

Bonaparte First Nation
Consolidated Financial Statements
For the year ended March 31, 2022

Bonaparte First Nation
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For the year ended March 31, 2022

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Management's Responsibility for Financial Reporting

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


The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Bonaparte First Nation maintains systems of internal accounting and administrative controls of sufficient quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.


The Bonaparte First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Council carries out this responsibility principally through its Finance Committee.

The Chief and Council review the First Nation's consolidated financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also appoint the engagement of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP has full access to the Council.

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Chief



Band Administrator

Independent Auditor's Report

To the Chief and Council of Bonaparte First Nation

Qualified Opinion

We have audited the consolidated financial statements of Bonaparte First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statement of operations, consolidated statement of changes in net financial assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Bonaparte First Nation as at March 31, 2021, and its consolidated results of operations, its change in consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As noted in the Summary of Significant Accounting Policies regarding tangible capital assets, the Social Housing tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of tangible capital assets as at March 31, 2022 and 2021, the related amortization expense and annual surplus for the year ended March 31, 2022 and 2021 and equity in tangible capital assets as at April 1 and March 31 for both the 2022 and 2021 years.

Our audit opinion on the financial statements for the year ended March 31, 2021 was also modified for the above matters.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

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

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

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

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

Chartered Professional Accountants

Kamloops, British Columbia
July 27, 2022

Bonaparte First Nation


Exhibit A - Consolidated Statement of Financial Position

As at March 31	2022	2021
Financial Assets		
Cash (Note 2)	\$ 7,691,055	\$ 6,273,398
Restricted cash (Note 3)	1,013,544	892,642
Accounts receivable (Note 4)	1,637,075	583,652
Investments in Government Business Enterprises (Note 5)	523,474	564,646
	<u>10,865,148</u>	<u>8,314,338</u>
Liabilities		
Accounts payable (Note 7)	525,294	258,412
Deferred revenue (Note 8)	6,103,743	3,526,871
Long term debt (Note 9)	605,300	790,902
Due to (from) related Nation entities and departments	(19,480)	15,060
	<u>7,214,857</u>	<u>4,591,245</u>
Net Financial Assets	<u>3,650,291</u>	<u>3,723,093</u>
Non-financial Assets		
Tangible capital assets (Note 6)	14,263,629	13,951,739
Inventory	114,459	-
Prepaid expenses	1,987	22,990
	<u>14,380,075</u>	<u>13,974,729</u>
Accumulated surplus (Note 10)	<u>\$ 18,030,366</u>	<u>\$ 17,697,822</u>

Contingencies and Subsequent Events (Note 15)

Commitments (Note 14)

Approved on behalf of the Council:

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Chief



Councilor

Bonaparte First Nation

Exhibit B - Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2022	2021
Annual surplus	\$ 309,585	\$ 448,860
Acquisition of tangible capital assets (Note 6)	(1,112,941)	(1,455,188)
Amortization of tangible capital assets (Note 6)	827,832	698,445
	24,476	(307,883)
Change in prepaid expenses	21,003	6,394
Use/consumption of inventory	(114,459)	-
Change in transfers	(3,822)	138,167
	(97,278)	144,561
Net change in net financial assets	(72,802)	(163,322)
Net financial assets, beginning of year	3,723,093	3,886,415
Net financial assets, end of year	\$ 3,650,291	\$ 3,723,093

Bonaparte First Nation

Exhibit C - Consolidated Statement of Operations

For the year ended March 31	Budget	2022	2021
Revenue			
Indigenous Services Canada	\$ -	\$ 4,105,915	\$ 4,045,622
Indigenous Services Canada - recoveries	-	(254,025)	(77,116)
First Nations Health Authority	-	801,822	736,290
Government of Canada	-	562,368	376,447
Interest	-	16,077	22,419
Canada Mortgage and Housing Corporation	-	73,713	122,387
Other income	-	1,090,306	19,326
Billable services	-	1,244,902	1,478,730
Other funding sources	-	592,431	716,511
Province of British Columbia	-	1,520,427	1,020,083
Rental revenue	-	55,140	91,140
Income (loss) from Government Business Enterprises	-	(41,172)	75,269
	-	9,767,904	8,627,108
Expenses			
Community Welfare	-	2,312,464	1,411,642
Administration	-	1,452,309	1,756,799
Operations & Maintenance	-	1,880,952	1,182,338
Education	-	1,076,581	717,341
Natural Resources & Economic Development	-	1,245,719	1,311,749
Capital	-	453,969	441,328
Social Housing	-	308,397	758,879
Amortization	-	727,928	598,172
	-	9,458,319	8,178,248
Surplus for the year	\$ -	\$ 309,585	\$ 448,860

Bonaparte First Nation

Exhibit D - Consolidated Statement of Cash Flows

For the year ended March 31	2022	2021
Operating activities		
Cash receipts from customers	\$ 11,297,764	\$ 9,612,184
Cash paid to suppliers and employees	(8,490,082)	(7,899,921)
Interest paid	(31,232)	(13,981)
Cash flows from operating activities	2,776,450	1,698,282
Financing activities		
Repayment of long term debt	(185,602)	(177,045)
Proceeds from issuance of long term debt	-	350,000
Cash flows from (used in) financing activities	(185,602)	172,955
Capital activities		
Purchase of capital assets	(1,112,941)	(1,455,188)
Investing activities		
Advances to (from) related entities	19,480	(15,060)
Investments in Government Business Enterprises	41,172	-
Increase in cash and cash equivalents	1,538,559	400,989
Cash and cash equivalents, beginning of year	7,166,040	6,765,051
Cash and cash equivalents, end of year	\$ 8,704,599	\$ 7,166,040
Represented by:		
Cash	\$ 7,691,055	\$ 6,273,398
Restricted cash	1,013,544	892,642
Cash and cash equivalents, end of year	\$ 8,704,599	\$ 7,166,040

Bonaparte First Nation Summary of Significant Accounting Policies

March 31, 2022

Basis of Accounting	These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for government entities, as issued by the Canadian Public Sector Accounting Board of the Chartered Professional Accountants of Canada.
Reporting Entity and Principles of Financial Reporting	<p>The Bonaparte First Nation reporting entity includes the Bonaparte First Nation government and all related entities which are accountable to the Bonaparte First Nation and are either owned or controlled by the Bonaparte First Nation.</p> <p>Inter-entity balances have been eliminated on consolidation.</p> <p>Incorporated business entities, which are owned or controlled by the Bonaparte First Nation and which are not dependent on the First Nation for their continuing operations, are included in the summary financial statements using the modified equity method. These include: 1049280 BC Ltd. and Bonaparte Sales Limited Partnership.</p>
Cash and Cash Equivalents	Cash and cash equivalents consist of cash on hand, bank balances with maturities of three months or less.
Revenue Recognition	<p>Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the summary balance sheet.</p> <p>Rental revenue is recognized when a tenant commences occupancy and rent is due. Bonaparte First Nation retains all benefits and risks of ownership of its property and, therefore, accounts for leases with its tenants as operating leases.</p>
Segmented Disclosure	A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of Bonaparte First Nation. Bonaparte First Nation identifies its segments based on specific projects and funding arrangements. Revenue and expenses are allocated to these segments according to methods of identification.

Bonaparte First Nation Summary of Significant Accounting Policies

March 31, 2022

Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital assets including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded at revenue.

Amortization is charged on assets with a corresponding reduction in equity in tangible capital assets (Note 10). Assets are amortized over their expected useful lives on the following bases:

Automotive equipment	30% - straight-line basis
Buildings	5% - straight-line basis
Equipment	30% - declining balance basis
Land improvements	5% - straight-line basis
Computers	33% - straight-line basis

Additions during the year have been amortized at one-half the above annual rates.

No amortization is taken on assets under construction until they have been fully developed.

Social Housing Fund assets acquired under CMHC subsidized housing programs are amortized at a rate equivalent to the annual principal reduction in related long-term debt, as required for CMHC reporting purposes.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Bonaparte First Nation

Summary of Significant Accounting Policies

March 31, 2022

Use of Estimates	The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make assumptions and estimates that have an effect on the reported amounts of assets and liabilities and disclosure at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could be different from those estimates. Significant estimates in these financial statements include valuation of accounts receivable, calculation of deferred revenue, and amortization of tangible capital assets.
Pension Plan	The Bonaparte First Nation contributes to a private defined contribution pension plan. Total contributions to the plan during the year-ended March 31, 2022 were \$48,392 (2021 - \$52,780).
Investments	<p>The First Nation accounts for its investments using the modified equity method. Under this method the cost of this investment are adjusted by earnings or losses of the entities from the date of acquisition.</p> <p>Inter-entity balances and transactions are not eliminated under the modified equity method.</p> <p>Other investments are recorded on the cost basis.</p>
Ottawa Trust Funds	Bonaparte First Nation uses the accrual method of accounting for Ottawa Trust Fund revenues earned in the Fund. Trust monies are recognized as revenue of the band upon authorized withdrawal from the Ottawa Trust Fund.
Government Transfers	Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when the transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purposes.
Non-Financial Assets	Non-financial assets are used to provide the Bonaparte First Nation's services in future periods. These assets do not normally provide resources to discharge the liabilities of the Bonaparte First Nation unless they are sold. The Bonaparte First Nation's non-financial assets include tangible capital assets and prepaid expenses.

Bonaparte First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Economic Dependence

The Bonaparte First Nation receives a major portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada ("ISC").

2. Cash

	2022	2021
Operations	\$ 7,651,020	\$ 6,251,325
Social Housing	40,035	22,073
	<u>\$ 7,691,055</u>	<u>\$ 6,273,398</u>

3. Restricted Cash

	2022	2021
Ottawa Trust - Capital	\$ 260,879	\$ 260,879
Ottawa Trust - Revenue	410,077	401,958
Replacement Reserves - Social Housing	342,588	229,805
	<u>\$ 1,013,544</u>	<u>\$ 892,642</u>

The Ottawa trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the *Indian Act*. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. These funds are restricted in their use. The First Nation is permitted to use its revenue for any purpose that will promote the general progress and welfare of the First Nation and First Nation members. The expenses of capital funds requires the consent of ISC and generally must be for projects of a capital nature. Withdrawals of revenue or capital funds are recorded as revenue in the applicable fund where the monies are expended.

The Housing restricted cash is derived under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the account is to be credited annually. These funds along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

4. Accounts Receivable

	2022	2021
Indigenous Services Canada receivable	\$ 366,954	\$ 105,880
Other	1,270,121	477,772
	<u>\$ 1,637,075</u>	<u>\$ 583,652</u>

Bonaparte First Nation Notes to Consolidated Financial Statements

March 31, 2022

5. Investments in Government Business Enterprises

	<u>2022</u>	<u>2021</u>
Investment in 1049280 BC Ltd.	\$ 14,759	\$ 14,759
Investment in Bonaparte Sales Limited Partnership	<u>508,715</u>	<u>549,887</u>
	<u>\$ 523,474</u>	<u>\$ 564,646</u>

Bonaparte First Nation has investments in the above entities. A summary of the financial statements for Bonaparte Sales Limited Partnership for the year ended March 31, 2022 is as follows:

	<u>2022</u>
Balance Sheet	
Current assets	\$ 586,646
Capital assets	<u>585</u>
	<u>\$ 587,231</u>
Current liabilities	\$ 29,563
Long term liabilities	48,806
Partners' capital	<u>508,862</u>
	<u>\$ 587,231</u>
Statement of Operations	
Revenue	\$ 103,871
Expenses	<u>145,044</u>
Net loss	<u>(41,173)</u>
Equity, beginning of year	<u>550,035</u>
Equity, end of year	<u>\$ 508,862</u>

Bonaparte First Nation
Notes to Consolidated Financial Statements

March 31, 2022

6. Tangible Capital Assets

									2022
	Land	Automotive	Buildings	Land Improvements	Equipment	Social Housing Buildings	Total		
Cost, beginning of year	\$ 643,598	\$ 758,490	\$ 6,494,411	\$ 10,754,572	\$ 506,281	\$ 1,684,346	\$ 20,841,698		
Additions	-	390,636	264,240	37,711	472,661	-	1,165,249		
Disposals - pay out Phase 5	-	-	-	-	-	562,776	562,776		
Construction in progress	-	-	-	178,269	-	-	178,269		
Cost, end of year	\$ 643,598	\$ 1,149,126	\$ 6,758,651	\$ 10,970,551	\$ 978,943	\$ 1,121,570	\$ 21,622,439		
Accumulated amortization, beginning of year	\$ -	\$ 408,373	\$ 3,205,887	\$ 1,551,279	\$ 466,236	\$ 1,258,184	\$ 6,889,959		
Amortization	-	163,630	165,265	335,279	63,752	99,904	827,831		
Disposals - pay out Phase 5	-	-	112,257	-	-	(471,237)	(358,980)		
Accumulated amortization, end of year	\$ -	\$ 572,003	\$ 3,483,409	\$ 1,886,559	\$ 529,999	\$ 886,849	\$ 7,358,810		
Net carrying amount, end of year	\$ 643,598	\$ 577,123	\$ 3,275,242	\$ 9,083,992	\$ 448,944	\$ 234,721	\$ 14,263,629		

Bonaparte First Nation
Notes to Consolidated Financial Statements

March 31, 2022

6. Tangible Capital Assets (continued)

								2021
	Land	Automotive	Buildings	Land Improvements	Equipment	Social Housing Buildings	Total	
Cost, beginning of year	\$ 643,598	\$ 430,737	\$ 6,146,828	\$ 9,764,080	\$ 492,734	\$ 1,684,346	\$ 19,162,323	
Additions		327,753	347,583	262,705	13,547	-	951,588	
Construction in progress	-	-	-	503,600	-	-	503,600	
Cost, end of year	\$ 643,598	\$ 758,490	\$ 6,494,411	\$ 10,530,385	\$ 506,281	\$ 1,684,346	\$ 20,617,511	
Accumulated amortization, beginning of year	\$ -	\$ 328,556	\$ 3,041,954	\$ 988,717	\$ 450,189	\$ 1,157,912	\$ 5,967,328	
Amortization		79,817	163,933	338,375	16,047	100,272	698,444	
Accumulated amortization, end of year	\$ -	\$ 408,373	\$ 3,205,887	\$ 1,327,092	\$ 466,236	\$ 1,258,184	\$ 6,665,772	
Net carrying amount, end of year	\$ 643,598	\$ 350,117	\$ 3,288,524	\$ 9,203,293	\$ 40,045	\$ 426,162	\$ 13,951,739	

Bonaparte First Nation
Notes to Consolidated Financial Statements

March 31, 2022

7. Accounts Payable

	<u>2022</u>	<u>2021</u>
Social Housing payables	\$ 1,393	\$ -
Operations payables	<u>523,901</u>	<u>258,412</u>
	<u>\$ 525,294</u>	<u>\$ 258,412</u>

Bonaparte First Nation

Notes to Consolidated Financial Statements

March 31, 2022

8. Deferred Revenue

Deferred revenue represents amounts received that relate to a subsequent period. A breakdown of deferred revenue is as follows:

	2022	2021
001 - CPMS 6424 - Water IR1&2	\$ 2,086,341	\$ 1,079,581
Special Needs	-	36,450
Gravit Pit	-	2,430
COVID-19 Support	-	12,974
132 - Q3FQ - 20/21 EMA Recover Coordinator	25,891	48,972
132 - Fin. Mngt. Gov. Cap	227,072	174,733
Xyntax Update Training	-	11,650
Mudslide and Berm Construction	-	165,477
611 - Q3AB - Rno Health & Safety	440,137	718,425
006 - DFA Fence Proj #016	465,620	-
008 - Remediation CSMWG	26,230	-
009 - FN Infrastructure Planning	25,000	-
142 - Q3V9 - MA Response Covid	104,533	-
305 - ACRES Road Top	67,066	-
341 - MTSA - EcDev 21/22 - Reversal	181,000	-
621 - Housing Const Grants	44,240	-
622 - Housing ICMS#9-00129910 21/	118,302	-
706 - Gov't of Can - Terrestrial Cumulative Effects Init.	61,226	58,249
Prov of BC - Clean Energy #47429	-	25,000
851 - Gov't of Can - Aquatic Habitat	63,832	25,000
816 - Gov't of Canada - Wildlife	104,841	98,836
731 - McAbee Fossil	381,798	820,951
Heritage Branch - Interviewing	-	5,344
251 - FNEESC - Covid FN Mandate Inst	147,608	21,464
SNTC - On the Land	-	16,549
472 - Prov of BC - MCFD Prevention	6,229	30,000
576 - Quemstin - Health Care Aid	27,516	36,560
576 - SNTC Health Actions	116,443	98,454
Second Harvest	-	3,972
741 - SNTC - Stmemelt Coordinator	154,669	-
153 - Financial Managment Law	7,500	-
250 - FNEESC SWEP - 21/22	6,677	-
252 - FNEESC - IAHLA	10,050	-
253 - FNEESC - Covid Ed Grang	86,465	-
254 - FNEESC - PSPP	46,150	-
260 - NRT - Language Revitalization Proj	83,000	-
265 - Prov of BC - Advncd Ed Skills & Trn	61,750	-
580 - Deferred - SNTC - Injury Serv	28,147	-
600 - Housing	84,651	-
771 - Gov't Can - TMX AMI#13016	72,104	-
860 - Habitat Restoration	446,314	-
ISC recoveries	295,341	-
Other Funding Sources	-	35,800
	\$ 6,103,743	\$ 3,526,871

Bonaparte First Nation Notes to Consolidated Financial Statements

March 31, 2022

9. Long Term Debt

	<u>2022</u>	<u>2021</u>
Social Housing		
All Nations Trust Co., mortgage repaid during the year.	\$ -	\$ 26,882
All Nations Trust Co., mortgage repayable in monthly instalments of \$1101 including interest at 1.88% per annum, maturing February 2027	62,021	74,098
Mortgage repayable in monthly instalments of \$5,475 including interest at 2.78% per annum, maturing April 2024	132,787	193,869
Term loan, repayable in monthly instalments of \$5,905 including interest at 3.47% per annum, secured as described below, maturing April 2022	9,099	78,327
Demand loan, repayable in monthly instalments of \$620, including interest at 2.34% per annum, secured as described below, maturing June 2026	61,732	67,726
Term loan, repayable in monthly instalments of \$3,145 including interest at 3.35% per annum, secured as described below, maturing March 2026	339,661	350,000
	<u>\$ 605,300</u>	<u>\$ 790,902</u>

All RBC term and demand loans are secured by a general security agreement, constituting a first ranking security in all personal property of the Bonaparte First Nation.

Due to the inability to provide financial statements to the Royal Bank of Canada, all Royal Bank of Canada loans are due on demand.

The estimated principal repayments on the above long term debt required over the next two years are as follows:

2023	\$ 476,196
2024	<u>129,104</u>
	<u>\$ 605,300</u>

Bonaparte First Nation

Notes to Consolidated Financial Statements

March 31, 2022

10 . Accumulated Surplus

	2022	2021
Unrestricted Surplus	\$ 3,621,486	\$ 3,288,349
Equity in Tangible capital assets	13,618,416	13,029,524
Equity in Ottawa Trust	670,956	662,837
Contributed surplus	277,466	431,392
Equity in Replacement Reserve	304,057	285,720
	<u>\$ 18,492,381</u>	<u>\$ 17,697,822</u>

11. Comparative Figures

Certain comparative amounts presented in the financial statements have been restated to conform to current year's presentation.

12. Federal Assistance Payments

Bonaparte First Nation has received federal assistance through CMHC pursuant to Section 56-1 of the *National Housing Act* to reduce mortgage interest expense to 2% to enable the project to provide housing to low income individuals. The amount of the assistance received through March 31, 2022 was \$34,101 (2021 - \$36,173). This assistance will continue, providing the First Nation is not in default of the agreement. As at March 31, 2022, the First Nation was not in compliance with all agreements.

13. Replacement Reserve

Under the terms of the agreement with CMHC, the Replacement Reserve account is to be credited at March 31, 2022 in the amount of \$18,339 (2021 - \$18,339) annually. These funds along with accumulating interest are to be held in a separate bank account. The funds in this account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. Supplemental funding was received during the year for \$nil (2021 - \$86,214).

Bonaparte First Nation

Notes to Consolidated Financial Statements

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14. Commitments

Bonaparte First Nation has entered into lease agreements for photocopiers. Minimum annual lease payments due over the next five years and thereafter, until expiry, are approximately as follows:

2023	\$ 68,244
2024	49,132
2025	39,576
2026	33,708
Thereafter	<u>38,591</u>
	<u>\$ 229,251</u>

15. Contingencies and Subsequent Events

Bonaparte First Nation is subject to various legal claims, however, the results are undeterminable as no accruals have been recorded.

During the summer of 2018, assets of the Bonaparte First Nation were damaged as a result of a natural disaster. No assessment has been made for repairs or any lost assets as it is unknown at this time.

16. Impacts on Bonaparte First Nation

As the impacts of COVID-19 continue, there could be further impact on the First Nation, its funders and its business entities. The First Nation has continued to deliver services during this pandemic through a variety of means, whether face-to-face or utilizing technology as the First Nation was deemed an essential service. Management is actively monitoring the effect on its financial condition, liquidity, operations and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the First Nation is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

Bonaparte First Nation

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March 31, 2022

17. Expenses by Object

	2022	2021
Allowance	\$ 20,970	\$ 8,154
Amortization	827,832	698,445
Bad debt (recovery)	(96,718)	98,216
Bank charges and interest	22,739	21,790
Community services	84,502	45,481
Consulting services	800	42,291
Contracts and consulting	2,240,467	1,329,742
Fuel	-	62,755
Honoraria	124,325	91,051
Insurance	159,411	148,371
Indigenous Service Canada COVID-19	-	58,050
Licences, dues and fees	6,822	12,422
Living allowances	212,170	321,285
Materials and supplies	827,305	741,089
Meals	450	115,811
Office supplies	44,612	21,960
Professional fees	801,402	454,382
Program expenses	117,244	30,661
Equipment lease	147,883	159,787
Repairs and maintenance	243,390	55,768
Replacement reserve expense	18,339	108,079
Miscellaneous	66,015	499
Social assistance	344,754	181,621
Staff travel	53,745	100,048
Student allowance	23,885	4,197
Telephone	22,587	37,001
Training and development	12,848	32,972
Travel	344,444	270,478
Tuition	144,911	272,885
Utilities	106,533	65,532
Wages and benefits	2,519,287	2,587,425
Loan interest	14,766	-
Workshops and meetings	599	-
	\$ 9,458,319	\$ 8,178,248

Bonaparte First Nation

Notes to Consolidated Financial Statements

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18. Segment Disclosure

The Bonaparte First Nation is a diversified First Nations organization that provides a wide range of services to its members. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

Social Development

This service area provides services to help the Members by providing a variety of programs, community services and social assistance.

Administration

This item relates to the revenues and expenses that relate to the operations of the First Nation itself and cannot be directly attributed to specific segment.

Operations and Maintenance

This service area provides services relating to the development, maintenance and service of the First Nation's assets, infrastructure and common property.

Education

This service area provides educational services through the operations of an on-reserve school, post secondary education support and the operations of various other educational programs. The goal of this segment is to enhance the educational opportunities of the First Nation's Members.

Natural Resources and Economic Development

This service area provides for the development of economic opportunities to the Members, along with the exploration of the development of natural resource revenues.

Capital

This service area provides for the development of new capital projects and infrastructure programs on the reserve.

Social Housing

This service area provides for social housing to the Members.

Amortization

This service area shows current year amortization expense for assets within the First Nation.

Bonaparte First Nation
Notes to Consolidated Financial Statements

March 31, 2022

**18. Segment
Disclosure - cont.
2022**

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Amortization	Total
Revenue									
ISC	\$ 1,001,976	\$ 1,028,559	\$ 1,044,951	\$ 568,520	\$ 45,645	\$ (104,758)	\$ 266,997	\$ -	\$ 3,851,890
Other	1,615,942	502,138	920,325	742,417	1,993,629	19,910	121,653	-	5,916,014
Total	2,617,918	1,530,697	1,965,276	1,310,937	2,039,274	(84,848)	388,650	-	9,767,904
Expenses									
Wages & benefits	847,563	517,871	583,473	172,557	417,590	1,204	-	-	2,540,258
Purchases	1,464,901	934,438	1,297,479	904,024	828,129	452,765	208,493	-	6,090,229
Amortization	-	-	-	-	-	-	99,904	727,928	827,832
Total	2,312,464	1,452,309	1,880,952	1,076,581	1,245,719	453,969	308,397	727,928	9,458,319
Surplus (deficit)	\$ 305,454	\$ 78,388	\$ 84,324	\$ 234,356	\$ 793,555	\$ (538,817)	\$ 80,253	\$ (727,928)	\$ 309,585

2021

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Amortization	Total
Revenue									
ISC	\$ 1,073,692	\$ 536,610	\$ 1,086,286	\$ 524,098	\$ 174,655	\$ 552,958	\$ 20,207	\$ -	\$ 3,968,506
Other	1,308,580	1,947,440	134,000	7,031	999,123	48,496	213,932	-	4,658,602
Total	2,382,272	2,484,050	1,220,286	531,129	1,173,778	601,454	234,139	-	8,627,108
Expenses									
Wages & benefits	804,873	463,876	559,760	99,472	583,523	-	94,676	-	2,606,180
Purchases	606,769	1,292,923	622,578	617,869	728,226	441,328	563,930	-	4,873,623
Amortization	-	-	-	-	-	-	100,273	598,172	698,445
Total	1,411,642	1,756,799	1,182,338	717,341	1,311,749	441,328	758,879	598,172	8,178,248
Surplus (deficit)	\$ 970,630	\$ 727,251	\$ 37,948	\$ (186,212)	\$ (137,971)	\$ 160,126	\$ (524,740)	\$ (598,172)	\$ 448,860