

Big River First Nation
Consolidated Financial Statements
March 31, 2020



BIG RIVER
FIRST NATION 118

Big River First Nation
Contents
For the year ended March 31, 2020

	Page
Management's Responsibility	
Independent Auditor's Report	
Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Schedule of Tangible Capital Assets.....	15
Schedule 2 - Consolidated Expenses by Object.....	16
Schedule 3 - Consolidated Schedule of Revenue and Expenses - Band Government.....	17
Schedule 4 - Consolidated Schedule of Revenue and Expenses - Education.....	18
Schedule 5 - Consolidated Schedule of Revenue and Expenses - Health.....	19
Schedule 6 - Consolidated Schedule of Revenue and Expenses - Capital Projects.....	20
Schedule 7 - Consolidated Schedule of Revenue and Expenses - Facilities Maintenance.....	21
Schedule 8 - Consolidated Schedule of Revenue and Expenses - First Nation Owned.....	22

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 management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Members 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 23, 2020

(Signature on file)

Chief Executive Officer

To the Members of Big River First Nation:

Opinion

We have audited the consolidated financial statements of Big River First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the 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 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.

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

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

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

Independent Auditor's Report (continued)

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

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

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

Prince Albert, Saskatchewan

July 29, 2020

MNP LLP

Chartered Professional Accountants

Big River First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Current		
Cash	2,524,396	3,097,520
Marketable securities (Note 3)	82,636	81,319
Accounts receivable (Note 4)	2,774,153	1,265,575
Inventory for resale	208,359	154,215
Restricted cash (Note 5)	27,315,803	14,158,476
Biological assets - cattle (Note 6)	644,921	701,069
	33,550,268	19,458,174
Investments (Note 7)	22,005	22,005
Funds held in trust (Note 8)	42,338	41,257
Total financial assets	33,614,611	19,521,436
Liabilities		
Current		
Accounts payable and accruals	439,627	1,179,253
Deferred revenue (Note 10)	26,329,532	13,957,942
Current portion of long-term debt (Note 11)	437,078	554,138
	27,206,237	15,691,333
Long-term debt (Note 11)	4,872,674	3,000,266
Total financial liabilities	32,078,911	18,691,599
Net financial assets	1,535,700	829,837
Contingencies (Note 13)		
Subsequent events (Note 20)		
Non-financial assets		
Tangible capital assets (Note 12) (Schedule 1)	39,778,114	34,299,285
Prepaid expenses	12,000	-
Accumulated surplus (Note 14)	41,325,814	35,129,122

Approved on behalf of the Council

(Signature on file)

Chief

(Signature on file)

Councilor

Big River First Nation
Consolidated Statement of Operations
For the year ended March 31, 2020

	<i>Schedules</i>	<i>2020 Budget Note 16</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
Revenue				
Federal government funding				
Indigenous Services Canada (Note 15)		10,837,007	22,410,577	21,338,805
Claim settlement		-	1,956,355	-
First Nations and Inuit Health Branch		1,499,594	1,671,676	1,864,677
Canada Mortgage and Housing Corporation		-	32,568	137,078
		12,336,601	26,071,176	23,340,560
Retail sales - Miami Gas Bar		4,540,000	6,080,184	5,307,847
Agency Chiefs Child and Family Services		681,935	2,306,605	681,935
First Nations Trust		1,025,133	1,076,527	1,086,312
Agency Chiefs Tribal Council		2,561,270	912,183	3,307,883
Forestry income		1,113,343	660,442	1,060,996
Other revenue		267,242	482,546	381,835
Saskatchewan Indian Institute of Technologies		301,431	390,482	412,354
Rental income		186,400	339,828	180,900
Cattle Sales		209,746	283,945	140,877
Interest income		-	261,608	31,728
Northern Lights Community Development Corporation		174,221	176,188	168,495
Bingo		149,000	98,901	149,360
User fees		109,320	98,437	105,248
Provincial government transfers		47,028	63,549	47,028
Agency Chiefs Child and Family - Prevention		-	-	1,207,038
Fair value adjustment - biological assets		-	(111,699)	323,819
		23,702,670	39,190,902	37,934,215
Program expenses				
Band Government	3	2,088,626	3,940,576	3,678,224
Education	4	9,094,154	11,621,415	9,114,256
Health	5	2,040,881	2,742,089	2,092,946
Capital Projects	6	-	1,285,323	1,447,686
Facilities Maintenance	7	2,177,214	3,558,077	2,381,537
First Nation Owned	8	8,104,310	9,846,730	7,245,861
		23,505,185	32,994,210	25,960,510
Surplus		197,485	6,196,692	11,973,705
Accumulated surplus, beginning of year		35,129,122	35,129,122	23,155,417
Accumulated surplus, end of year		35,326,607	41,325,814	35,129,122

Big River First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2020

	<i>2020 Budget Note 16</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
Annual surplus	-	6,196,692	11,973,705
Purchases of tangible capital assets	-	(7,092,943)	(11,260,747)
Amortization of tangible capital assets	500,000	1,614,114	1,492,501
Acquisition of prepaid expenses	-	(12,000)	-
	500,000	(5,490,829)	(9,768,246)
Decrease in net financial assets	500,000	705,863	2,205,459
Net financial assets (net debt), beginning of year	829,837	829,837	(1,375,622)
Net financial assets, end of year	1,329,837	1,535,700	829,837



BIG RIVER
FIRST NATION 118

Big River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

2020 2019

Cash provided by (used for) the following activities

Operating activities

Surplus	6,196,692	11,973,705
Non-cash items		
Amortization	1,614,114	1,492,501
Decrease (increase) in Biological Assets	111,700	(323,819)
	7,922,506	13,142,387
Changes in working capital accounts		
Accounts receivable	(1,508,578)	(249,523)
Inventory for resale	(54,144)	(915)
Prepaid expenses	(12,000)	-
Accounts payable and accruals	(739,625)	323,748
Deferred revenue	12,371,590	4,301,122
	17,979,749	17,516,819

Financing activities

Advances of long-term debt	2,324,725	161,177
Repayment of long-term debt	(569,377)	(607,294)
	1,755,348	(446,117)

Capital activities

Purchases of tangible capital assets	(7,092,943)	(11,260,747)
	(7,092,943)	(11,260,747)

Investing activities

Proceeds on disposal of marketable securities	-	1,631,464
Net purchase of marketable securities	(1,317)	-
Increase in funds held in trust	(1,081)	(1,334)
Purchase of biological assets	(55,553)	(17,500)
	(57,951)	1,612,630

Increase in cash resources

	12,584,203	7,422,585
--	------------	-----------

Cash resources, beginning of year

	17,255,996	9,833,411
--	------------	-----------

Cash resources, end of year

	29,840,199	17,255,996
--	------------	------------

Cash resources are composed of:

Cash	2,524,396	3,097,520
Restricted cash (Note 5)	27,315,803	14,158,476
	29,840,199	17,255,996

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 First Nation's members, government and all related entities that are accountable to and are controlled by the First Nation.

2. Significant accounting policies

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

Reporting entity

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

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.

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 and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Restricted Cash

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

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

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 other than biological assets are 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:

	Method	Years
Buildings and infrastructure	straight-line	20 years
Roads	straight-line	30 years
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.

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.

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

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 assets are 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. Rebates to individuals are provided at the time of sale.

2. 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.

Legal provisions are recognized if it is probable that an outflow of cash or other economic resources will be required to settle the provision.

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, 2020.

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.

Retirement benefits

The First Nation has a defined contribution pension plan covering substantially all full-time employees who have completed one year of service. Contributions are discretionary, and are based on participants' contributions. The First Nation follows the policy of funding retirement plan contributions as accrued. The First Nation contributions in the current year totaled \$463,653 (2019 - \$331,992).

3. Marketable securities

	2020	2019
Measured at cost:		
Term deposits with an interest rate of 0.45% with annual terms maturing during the next fiscal year	82,636	81,319

4. Accounts receivable

	2020	2019
Agency Chiefs Tribal Council	1,413,124	896,241
Trade receivables	903,246	277,792
Indigenous Services Canada	223,023	37,775
Payroll receivables	170,167	17,922
GST receivables	64,593	35,845
	2,774,153	1,265,575

5. Restricted cash

	2020	2019
Capital project - Solid Waste Transfer	51,275	188,080
Capital project - WTP Evaluation and Upgrade	856,590	53,452
Capital project - Low Pressure Water	5,420	5,492
Capital project - New School Project	24,221,212	9,931,785
Capital project - School Renovation	1,698	8,554
Capital project - Gasification Project	1,608,304	3,689,350
Capital project - Teacherage Project	38,215	236,509
Capital project - Aboriginal Headstart	-	45,254
Capital project - Arena Project	55	-
Capital project - Home Project	83,373	-
Capital project - Housing Renovation	199,852	-
Capital project - Know Your Status	249,809	-
	27,315,803	14,158,476

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.

6. Biological assets

	2020	2019
Cattle		
Opening balance	701,069	359,750
Fair value adjustment	(111,700)	323,819
Biological asset additions	55,552	17,500
	644,921	701,069

7. Investment

	2020	2019
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, 2020 (2019 - \$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.

	2020	2019
Capital Trust		
Balance, beginning of year	11,829	11,829
Revenue Trust		
Balance, beginning of year	29,428	28,094
Interest	1,081	1,334
Balance, end of year	30,509	29,428
	42,338	41,257

9. Bank indebtedness

As at March 31, 2020, the First Nation had lines of credit totaling \$750,000 and \$55,000 (2019 - \$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.

10. 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	182,948	-	138,637	44,311
WTP Evaluation and Upgrade - ISC Capital Project	50,431	950,000	155,888	844,543
Low Pressure Water - ISC Capital Project	5,492	-	-	5,492
New School Project - ISC Capital Project	9,913,702	14,446,632	268,597	24,091,737
School Renovation - ISC Capital Project	8,603	33,802	40,658	1,747
Gasification Project - ISC Capital Project	3,495,884	(743,436)	1,826,754	925,694
Teacherage Project - ISC Capital Project	226,705	-	139,007	87,698
Aboriginal Headstart - FNIHB Capital Project	43,456	(39,456)	4,000	-
Social Assistance - ISC Program	30,721	-	-	30,721
Health Project - FNIHB Capital Project	-	306,975	9,386	297,589
	13,957,942	14,954,517	2,582,927	26,329,532

11. Long-term debt

	2020	2019
Housing loan amortized over 15 year period beginning April 1, 2019, repayable in annual principal installments of \$345,649 plus monthly accrued interest at CIBC prime; 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	4,437,392	3,312,271
Grader / Wheel Loader loan amortized over 84 monthly payments of \$7,619 plus accrued interest payable monthly at CIBC prime; 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	624,762	-
CIBC Arena loan with monthly interest payments at CIBC prime rate during the period of construction. Upon completion of the construction, blended monthly payments with interest and principal will begin with the loan being amortized over a 15 year period.	247,598	161,177
CIBC demand loan	-	80,956
	5,309,752	3,554,404
Less: current portion	437,078	554,138
	4,872,674	3,000,266
2021	437,078	
2022	437,078	
2023	437,078	
2024	437,078	
2025	437,078	
	2,185,390	

The First Nation has been approved for a \$6,500,000 construction loan for the new Arena. As of March 31, 2020 \$247,598 has been withdrawn for this project.

The First nation has been approved for a \$800,000 term facility to construct a new health centre. As of March 31, 2020 there have been no draws on this credit facility.

12. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Included in tangible capital assets are assets under construction of \$17,284,543 (2019 - \$12,371,627) for which no amortization has been taken.

13. 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, 2020, 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 installments of \$16,536. As at March 31, 2020 there has been no portion of this debt accrued by the First Nation (2019 - \$nil).

14. Accumulated surplus

Accumulated surplus consists of the following:

	2020	2019
Equity in Ottawa Trust Funds		
Balance, beginning of year	41,257	39,923
Interest earned	1,081	1,334
	<hr/> 42,338	41,257
Equity in tangible capital assets		
Balance, beginning of year	30,473,235	20,426,921
Acquisition of tangible capital assets	7,092,943	11,260,747
Amortization	(1,614,114)	(1,492,501)
Capital accounts payable	(38,868)	(168,048)
Advances of long-term debt	(2,014,209)	(161,177)
Repayment of long-term debt	569,376	607,293
	<hr/> 34,468,363	30,473,235
Unrestricted surplus		
Balance, beginning of year	4,614,630	2,688,573
Current year surplus (deficit)	6,196,692	11,973,705
Transfer to trust	(1,081)	(1,334)
Transfer to capital assets	(3,995,128)	(10,046,314)
	<hr/> 6,815,113	4,614,630
	<hr/> 41,325,814	35,129,122

15. Indigenous Services Canada

ISC funding per confirmation	36,307,627
Add:	
Additional medical transportation funding	4,272
Additional CFS Funding	179,718
Deduct:	
Prior year Accounts Receivable	(37,775)
Deferred revenue - Capital Projects	(12,371,589)
	<hr/> Total reconciled funding per consolidated financial statements
	24,082,253
	<hr/> Total ISC funding per consolidated financial statements
	22,410,577
	<hr/> Total FNIHB funding per consolidated financial statements
	1,671,676
	<hr/> Total funding per consolidated financial statements
	24,082,253

16. 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 April 8, 2019.

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.

17. 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.

18. 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.

19. 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 \$463,653 in 2020 (2019 - \$331,992).

20. Subsequent events

Subsequent to year end the First Nation withdrew its membership in Agency Chiefs Tribal Council, and Agency Chiefs Child and Family Services Inc.

Subsequent to year end, the First Nation contributed \$750,000 to Big River Nation Developments Limited Partnership.

As of April 1, 2020, the First Nation's social development program is now administered by the First Nation.

21. 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.

22. Comparative figures

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

23. Significant event

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on the First Nation due to restrictions put in place by the Canadian, provincial, and municipal governments regarding travel, business operations, and isolation/quarantine orders. The First Nation has been impacted by office closures, travel restrictions, cancellation of events and increased costs of compliance with other guidelines and regulation.

It is expected that future funding from First Nations Trust will be negatively impacted by the pandemic due to the temporary closure of SIGA casinos.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the duration of the outbreak, including the duration of travel restrictions, and quarantine/isolation measures that are currently, or may be put, in place to fight the virus.

Big River First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Land</i>	<i>Roads</i>	<i>Buildings and infrastructure</i>	<i>Equipment</i>	<i>Construction-in-progress</i>	2020	2019
Cost							
Balance, beginning of year	1,143,462	27,465	43,680,209	5,529,728	12,371,627	62,752,491	51,491,741
Acquisition of tangible capital assets	393,369	-	-	1,786,659	4,912,916	7,092,944	11,245,747
Construction-in-progress	-	-	-	-	-	-	15,000
Balance, end of year	1,536,831	27,465	43,680,209	7,316,387	17,284,543	69,845,435	62,752,488
Accumulated amortization							
Balance, beginning of year	-	3,430	25,134,604	3,315,172	-	28,453,206	26,960,702
Annual amortization	-	916	1,203,957	409,242	-	1,614,115	1,492,501
Balance, end of year	-	4,346	26,338,561	3,724,414	-	30,067,321	28,453,203
Net book value of tangible capital assets	1,536,831	23,119	17,341,648	3,591,973	17,284,543	39,778,114	34,299,285
Net book value of tangible capital assets	2019	1,143,462	24,033	18,516,589	2,185,147	12,430,054	34,299,285

Big River First Nation
Schedule 2 - Consolidated Expenses by Object
For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Consolidated expenses by object			
Salaries and benefits	8,675,789	10,180,528	8,777,877
Retail purchases	3,510,000	4,492,246	4,411,904
Supplies	944,899	2,188,954	1,447,014
Youth support	1,419,350	2,128,096	1,241,016
Contracted services	492,128	1,801,277	659,994
Amortization	500,000	1,614,114	1,492,501
Per Capita Distribution	-	1,597,575	-
Chief and council	832,000	1,331,258	1,121,163
Training	742,227	1,311,712	1,271,349
Student allowance	808,022	936,766	832,541
Repairs and maintenance	1,634,906	844,319	952,820
Member support	780,000	733,257	384,283
Travel	555,874	639,011	648,633
Community events	519,390	475,071	532,214
Consulting	442,126	374,860	429,656
Utilities	319,334	359,507	358,911
Telephone	137,800	249,251	173,152
Funeral	144,622	246,635	161,230
Vehicle	129,700	241,086	166,918
Rent	78,900	226,484	103,687
Elders fees	209,000	225,854	216,200
Interest on long-term debt	277,000	191,222	155,431
Meeting	66,685	157,081	68,805
Insurance	119,020	147,780	138,364
Professional fees	58,500	125,343	96,929
Bank charges and interest	42,500	83,303	55,631
Pandemic Expenses	-	30,712	-
User fees	40,000	21,000	33,950
Transportation	10,000	18,141	10,100
Advertising	-	15,064	5,450
Community donations	10,000	4,142	12,787
Bad debts	5,000	2,561	-
Administration	413	-	-
	23,505,185	32,994,210	25,960,510

Big River First Nation
Band Government
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Revenue			
Indigenous Services Canada	1,033,302	2,904,820	1,622,541
Agency Chiefs Child and Family Services	168,000	695,867	168,000
Northern Lights Community Development Corporation	174,221	176,188	168,495
Other revenue	252,742	107,978	259,389
Interest income	-	40,682	31,728
Agency Chiefs Tribal Council	9,721	-	9,722
Provincial government transfers	640	-	640
	1,638,626	3,925,535	2,260,515
Expenses			
Chief and council	832,000	1,331,258	1,121,163
Amortization	500,000	967,657	853,828
Salaries and benefits	819,233	807,188	972,250
Training	30,000	528,505	556,580
Funeral	144,622	246,635	161,230
Repairs and maintenance	15,000	215,611	25,278
Contracted services	35,000	157,201	40,843
Travel	99,000	153,102	135,817
Supplies	42,500	132,979	69,050
Telephone	79,500	128,449	107,546
Meeting	25,000	117,389	29,249
Professional fees	23,500	108,722	47,129
Insurance	80,000	103,021	86,104
Elders fees	50,000	68,084	62,186
Youth support	19,500	34,604	24,701
Bank charges and interest	4,000	27,964	5,574
Rent	-	18,000	18,000
Consulting	15,000	16,233	26,346
Advertising	-	14,364	-
Vehicle	10,000	8,748	14,258
Community donations	5,000	1,092	6,233
Bad debts	-	175	-
Member support	330,000	-	384,283
Interest on long-term debt	1,000	-	1,805
Administration	(1,071,229)	(1,246,405)	(1,071,229)
	2,088,626	3,940,576	3,678,224
Deficit before transfers	(450,000)	(15,041)	(1,417,709)
Transfers from First Nation Owned	-	266,667	450,000
Surplus (deficit)	(450,000)	251,626	(967,709)

Schedule 4 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Revenue			
Indigenous Services Canada	7,303,555	11,531,561	7,303,621
Agency Chiefs Tribal Council	1,790,599	-	1,655,743
	9,094,154	11,531,561	8,959,364
Expenses			
Salaries and benefits	5,276,876	5,784,499	5,246,080
Youth support	864,400	1,513,335	703,661
Student allowance	808,022	936,766	832,541
Administration	655,161	827,001	653,080
Contracted services	22,500	756,234	34,233
Supplies	371,819	523,264	442,154
Training	446,084	476,576	463,087
Consulting	265,000	337,150	329,250
Travel	184,100	162,505	177,420
Community events	105,285	117,281	122,558
Telephone	16,000	58,300	11,119
Repairs and maintenance	23,407	45,845	30,436
Insurance	8,500	16,541	10,648
Rent	8,500	14,663	13,935
Professional fees	20,000	14,254	20,000
Bank charges and interest	13,500	12,538	13,782
Amortization	-	11,790	2,403
Meeting	-	7,580	-
Community donations	5,000	3,048	6,555
Bad debts	-	750	-
Advertising	-	700	476
Vehicle	-	495	838
Elders fees	-	300	-
	9,094,154	11,621,415	9,114,256
Deficit	-	(89,854)	(154,892)

Schedule 5 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Revenue			
First Nations and Inuit Health Branch	1,409,502	1,618,834	1,420,661
Indigenous Services Canada	112,208	379,767	112,208
Agency Chiefs Tribal Council	452,625	629,037	556,354
User fees	70,100	52,920	70,098
Other revenue	10,000	252	1,744
	2,054,435	2,680,810	2,161,065
Expenses			
Salaries and benefits	991,344	1,152,412	963,684
Supplies	192,480	428,851	231,090
Community events	146,980	305,306	170,227
Administration	186,864	220,504	186,532
Travel	118,459	150,053	126,700
Member support	-	86,120	-
Youth support	96,240	64,301	97,460
Training	85,157	59,542	69,038
Telephone	36,600	55,704	49,210
Elders fees	24,000	50,077	18,627
Pandemic Expenses	-	30,712	-
Repairs and maintenance	25,115	22,808	52,460
User fees	40,000	21,000	33,950
Consulting	40,000	20,976	20,780
Utilities	16,050	18,274	21,931
Rent	14,400	14,400	14,400
Insurance	11,711	12,323	13,023
Meeting	6,040	10,633	6,184
Amortization	-	8,968	6,090
Vehicle	8,000	7,784	11,560
Contracted services	1,441	1,341	-
	2,040,881	2,742,089	2,092,946
Surplus (deficit)	13,554	(61,279)	68,119

Big River First Nation
Capital Projects
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Revenue			
Indigenous Services Canada	500,000	4,488,163	10,456,865
Canada Mortgage and Housing Corporation	-	32,568	137,078
First Nations and Inuit Health Branch	-	52,842	444,016
	500,000	4,573,573	11,037,959
Expenses			
Amortization	-	594,730	599,212
Supplies	-	243,838	297,446
Repairs and maintenance	-	180,296	446,870
Salaries and benefits	-	105,380	41,453
Member support	-	96,036	-
Contracted services	-	46,292	50,937
Travel	-	11,011	7,935
Bank charges and interest	-	7,571	329
Telephone	-	169	-
Utilities	-	-	3,504
	-	1,285,323	1,447,686
Surplus before transfers	500,000	3,288,250	9,590,273
Transfers between programs	-	(266,667)	-
Surplus	500,000	3,021,583	9,590,273

Big River First Nation
Facilities Maintenance
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Revenue			
Indigenous Services Canada	1,861,236	2,229,758	1,816,864
First Nations and Inuit Health Branch	90,092	-	-
Rental income	186,400	339,828	180,900
Other revenue	-	202,817	-
Agency Chiefs Tribal Council	80,671	99,546	103,046
User fees	39,220	45,517	35,150
Provincial government transfers	4,595	4,500	4,595
	2,262,214	2,921,966	2,140,555
Expenses			
Salaries and benefits	972,113	1,484,804	928,645
Supplies	147,272	519,524	147,521
Contracted services	123,187	458,971	193,866
Utilities	265,784	295,595	298,518
Repairs and maintenance	190,923	237,703	269,477
Vehicle	96,700	202,840	125,262
Administration	173,595	198,900	175,595
Travel	91,600	104,359	134,561
Meeting	33,645	21,480	33,372
Insurance	12,695	15,884	13,992
Youth support	12,000	9,850	11,280
Training	26,500	6,445	21,200
Telephone	1,200	1,222	434
Consulting	30,000	500	27,814
	2,177,214	3,558,077	2,381,537
Deficit	85,000	(636,111)	(240,982)

Big River First Nation
First Nation Owned
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget Note 16	2020 Actual	2019 Actual
Revenue			
Indigenous Services Canada	26,706	876,508	26,706
Retail sales - Miami Gas Bar	4,540,000	6,080,184	5,307,847
Agency Chiefs Child and Family Services	513,935	1,610,738	513,935
First Nations Trust	1,025,133	1,076,527	1,086,312
Forestry income	1,113,343	660,442	1,060,996
Saskatchewan Indian Institute of Technologies	301,431	390,482	412,354
Cattle revenue	165,746	235,945	119,470
Interest income	-	220,927	-
Agency Chiefs Tribal Council	227,654	183,600	983,018
Other revenue	4,500	171,501	120,703
Bingo	149,000	98,901	149,360
Provincial government transfers	41,793	59,049	41,793
Lease revenue	20,000	48,000	21,408
Agency Chiefs Child and Family - Prevention	-	-	1,207,038
Grazing revenue	24,000	-	-
Fair value adjustment - biological assets	-	(111,699)	323,819
	8,153,241	11,601,105	11,374,759
Expenses			
Retail purchases	3,510,000	4,492,246	4,411,904
Per Capita Distribution	-	1,597,575	-
Salaries and benefits	616,223	846,245	625,765
Member support	450,000	551,101	-
Youth support	427,210	506,007	403,914
Contracted services	310,000	381,238	340,117
Supplies	190,828	340,498	259,751
Training	154,486	240,644	161,444
Interest on long-term debt	276,000	191,222	153,626
Rent	56,000	179,421	57,352
Repairs and maintenance	1,380,461	142,055	128,299
Elders fees	135,000	107,393	135,387
Travel	62,715	57,981	66,199
Community events	267,125	52,485	239,428
Utilities	37,500	45,638	34,958
Bank charges and interest	25,000	35,230	35,946
Amortization	-	30,969	30,969
Vehicle	15,000	21,219	15,000
Transportation	10,000	18,141	10,100
Telephone	4,500	5,407	4,843
Professional fees	15,000	2,367	29,800
Bad debts	5,000	1,636	-
Insurance	6,114	12	14,597
Consulting	92,126	-	25,466
Administration	56,022	-	56,022
Advertising	-	-	4,974
Meeting	2,000	-	-
	8,104,310	9,846,730	7,245,861
Surplus before transfers	48,931	1,754,375	4,128,898
Transfers to Band Government	-	-	(450,000)
Surplus	48,931	1,754,375	3,678,898