

Annual Report 2017



BEAR CLAW COMMUNITY DEVELOPMENT CORPORATION

BCCDC



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MESSAGE FROM THE CHAIRMAN

Tansi,

On behalf of the Bear Claw Community Development Corporation (BCCDC) Board of Directors and our Staff, I am pleased to present the 2016-17 BCCDC Annual Report and Audited Financial Statements.

The 2016/17 fiscal year has proved challenging for our communities with no steady funding for distribution. That said, however we have been working diligently with both Government Relations and the CDC Association to resolve the funding issues.

BCCDC has been in discussions with Government Relations regarding securing a one-time operating base payment until the claw back from the previous overpayment has been cleared, discussions are ongoing and look favourable to be resolved in the near future. This base of funding is important for BCCDC to remain in compliance with the Gaming Framework Agreement, as we are obligated to meet these requirements regardless of if funds are available for distribution in our catchment areas.

We are working with the other CDC Association to come to an agreement regarding fair and equitable distribution of funds. This is to ensure that BCCDC has a base of operating funds each year as well as a minimum requirement of funds for distribution in our catchment areas.

As always we are thankful to the other CDC's and the CDC Association for their willingness to work with us to resolve this issue for our shareholders.

In closing I would like to take this opportunity to thank my fellow Board Members and Staff for their hard work and dedication to this organization, to the CDC Association and its members for their on-going support to the BCCDC, and to Government Relations for the ongoing dialogue.

On behalf of the Bear Claw Community Development Corporation Board of Directors, Staff, our member First Nations and Rural Catchment Areas,

E'kosi,

Tim Bear Chairman,
Bear Claw Community Development Corporation



ABOUT US



The Saskatchewan Indian Gaming Authority (SIGA) is the operator of six First Nations casinos in Saskatchewan. The casinos are conveniently located across the province: Bear Claw Casino (Moose Mountain Provincial Park), Dakota Dunes Casino (Saskatoon), Gold Eagle Casino (North Battleford), Living Sky Casino (Swift Current), Northern Lights Casino (Prince Albert) and Painted Hand Casino (Yorkton).

SIGA casinos entertain 3.6 million guests annually and offer the excitement of 1800 slot machines, 52 live table games, a full line of food and beverage services and live entertainment. Most importantly our casinos offer traditional First Nations hospitality which is second to none.

As a 100 percent non-profit gaming operator, revenues are distributed among our beneficiaries including: Saskatchewan's First Nations communities, the Provincial Treasury, and Community Development Corporations located across the province. All profits from SIGA casinos are split: 25% to the Provincial Government, 50% to the First Nations Trust Fund, and 25% to the local Community Development Corporation (CDC).



ABOUT US

What is eligible for funding:

- Economic Development
- Social Development
- Justice Initiatives
- Education Development
- Recreational Facilities Operation and Development
- Senior and Youth Programs
- Cultural Development
- Community Infrastructure Development and Maintenance
- Health Initiatives
- Other Charitable purposes i.e. Emergency situations, homes destroyed by fire/floods, medical emergencies

Who can apply:

- An organization may be a beneficiary of funds from the BCCDC if the organization activities fall within the permitted purposes stated in this policy and the organization is generally charitable or non – profit and community purposed. The activity being proposed for support should be community based and community minded, for the organization
- Individuals are NOT eligible to submit applications.
- Applications for funding will be open to organizations in the immediate communities of White Bear First Nation, Ochapowace Nation, Carlyle, Manor, Village of Kenosee Lake, and the R.M. of Moose Mountain No. 63.
- The BCCDC Board will not provide duplicate funding for projects, programs or community events sponsored by the Community Initiatives Fund.

Eligible projects, programs and community events will:

- Focus on Partnerships between First Nations and Non First Nation's Communities
 - Focus on Economic Development Initiatives
 - Focus on Human Services that improve Education, Health, and Well-being of Elders, Vulnerable Children, Youth and Families
 - Where possible, Actively Involve those to whom the Programs and Services are to be provided, in the Development, Management and Delivery of Programs
 - Have Community Involvement in Project Implementation
 - Be Preventative and Restorative in Nature and address Community Identified Needs
 - Demonstrate Cultural Sensitivity and Awareness, reflecting input of the Community
 - Be Integrated and Coordinated with other Community Programs and Services of a Similar Nature
- Focus on Health Initiatives that are Early Intervention and Preventative in Nature



BOARD OF DIRECTORS

Directors

The Board of Directors is currently comprised of twelve members and three ex-officio members. The Ochapowace Nation and the White Bear First Nation each nominate four of their Council as members. The communities of Kenosee Lake, Carlyle, Manor and the R.M of Moose Mountain each nominate one member from their Mayor/Reeve and Aldermen/Council as members to the Board. Only individuals residing in these communities within the catchment area of the Bear Claw Community Development Corporation may be members of the Board.

The 2015/16 Directors are as follows:

Ken Lonechild, Chair as of July 2014 (appointed September, 2013)

- White Bear First Nation, Councilor

Thomas Maxie (appointed August, 2011)

- White Bear First Nation, Councilor

Seraine Sunkawaste (appointed September, 2013)

- White Bear First Nation, Councilor

Tanya Littlechief (appointed October, 2009)

- White Bear First Nation, Councilor

Shelley A. Bear (appointed July 2014)

- Ochapowace Nation, Councilor

Tim Bear (appointed July 2014)

- Ochapowace Nation, Councilor

Petra Belanger (appointed July 2014)

- Ochapowace Nation, Councilor

Shaya Watson (appointed July 2014)

- Ochapowace Nation, Councilor

Vickie Akins (appointed September, 2008)

- Town of Manor, Mayor

Wendy Currie (appointed September, 2008)

- Village of Kenosee Lake, Appointed Community Member

Jack Wilson (appointed December 2014)

- R.M. Moose Mountain, Councilor

Huguette Lutz (appointed April 18, 2016)

- Town of Carlyle, Administrator

Ex-officios:

- Chief Brian Standingready, White Bear First Nation
- Chief Margaret Bear, Ochapowace Nation
- Jeff Markewich, Government Relations



AUDITOR'S REPORT

Management's Responsibility

To the Board of Directors of Bear Claw Community Development Incorporated:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

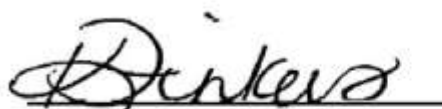
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records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

The Board of Directors are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and may meet periodically and separately with, both the Board and management to discuss their audit findings.

September 20, 2017


Chairperson


Manager



AUDITOR'S REPORT

To the Board of Directors of Bear Claw Community Development Incorporated:

We have audited the accompanying financial statements of Bear Claw Community Development Incorporated, which comprise the statement of financial position as at March 31, 2017, and the statements of operations and changes in net assets (debt), including the supporting schedule and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bear Claw Community Development Incorporated as at March 31, 2017 and the results of its operations, changes in net assets (debt) and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan

September 20, 2017

MNP LLP

Chartered Professional Accountants



AUDITOR'S REPORT

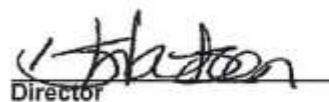
Bear Claw Community Development Incorporated Statement of Financial Position

As at March 31, 2017

	2017	2016
Assets		
Current		
Cash	7,033	20,960
Accounts receivable (Note 4)	390,345	19,493
Prepaid expenses	3,000	3,000
	400,378	43,453
Liabilities		
Current		
Accounts payable and accruals	30,282	7,600
Holdback payable	4,400	4,400
Deferred revenue (Note 6)	35,000	18,597
Funding clawback payable	138,152	250,250
	207,834	280,847
Net assets (debt)	192,544	(237,394)
	400,378	43,453

Approved on behalf of the Board


Chairperson


Director



AUDITOR'S REPORT

Bear Claw Community Development Incorporated Statement of Operations and Changes in Net Assets (Debt)

For the year ended March 31, 2017

	2017	2016
Revenue		
Dakota Dunes CDC	244,424	167,376
Gaming Distribution	142,098	117,943
Painted Hand CDC	78,226	-
Northern Lights CDC	10,947	-
	475,695	285,319
Expenses		
Contract	25,100	23,400
Professional fees	7,261	8,075
Administrative	4,800	4,800
Travel	4,688	3,984
Per diem	3,500	10,500
Meeting	305	240
Interest and bank charges	88	115
Office supplies	15	-
	45,757	51,094
Excess of revenue over expenses before allocations	429,938	234,225
Allocations		
White Bear	-	45,000
Ochapowace	-	45,000
Carlyle	-	20,257
Manor	-	1,743
Kenossee	-	1,000
	-	113,000
Excess of revenue over expenses	429,938	121,225
Net debt, beginning of year	(237,394)	(358,619)
Net assets (debt), end of year	192,544	(237,394)



AUDITOR'S REPORT

Bear Claw Community Development Incorporated Statement of Cash Flows

For the year ended March 31, 2017

	2017	2016
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	429,938	121,225
Deferred revenue	16,403	18,597
Funding clawback withheld	(112,098)	(117,943)
	334,243	21,879
Changes in working capital accounts		
Accounts receivable	(370,853)	(18,286)
Accounts payable and accruals	22,683	400
(Decrease) increase in cash resources	(13,927)	3,993
Cash resources, beginning of year	20,960	16,967
Cash resources, end of year	7,033	20,960



Bear Claw Community Development Incorporated Notes to the Financial Statements

For the year ended March 31, 2017

1. Incorporation and nature of the organization

Bear Claw Community Development Incorporated (the "Organization") was incorporated under the Canada Corporations Act as a Not-For-Profit organization on December 13, 2002 and is a registered charity under the Income Tax Act.

The Organization's goals and objectives are to facilitate the distribution of a portion of net proceeds derived from the Bear Claw Casino which is located in the community of White Bear First Nations and Community Development Corporations across Saskatchewan for charitable purposes to First Nation charities and non-First Nation charities located within the community of White Bear First Nations, Ochapowace First Nations, and surrounding area.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

Cash

Cash includes balances with banks and short-term investments with maturities of three months or less.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

The Organization has not yet purchased any items that are capital in nature.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred and collection is reasonably assured. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues 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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.



AUDITOR'S REPORT

3. Significant accounting policies (Continued from previous page)

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. Cash is measured at its fair value. Fair value is determined by the amount paid in a recent arm's length transactions. All other financial assets and liabilities are subsequently measured at amortized cost. Other financial assets and liabilities include accounts receivable, accounts payable and accruals, holdback payables, deferred revenue and funding clawback payable.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenue over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Financial asset impairment:

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

3. Economic dependence

The Organization's main source of revenue is derived from gaming revenues generated by the Bear Claw Casino and Saskatchewan First Nations CDC Association. The Organization's ability to continue viable operations is dependent upon receiving a percentage of these gaming revenues to fund the various community projects approved by the Board.

4. Accounts receivable

	2017	2016
Trade	764	764
Goods and Services Tax	106	132
Government of Saskatchewan	30,000	-
Dakota Dunes CDC	269,516	18,597
Northern Lights CDC	3,041	-
Painted Hand CDC	86,918	-
	390,345	19,493

5. Deferred revenue

During the year the Organization was allocated \$350,000 of funding from Community Development Corporations (\$185,973 - 2016). Of this allocation, 10% (\$35,000) was held back and is to be released upon the submission of follow up reports from the organizations in which this funding was provided. The held back portion has been recorded as deferred revenue. The prior year deferred revenue of \$18,597 from Dakota Dunes CDC was recognized as revenue in the current year.



Bear Claw Community Development Incorporated Notes to the Financial Statements

For the year ended March 31, 2017

6. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

As at March 31, 2017, receivables relating to funding from Dakota Dunes CDC and Painted Hand CDC accounted for 91% (2016 - 95%) of the accounts receivable. The Organization believes that there is no unusual exposure associated with the collection of the holdbacks and receivables from Dakota Dunes CDC, Painted Hand CDC, or other parties. The Organization performs regular credit assessments and provides allowances for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities that are settled by the delivery of cash or another financial asset. The Organization enters into transactions to purchase goods and services on credit, for which repayment is required at various dates. Liquidity risk is measured by reviewing the Organization's future net cash flows for the possibility of negative cash flow. The Organization manages the liquidity risk resulting from its accounts payable and accruals by monitoring its cash.



SCHEDULE OF ALLOCATION

	2017	2016
Allocations		
<u>Carlyle</u>		
Rusty Relics Museum - Siding	\$ -	\$ 10,000
Carlyle and District Leisure Complex - Waterslide Replacement	-	5,861
North Carlyle Club	-	4,396
	-	20,257
<u>Kenosee</u>		
Four Seasons Drop In Centre - Sound System Upgrade	-	1,000
	-	1,000
<u>Ochapowace First Nations</u>		
Ochapowace Recreation - Winter Games	-	7,000
Ochapowace First Nations - Elite Hockey	-	4,500
Kakisiwew School - Annual Pow Wow	-	4,000
Ochapowace First Nations - Technology Support	-	3,500
Ochapowace Education - Adult 10 & 12 Program	-	3,000
Kakisiwew School - High School Technology	-	3,000
Ochapowace Indian Registry Administrator - Ochapowace Welcome Package	-	2,500
Kakisiwew School - EF Tour Group	-	2,500
Kakisiwew School - Beading and Outfit Making	-	2,000
Mabel George Memorial - Memorial Round Dance	-	2,000
Ochapowace First Nations - 1st Annual Round Dance	-	2,000
Ochapowace Recreation - Youth Activities	-	2,000
Ochapowace AHS & Daycare - Recognition for Headstart & Daycare	-	1,500
Kakisiwew School - Golf Club	-	1,500
Ochapowace First Nations - Ochapowace Family Culture Camp	-	1,500
Ochapowace Recreation - Rec Activities	-	1,500
Ochapowace First Nations - Employee Assistance	-	1,000
	-	45,000
<u>Manor</u>		
Manor Over 60 Club - Obtain BBQ and Storage Shed	-	1,743
	-	1,743
<u>White Bear First Nations</u>		
White Bear First Nations - Winter Games	-	10,000
Hilltop Enterprises - Lunch Program	-	9,500
White Bear Education Complex - Portable Computer Station	-	8,000
White Bear First Nations Administration - IPAD Acquisition and Training	-	5,000
White Bear First Nations - Nutrition Key to Healthy Children	-	5,000
White Bear First Nations - Cubs Girls Softball	-	3,500
White Bear Children's Charity - Youth Broadcast	-	2,500
White Bear Sports Culture and Recreation - At Risk Youth Project	-	1,500
	-	45,000
Total Allocations	\$ -	\$ 113,000