,210,261	1,003,092
First Nations Trust	1,100,000	1,111,595	1,095,642
Provincial government transfers	102,322	102,484	32,722
Other revenue	130,200	233,942	14,196
Agency Chiefs Child and Family Services	217,102	274,186	220,474
Bingo	148,000	166,549	76,945
Agency Chiefs Tribal Council	100,000	154,905	434,263
Cattle revenue	147,696	110,891	202,127
Grazing revenue	12,054	12,000	12,054
Lease revenue	20,000	20,000	-
Rental income	-	2,500	-
User fees	-	-	28,501
Saskatchewan Indian Institute of Technologies	265,774	364,516	234,167
	7,275,013	8,048,371	7,720,207
Expenses			
Retail purchases	3,335,000	3,349,948	3,499,125
Salaries and benefits	626,031	634,426	761,095
Repairs and maintenance	199,250	362,393	597,042
Youth support	332,074	355,456	264,807
Training	73,600	185,677	111,349
Interest on long-term debt	148,792	153,421	140,194
Supplies	104,750	122,772	148,609
Contracted services	105,400	117,428	80,109
Elders fees	74,870	108,236	86,000
Bad debts	7,500	96,977	145,966
Community events	69,000	80,107	166,606
Travel	60,500	65,386	44,070
Rent	8,500	50,298	54,148
Utilities	25,000	31,927	33,264
Amortization	-	30,969	30,969
Professional fees	125,000	28,849	38,909
Bank charges and interest	22,500	22,586	18,057
Vehicle	17,500	17,754	14,412
Transportation	15,000	15,300	5,454
Consulting	121,285	14,209	45,000
Insurance	15,948	11,698	11,975
Telephone	6,500	5,653	5,729
Administration	120,000	-	6,314
Member support	130,000	-	-
	5,744,000	5,861,470	6,309,203
Surplus before other items	1,531,013	2,186,901	1,411,004
Other income (expense)			
Gain (loss) on disposal of capital assets	-	9,500	-
Surplus before transfers	1,531,013	2,196,401	1,411,004
Transfers to Band Government	(470,000)	(452,519)	(472,016)
Surplus	1,061,013	1,743,882	938,988