

Big River First Nation
Consolidated Financial Statements
March 31, 2022



BIG RIVER
FIRST NATION 118

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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 Chief and 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 Chief and Council to audit the consolidated financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

July 22, 2022

(Signature on file)

Chief Executive Officer

Independent Auditor's Report

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, 2022, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows and the related schedules 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, 2022, and the results of its consolidated operations, consolidated changes in net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

In preparing the 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

October 7, 2022

MNP LLP
Chartered Professional Accountants

MNP



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

	2022	2021
Financial assets		
Current		
Cash	19,575,576	8,608,498
Marketable securities (Note 3)	83,024	82,918
Accounts receivable (Note 4)	5,189,675	3,025,259
Inventory for resale	352,043	271,102
Restricted cash (Note 5)	7,754,029	18,429,094
Biological assets - cattle (Note 6)	483,691	644,921
	33,438,038	31,061,792
Investments (Note 7)	22,005	22,005
Funds held in trust (Note 8)	44,526	43,262
Total financial assets	33,504,569	31,127,059
Liabilities		
Current		
Accounts payable and accruals	3,122,232	1,344,711
Deferred revenue (Note 10)	19,791,176	22,011,679
Current portion of long-term debt (Note 11)	437,078	437,078
	23,350,486	23,793,468
Long-term debt (Note 11)	8,027,685	4,589,696
Total financial liabilities	31,378,171	28,383,164
Net financial assets	2,126,398	2,743,895
Contingencies (Note 13)		
Non-financial assets		
Tangible capital assets (Note 12) (Schedule 1)	75,173,319	50,053,805
Prepaid expenses	-	3,560
Total non-financial assets (Schedule 1)	75,173,319	50,057,365
Accumulated surplus (Note 14)	77,299,717	52,801,260

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, 2022

	<i>Schedules</i>	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue				
Indigenous Services Canada (Note 15)		32,248,216	48,667,764	35,240,571
Indigenous Services Canada - Health (Note 15)		5,280,417	2,766,215	3,176,723
Canada Mortgage and Housing Corporation		34,971	1,071,018	29,832
Retail sales - Miami Gas Bar		7,540,000	8,295,825	7,595,144
Provincial government transfers		465,440	3,222,671	83,084
Forestry income		-	1,029,529	1,312,072
Saskatchewan Indian Institute of Technologies		605,316	1,012,250	501,165
Other revenue		888,951	721,164	764,444
Rental income		629,159	667,312	488,047
Child and Family Services		140,000	641,227	1,251,549
First Nations Trust		932,000	590,062	781,741
Bingo		125,000	102,850	72,853
User fees		115,800	92,791	65,173
Interest income		-	7,120	275,383
Agency Chiefs Tribal Council		-	-	191,281
Northern Lights Community Development Corporation		57,800	-	103,131
Cattle Sales		345,398	-	234,375
Fair value adjustment - biological assets		-	(161,230)	-
		49,408,468	68,726,568	52,166,568
Program expenses				
Band Government	3	2,841,698	4,051,817	3,791,286
Education	4	12,555,364	14,048,076	12,362,489
Health	5	8,095,828	6,032,937	5,464,412
Capital Projects	6	3,920,132	2,313,144	1,781,915
Facilities Maintenance	7	2,513,682	3,038,012	3,558,635
First Nation Owned	8	9,304,395	10,361,247	9,062,103
Social Development	9	5,566,457	4,395,378	4,558,540
		44,797,556	44,240,611	40,579,380
Surplus before other items		4,610,912	24,485,957	11,587,188
Other income (expense)				
Gain (loss) on disposal of tangible capital assets		-	12,500	(16,955)
Contribution to MSCFS		-	-	(94,787)
Surplus		4,610,912	24,498,457	11,475,446
Accumulated surplus, beginning of year		52,801,259	52,801,260	41,325,814
Accumulated surplus, end of year		57,412,171	77,299,717	52,801,260

The accompanying notes are an integral part of these financial statements

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

	2022 Budget Note 16	2022 Actual	2021 Actual
Annual surplus	4,610,912	24,498,457	11,475,446
Purchases of tangible capital assets	-	(27,028,187)	(12,074,288)
Amortization of tangible capital assets	280,258	1,908,673	1,761,641
(Gain) loss on sale of tangible capital assets	-	(12,500)	16,955
Proceeds of disposal of tangible capital assets	-	12,500	20,000
	280,258	(25,119,514)	(10,275,692)
Use of prepaid expenses	-	3,560	8,441
Increase (decrease) in net financial assets	4,891,170	(617,497)	1,208,195
Net financial assets, beginning of year	2,743,895	2,743,895	1,535,700
Net financial assets, end of year	7,635,065	2,126,398	2,743,895

Big River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Surplus	24,498,457	11,475,446
Non-cash items		
Amortization	1,908,673	1,761,641
Loss on disposal of tangible capital assets	-	16,955
Gain on disposal of capital assets	(12,500)	-
Decrease in Biological Assets	161,230	-
	26,555,860	13,254,042
Changes in working capital accounts		
Accounts receivable	(2,164,402)	(251,106)
Inventory for resale	(80,941)	(62,743)
Prepaid expenses	3,560	8,441
Accounts payable and accruals	1,777,521	905,084
Deferred revenue	(2,220,503)	(4,317,853)
	23,871,095	9,535,865
Financing activities		
Advances of long-term debt	3,875,067	678,522
Repayment of long-term debt	(437,078)	(961,500)
	3,437,989	(282,978)
Capital activities		
Purchases of tangible capital assets	(27,028,187)	(12,074,288)
Proceeds of disposal of tangible capital assets	12,500	20,000
	(27,015,687)	(12,054,288)
Investing activities		
Net change in marketable securities	(106)	(282)
Increase in funds held in trust	(1,278)	(924)
	(1,384)	(1,206)
Increase in cash resources	292,013	(2,802,607)
Cash resources, beginning of year	27,037,592	29,840,199
Cash resources, end of year	27,329,605	27,037,592
Cash resources are composed of:		
Cash	19,575,576	8,608,498
Restricted cash (Note 5)	7,754,029	18,429,094
	27,329,605	27,037,592

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 controlled by the First Nation.

Impact on operations of COVID-19 (coronavirus)

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

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

2. Significant accounting policies

These 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 entity. As a result, the financial statements of the following entity 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 Mistahi Sipi Child and Family Services Inc. The mandate of the Mistahi Sipi Child and Family Services Inc. is to provide child and family protection and prevention services on-reserve to Big River First Nation.

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.

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

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 guaranteed investment certificates and cash held in project bank accounts for specific 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 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.

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

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 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, 2022.

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 7 reportable segments: Band Government, Education, Health, Capital Projects, Facilities Maintenance, First Nation Owned, and Social Development. 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 totalled \$459,112 (2021- \$231,834).

3. Marketable securities

	2022	2021
Measured at cost:		
Term deposits with an interest rate of 0.45% with annual terms maturing during the next fiscal year	83,024	82,918

Term deposits are treated as a restricted asset to be held for specific capital projects.

4. Accounts receivable

	2022	2021
Forestry income	2,370,390	1,340,861
Indigenous Services Canada	1,328,151	7,000
Trade receivables	984,995	585,573
Agency Chiefs Tribal Council	955,793	984,624
Payroll receivables	274,246	325,447
GST receivables	-	27,754
Less: Allowance for doubtful accounts	5,913,575	3,271,259
	723,900	246,000
	5,189,675	3,025,259

5. Restricted cash

	2022	2021
Capital project - WTP Evaluation and Upgrade	3,224,264	519,786
Capital project - Low Pressure Water	5,400	5,420
Capital project - New School Project	38,427	95,659
Capital project - School Renovation	1,698	1,698
Capital project - Gasification Project	240,408	410,478
Capital project - Teacherage Project	-	5,207
Capital project - Arena Project	3,366,181	-
Capital project - Home Project	(161,392)	313,323
Capital project - Housing Renovation	3,865	456,125
Capital project - Know Your Status	913,558	537,045
Capital project - Jet Lagoon	121,620	-
Investments - GIC for ongoing capital projects	-	16,084,353
	7,754,029	18,429,094

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

	2022	2021
Cattle		
Opening balance	644,921	644,921
Fair value adjustment	(161,230)	-
	483,691	644,921

7. Investment

	2022	2021
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, 2022 (2021 - \$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.

	2022	2021
Capital Trust		
Balance, beginning of year	11,829	11,829
Revenue Trust		
Balance, beginning of year	31,433	30,509
Interest	1,264	924
Balance, end of year	32,697	31,433
	44,526	43,262

9. Bank indebtedness

As at March 31, 2022, the First Nation had lines of credit totaling \$750,000 and \$55,000 (2021 - \$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>
WTP Evaluation and Upgrade - ISC Capital Project	505,784	5,000,000	3,565,211	1,940,573
Low Pressure Water - ISC Capital Project	5,480	-	-	5,480
New School Project - ISC Capital Project	15,515,833	-	12,066,956	3,448,877
School Renovation - ISC Capital Project	69,196	-	-	69,196
Gasification Project - ISC Capital Project	-	371,023	371,023	-
Teacherage Project - ISC Capital Project	50,404	-	-	50,404
Emergency Renovations - ISC Capital Project	-	2,892,478	1,572,428	1,320,050
Jet Lagoon - ISC Capital Project	30,721	-	-	30,721
Arena Project - ISC Capital Project	400,345	-	400,345	-
CMHC - ISC Capital Project	1,062,159	-	1,062,159	-
Health Project - FNIHB Capital Project	2,121,367	7,075,287	2,908,836	6,287,818
Drainage Project - ISC Capital Project	-	150,000	28,185	121,815
Deferred Program Funding - ISC	2,250,390	21,363,328	17,097,476	6,516,242
	22,011,679	36,852,116	39,072,619	19,791,176

Under PSAS, amounts received as government transfers are recognized as revenue provided eligibility criteria have been met and any stipulations governing the use of the transfers do not meet the definition of a liability.

At March 31, 2022, management has concluded the current year unexpended transfers could potentially be recovered by ISC due to the transfer agreements being closer to their expiration dates or requiring additional expenditures to fulfill the terms of the funding agreement, the known and potential impact of COVID-19 on program delivery, and the extent of the amounts unexpended at year end. These amounts have therefore been presented as deferred revenue. Actual amounts, if any, to be recovered, will be determined by ISC during its review of the financial statements (see Note 13). Deferred revenue not recovered by ISC will be recognized in revenue in the periods in which eligible expenditures are incurred.

The current year surplus reflects the usage of the unexpended prior year revenue in opening accumulated surplus being utilized on current year expenditures.

11. Long-term debt

	2022	2021
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	4,147,792	4,493,441
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	441,905	533,333
Arena bridge loan with interest on outstanding balance paid monthly at prime rate. Loan to be paid back via funding and grants with any shortfall to be termed out, secured by general security agreement.	<u>3,875,067</u>	-
	8,464,764	5,026,774
<u>Less: current portion</u>	<u>437,078</u>	437,078
	<u>8,027,686</u>	4,589,696
2023	437,078	
2024	437,078	
2025	437,078	
2026	437,078	
2027	437,078	
	2,185,390	

12. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Included in tangible capital assets are assets under construction of \$51,169,678 (2021 - \$28,153,976) 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, 2021, 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, 2022 there has been no portion of this debt accrued by the First Nation (2021 - \$nil).

14. Accumulated surplus

Accumulated surplus consists of the following:

	2022	2021
Equity in Ottawa Trust Funds		
Balance, beginning of year	43,262	42,338
Interest earned	1,264	924
	44,526	43,262
Equity in tangible capital assets		
Balance, beginning of year	45,027,031	34,468,363
Acquisition of tangible capital assets	27,028,188	12,074,288
Disposals of tangible capital assets	-	(36,957)
Amortization	(1,908,673)	(1,761,641)
Advances of long-term debt	(3,875,067)	(678,522)
Repayment of long-term debt	437,078	961,500
	66,708,557	45,027,031
Unrestricted surplus		
Balance, beginning of year	7,730,967	6,815,113
Current year surplus (deficit)	24,498,457	11,475,446
Transfer to trust	(1,264)	(924)
Transfer to capital assets	(21,681,526)	(10,558,668)
	10,546,634	7,730,967
	77,299,717	52,801,260

15. Indigenous Services Canada

ISC funding per confirmation	49,333,903
Add:	
Additional medical transportation funding	310,190
ISC net deferral in the current year	1,820,791
Less:	
ISC claw back	(30,905)
Total reconciled funding per consolidated financial statements	51,433,979
Total ISC funding per consolidated financial statements	48,667,764
Total FNIHB funding per consolidated financial statements	2,766,215
Total funding per consolidated financial statements	51,433,979

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 5, 2021.

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 Crown in Right of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

18. Segments

The First Nation has 7 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 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.

Social Development - works to improve the standard of living and quality of life for band membership.

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.



BIG RIVER

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Big River First Nation

Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2022

	<i>Land</i>	<i>Roads</i>	<i>Buildings and infrastructure</i>	<i>Equipment</i>	<i>Construction-in-progress</i>	<i>2022</i>	<i>2021</i>
Cost							
Balance, beginning of year	1,536,831	27,465	43,680,209	8,482,341	28,153,976	81,880,822	69,845,434
Acquisition of tangible capital assets	-	-	3,242,945	769,541	23,015,702	27,028,188	12,074,288
Disposal of tangible capital assets	-	-	-	-	-	-	(38,900)
Balance, end of year	1,536,831	27,465	46,923,154	9,251,882	51,169,678	108,909,010	81,880,822
Accumulated amortization							
Balance, beginning of year	-	5,261	27,546,644	4,275,112	-	31,827,017	30,067,321
Annual amortization	-	916	1,256,115	651,643	-	1,908,674	1,761,641
Accumulated amortization on disposals	-	-	-	-	-	-	(1,945)
Balance, end of year	-	6,177	28,802,759	4,926,755	-	33,735,691	31,827,017
Net book value of tangible capital assets							
2021	1,536,831	21,288	18,120,395	4,325,127	51,169,678	75,173,319	50,053,805
Net book value of tangible capital assets							



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

	2022 Budget Note 16	2022 Actual	2021 Actual
Consolidated expenses by object			
Salaries and benefits	14,422,703	14,033,387	12,508,845
Retail purchases	5,591,578	6,149,146	5,330,819
Supplies	5,310,883	4,107,596	3,276,259
Basic Needs	4,505,503	3,426,892	3,852,368
Contracted services	3,209,820	2,638,923	2,335,475
Amortization	280,258	1,908,673	1,761,641
Training	1,022,408	1,526,153	1,369,209
Youth support	1,456,433	1,418,777	1,409,421
Chief and council	904,000	1,224,838	1,039,305
Repairs and maintenance	2,749,588	1,118,714	2,206,750
Student allowance	20,000	977,914	954,729
Travel	807,835	807,791	572,748
Pandemic Expenses	50,000	491,451	43,453
Bad debts	5,000	478,400	245,480
Utilities	381,000	460,587	345,271
Member support	403,500	450,159	851,504
Community events	564,382	450,150	213,211
Vehicle	469,122	440,534	364,894
Consulting	298,750	355,320	606,602
Rent	310,400	336,995	325,987
Professional fees	229,500	283,578	137,797
Telephone	282,200	267,943	199,508
Insurance	174,724	254,902	89,203
Meeting	222,149	227,352	84,020
Elders fees	203,500	177,106	249,664
Interest on long-term debt	465,649	141,755	141,893
Bank charges and interest	62,452	91,851	51,878
Transportation	20,000	21,051	8,985
Community donations	3,000	2,200	600
Advertising	7,500	2,000	450
Administration	363,719	(31,527)	1,411
	44,797,556	44,240,611	40,579,380

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada	3,065,675	2,245,877	1,389,411
Provincial government transfers	150,000	60,000	-
Child and Family Services	100,000	15,361	808,117
Interest income	-	1,379	203,937
Other revenue	241,475	1,308	54,954
Northern Lights Community Development Corporation	57,800	-	103,131
Lease revenue	120,000	-	-
	3,734,950	2,323,925	2,559,550
Expenses			
Salaries and benefits	1,407,698	1,491,314	687,189
Chief and council	904,000	1,223,938	1,039,305
Amortization	252,758	1,082,357	1,038,994
Bad debts	-	478,400	245,025
Supplies	423,820	300,828	116,446
Professional fees	180,000	250,185	106,439
Travel	161,500	219,467	130,797
Training	284,298	187,705	309,073
Meeting	50,000	128,121	44,712
Telephone	114,300	117,680	85,824
Contracted services	169,000	111,870	78,889
Insurance	68,612	70,310	25,069
Repairs and maintenance	22,430	53,348	722,727
Rent	54,000	46,366	36,032
Elders fees	32,000	35,203	77,079
Consulting	25,000	24,571	75,596
Youth support	(27,500)	21,527	16,298
Bank charges and interest	27,000	20,742	9,676
Vehicle	8,000	11,938	6,545
Community events	-	2,359	100
Advertising	7,500	2,000	450
Community donations	-	1,200	600
Member support	-	806	136
Administration	(1,322,718)	(1,830,418)	(1,061,715)
	2,841,698	4,051,817	3,791,286
Deficit before other items	893,252	(1,727,892)	(1,231,736)
Other income (expense)			
Contribution to MSCFS	-	-	(94,787)
Deficit	893,252	(1,727,892)	(1,326,523)

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada	14,565,742	15,652,791	12,773,408
Expenses			
Salaries and benefits	7,182,594	7,568,393	6,887,999
Administration	981,485	1,076,383	660,725
Student allowance	20,000	977,914	954,729
Contracted services	824,204	896,046	887,182
Youth support	855,300	705,930	825,097
Training	176,000	705,121	492,076
Supplies	373,000	610,824	809,437
Repairs and maintenance	1,167,570	291,621	134,254
Consulting	175,000	258,756	143,843
Vehicle	184,824	193,517	4,505
Travel	175,835	152,413	142,074
Utilities	140,500	150,004	141,423
Insurance	31,600	127,679	30,542
Community events	95,000	98,055	108,980
Amortization	-	62,327	40,908
Telephone	70,500	55,342	45,061
Rent	24,000	38,149	23,420
Meeting	50,000	34,195	7,056
Professional fees	19,500	22,894	16,358
Bank charges and interest	5,452	21,513	6,820
Community donations	3,000	1,000	-
	12,555,364	14,048,076	12,362,489
Surplus	2,010,378	1,604,715	410,919

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada - Health	5,280,417	2,766,214	3,030,028
Indigenous Services Canada	3,877,394	2,485,816	2,558,423
Saskatchewan Indian Institute of Technologies	214,835	214,836	137,538
User fees	70,800	49,530	27,058
Other revenue	-	-	48,127
Agency Chiefs Tribal Council	-	-	121,281
	9,443,446	5,516,396	5,922,455
Expenses			
Salaries and benefits	3,250,375	2,324,925	2,510,804
Supplies	1,886,878	1,095,380	1,549,675
Pandemic Expenses	50,000	491,436	43,453
Administration	496,804	467,959	258,337
Member support	396,000	447,553	-
Travel	334,200	261,511	146,707
Community events	205,560	182,113	76,363
Youth support	235,500	146,345	73,271
Repairs and maintenance	518,616	117,854	115,940
Training	156,124	117,381	129,752
Amortization	-	89,164	55,395
Vehicle	156,298	62,302	80,344
Telephone	69,500	53,889	42,143
Contracted services	86,088	40,549	16,617
Meeting	85,599	36,464	23,102
Insurance	33,886	25,271	19,727
Elders fees	52,000	21,844	65,485
Consulting	42,500	20,587	189,388
Utilities	25,500	16,010	14,783
Rent	14,400	14,400	52,157
Retail purchases	-	-	969
	8,095,828	6,032,937	5,464,412
Surplus (deficit)	1,347,618	(516,541)	458,043

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada	3,502,161	18,792,786	11,291,698
Canada Mortgage and Housing Corporation	34,971	1,071,018	29,832
Provincial government transfers	-	3,032,976	-
Other revenue	383,000	31,589	34,360
Interest income	-	5,742	71,446
	3,920,132	22,934,111	11,427,336
Expenses			
Supplies	1,789,503	990,650	139,109
Amortization	-	645,453	595,988
Contracted services	1,195,000	508,400	235,946
Repairs and maintenance	359,454	83,216	213,922
Salaries and benefits	222,526	53,412	68,616
Travel	6,800	17,832	30,408
Bank charges and interest	-	9,509	42
Vehicle	-	4,171	-
Telephone	1,200	501	641
Member support	-	-	497,243
Interest on long-term debt	345,649	-	-
	3,920,132	2,313,144	1,781,915
Surplus	-	20,620,967	9,645,421

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada	1,928,156	2,207,551	2,322,014
Indigenous Services Canada - Health	-	-	146,696
Rental income	629,159	642,312	463,047
Provincial government transfers	101,271	90,610	40,666
Other revenue	35,703	88,379	178,797
User fees	45,000	39,561	38,116
Child and Family Services	-	-	397,932
	2,739,289	3,068,413	3,587,268
Expenses			
Salaries and benefits	1,077,420	1,230,472	1,325,454
Repairs and maintenance	189,596	434,801	856,351
Contracted services	288,128	385,821	569,633
Supplies	207,000	288,983	202,372
Utilities	175,000	264,290	153,210
Administration	202,054	198,054	118,782
Vehicle	94,000	119,766	252,353
Travel	41,000	52,671	54,455
Telephone	3,600	31,182	3,837
Consulting	56,250	14,000	7,275
Insurance	8,262	12,326	10,037
Meeting	6,550	3,296	3,900
Youth support	-	1,800	-
Training	1,500	550	-
Community events	163,322	-	-
Bank charges and interest	-	-	976
	2,513,682	3,038,012	3,558,635
Surplus	225,607	30,401	28,633

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada	146,613	170,393	347,077
Retail sales - Miami Gas Bar	7,540,000	8,295,825	7,595,144
Forestry income	-	1,029,529	1,312,072
Saskatchewan Indian Institute of Technologies	390,481	797,414	363,628
Other revenue	228,773	599,887	448,206
Child and Family Services	40,000	625,866	45,500
First Nations Trust	932,000	590,062	781,741
Bingo	125,000	102,850	72,853
Provincial government transfers	214,169	39,085	42,418
Rental income	-	25,000	25,000
User fees	-	3,700	-
Agency Chiefs Tribal Council	-	-	70,000
Grazing revenue	48,000	-	-
Cattle revenue	177,398	-	234,375
Fair value adjustment - biological assets	-	(161,230)	-
	9,842,434	12,118,381	11,338,014
Expenses			
Retail purchases	5,591,578	6,149,055	5,329,850
Salaries and benefits	960,830	1,136,699	824,852
Contracted services	604,400	656,256	517,636
Supplies	353,182	546,575	367,180
Youth support	393,133	543,175	306,542
Training	154,486	256,545	355,116
Rent	125,600	195,814	172,377
Community events	100,500	167,222	26,151
Interest on long-term debt	120,000	141,755	141,893
Repairs and maintenance	491,922	137,875	163,555
Elders fees	119,500	120,059	107,100
Travel	65,000	67,336	43,435
Vehicle	26,000	48,559	21,107
Bank charges and interest	30,000	40,105	34,365
Consulting	-	37,406	190,500
Utilities	40,000	30,282	35,855
Amortization	27,500	29,371	30,357
Transportation	20,000	21,051	8,985
Insurance	32,364	19,315	3,829
Professional fees	30,000	10,500	15,000
Telephone	5,900	4,492	6,838
Member support	7,500	1,800	354,125
Bad debts	5,000	-	455
Meeting	-	-	5,000
	9,304,395	10,361,247	9,062,103
Surplus before other items	538,039	1,757,134	2,275,911
Other income (expense)			
Gain (loss) on disposal of capital assets	-	12,500	(16,955)
Surplus	538,039	1,769,634	2,258,956

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

For the year ended March 31, 2022

	2022 Budget Note 16	2022 Actual	2021 Actual
Revenue			
Indigenous Services Canada	5,006,075	4,395,378	4,558,541
Expenses			
Basic Needs	4,505,503	3,426,892	3,852,368
Supplies	277,500	274,356	92,039
Training	250,000	258,852	83,192
Salaries and benefits	321,260	228,172	203,931
Administration	56,494	56,494	25,282
Rent	42,000	42,266	42,000
Contracted services	43,000	39,980	29,570
Travel	23,500	36,562	24,874
Meeting	30,000	25,276	250
Telephone	17,200	4,857	15,164
Chief and council	-	900	-
Community events	-	400	1,617
Vehicle	-	280	40
Retail purchases	-	91	-
Youth support	-	-	188,213
	5,566,457	4,395,378	4,558,540
Surplus (deficit)	(560,382)	-	1