

**Louis Bull Tribe**

**Consolidated Financial Statements**

**March 31, 2023**

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# **Louis Bull Tribe**

## **Consolidated Financial Statements**

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## Louis Bull Tribe

### Management's Responsibility for Financial Reporting

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March 31, 2023

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The accompanying consolidated financial statements of Louis Bull Tribe are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Crowe MacKay LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Louis Bull Tribe and meet when required.

On behalf of Louis Bull Tribe:



Chief



Tribal Administrator

February 5, 2024

Date

February 5, 2024

Date

## **Independent Auditors' Report**

### **To the Members of Louis Bull Tribe**

#### *Qualified Opinion*

We have audited the consolidated financial statements of Louis Bull Tribe (the "Tribe"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Tribe as at March 31, 2023, and the results of its consolidated operations, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Qualified Opinion*

The current year's financial information for a specific entity controlled by Louis Bull Tribe was not available for satisfactory audit verification. We were unable to obtain appropriate audit evidence specific to the financial information of this entity, which should be consolidated into the financial statements of the Tribe. As a result, the financial information of the specific entity has not been included in the Tribe's consolidated financial statements as at March 31, 2023. Our audit opinion on the consolidated financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

Additionally, as discussed in Note 18 to the consolidated financial statements, not all asset retirement obligations have been estimated and recorded on the consolidated statement of financial position both as at April 1, 2022, the transition date when these standards first applied and as at the year end March 31, 2023. Management believes that the cost of any future material obligation will be offset by a funding agency. The Tribe's tangible capital assets represent a significant amount of the assets of the consolidated financial statements as at March 31, 2023 and we were unable to obtain sufficient information regarding the effect of the asset retirement obligations on the consolidated financial statements. Therefore we were unable to determine whether any adjustments might be necessary to expenses, excess of revenue over expenses and cash flows from operating activities for the year ended March 31, 2023, and net financial assets, non-financial assets and accumulated surplus as at April 1, 2022 and March 31, 2023.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Tribe 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 qualified opinion.

#### *Other Matter*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Tribe taken as a whole. The supplementary information included on the schedules on pages 29 - 77 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

#### *Responsibilities of Management and Those Charged with Governance 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

## Independent Auditors' Report (continued)

material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Tribe'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 Tribe or to cease operations, or has no realistic alternative but to do so.

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

### *Auditors' 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 auditors' 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 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 Tribe'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 Tribe's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Tribe 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 consolidated entities or business activities, 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.

Edmonton, Canada  
February 5, 2024

  
Chartered Professional Accountants

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## Louis Bull Tribe

### Consolidated Statement of Financial Position

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March 31	2023	2022
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#### Financial Assets

Cash (Note 3)	\$ 13,749,654	\$ 19,790,278
Accounts receivable (Note 4)	22,397,430	448,583
Long-term investments (Note 5)	8,021,810	3,945,220
Federal Trust Funds (Note 6)	1,198,841	873,360
	<hr/>	<hr/>
	45,367,735	25,057,441

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#### Liabilities

Accounts payable and accrued liabilities (Note 7)	27,003,111	2,414,823
Deferred revenue (Note 8)	10,533,878	17,245,847
Long-term debt (Note 9)	10,995,774	7,015,443
	<hr/>	<hr/>
	48,532,763	26,676,113

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Net debt	(3,165,028)	(1,618,672)
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#### Non-financial Assets

Tangible Capital assets (Note 10)	26,939,785	21,831,725
Prepaid expenses	71,698	33,236
Inventory	89,384	102,106
	<hr/>	<hr/>
	27,100,867	21,967,067

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Accumulated Surplus (Note 11)	\$ 23,935,839	\$ 20,348,395
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Contingent liabilities (Note 12)

Approved on behalf of the Louis Bull Tribe

 , Chief

 , Councilor

## Louis Bull Tribe

### Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31

	2023 Budget	2023 Actual	2022 Actual
<b>Revenue</b>			
Indigenous Services Canada (ISC)	\$ 6,974,391	\$ 22,579,715	\$ 18,172,281
First Nation Development Funds	634,244	744,863	444,855
CMHC subsidies	422,000	565,833	476,635
Resource revenue	-	101,721	102,403
Interest income	25,000	240,209	55,341
Rental income	590,000	727,193	449,810
Indigenous Skills and Employment Training Strategy	671,091	856,553	762,882
Louis Bull Services revenue	-	2,904,819	2,919,843
Net earnings from Louis Bull Entities	-	712,996	234,010
Other revenue	2,753,488	8,201,008	3,348,854
	<b>12,070,214</b>	<b>37,634,910</b>	<b>26,966,914</b>
<b>Expenses (Note 20)</b>			
Education	784,649	1,418,973	1,153,951
Health	1,188,938	3,134,586	5,693,066
Economic Development	586,584	6,539,166	994,957
Housing	1,063,176	1,178,681	799,161
Community Services	1,019,100	3,386,197	2,576,837
Social Services	4,227,612	6,943,039	4,574,955
Band Government	1,980,035	4,562,336	2,613,515
Public Works	546,191	958,087	835,459
Other	107,000	3,957,699	3,304,567
Amortization	-	1,968,702	1,937,029
	<b>11,503,285</b>	<b>34,047,466</b>	<b>24,483,497</b>
<b>Excess of revenue over expenses</b>	<b>566,929</b>	<b>3,587,444</b>	<b>2,483,413</b>
<b>Accumulated surplus, beginning of year</b>	<b>20,348,394</b>	<b>20,348,394</b>	<b>17,864,981</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 20,915,323</b>	<b>\$ 23,935,838</b>	<b>\$ 20,348,394</b>



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## Louis Bull Tribe

### Consolidated Statement of Change in Net Debt

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For the year ended March 31

2023  
Budget

2023  
Actual

2022  
Actual

<b>Excess of revenue over expenses</b>	<b>\$ 566,929</b>	<b>\$ 3,587,444</b>	<b>\$ 2,483,413</b>
Acquisition of tangible capital assets	-	(7,076,763)	(4,987,092)
Amortization of tangible capital assets	-	1,968,703	1,937,028
	-	(5,108,060)	(3,050,064)
Acquisition of prepaid asset	-	(38,462)	-
Use of prepaid asset	-	-	395
	-	(38,462)	395
Use of inventory	-	12,722	8,203
<b>Increase (decrease) in net financial assets</b>	<b>566,929</b>	<b>(1,546,356)</b>	<b>(558,053)</b>
<b>Net debt, beginning of year</b>	<b>(1,618,672)</b>	<b>(1,618,672)</b>	<b>(1,060,619)</b>
<b>Net debt, end of year</b>	<b>\$ (1,051,743)</b>	<b>\$ (3,165,028)</b>	<b>\$ (1,618,672)</b>

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**Louis Bull Tribe****Consolidated Statement of Cash Flow**

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<b>For the year ended March 31</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from</b>		
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 3,587,444	\$ 2,483,413
Items not affecting cash		
Amortization	1,968,703	1,937,028
Equity pickup of investment in related parties	(712,996)	(234,010)
	<b>4,843,151</b>	<b>4,186,431</b>
Change in non-cash operating working capital		
Accounts receivable	(21,948,847)	485,737
Inventory	12,722	8,203
Prepaid expenses	(38,462)	395
Accounts payable	24,588,288	(125,371)
Deferred revenue	(6,711,968)	6,808,570
	<b>744,884</b>	<b>11,363,965</b>
<b>Financing activities</b>		
Repayment of long-term debt	(1,583,658)	(563,006)
Proceeds from long-term debt	5,563,988	908,004
Due from related party	(3,363,594)	-
	<b>616,736</b>	<b>344,998</b>
<b>Investing activities</b>		
Purchase of tangible capital assets	(7,076,763)	(4,987,092)
Income earned from Trust Funds	(325,481)	(147,294)
	<b>(7,402,244)</b>	<b>(5,134,386)</b>
<b>(Decrease) increase in cash and cash equivalents</b>	<b>(6,040,624)</b>	<b>6,574,577</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>19,790,278</b>	<b>13,215,701</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 13,749,654</b>	<b>\$ 19,790,278</b>

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# Louis Bull Tribe

## Notes to Consolidated Financial Statements

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March 31, 2023

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### 1. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

#### (a) Reporting entity principles of financial reporting

These financial statements report only on the activities of the Louis Bull Tribe and all related entities that are accountable to the Tribe and are either owned or controlled by the Louis Bull Tribe.

Enterprises accounted for by the modified equity basis include:

- (1) 677626 Alberta Ltd.
- (2) Bear Hills Casino Limited Partnership

Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform with those of the Tribe. Thus, the Tribe's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses.

Entities accounted for by full consolidation include:

- (1) Kiseputinow Holdings (1996) Ltd.
- (2) Asikiw Mostos O'pikinawasiwin Society (not included in the current and previous year Financial Statements)

All inter-entity balances have been eliminated on consolidation.

#### (b) Cash

Cash and cash equivalents include cash held on deposit at financial institutions and short-term investments that are readily convertible to known amounts of cash.

#### (c) Inventory

Inventories are measured at the lower of cost and net realizable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs. The costs of purchase comprise the purchase price, import duties, non-recoverable taxes and transport, handling and other costs directly attributable to the acquisition and inbound delivery of the inventory. Costs are determined using the first-in, first-out method.

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# Louis Bull Tribe

## Notes to Consolidated Financial Statements

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March 31, 2023

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### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (d) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	7% Straight line
Automotive equipment	30% Straight line
Computer equipment	30% Straight line
Furniture and equipment	20% Straight line
Service equipment	20% Straight line
Infrastructure	5% Straight line
Equipment	20% Straight line

Capital assets are written down when conditions indicate that they no longer contribute to Louis Bull Tribe'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 consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets, including recognized interest in reserve lands and natural resources, as well as assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

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# Louis Bull Tribe

## Notes to Consolidated Financial Statements

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March 31, 2023

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### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (e) Financial instruments

##### Measurement

The Tribe measures all its financial assets and financial liabilities at cost or amortized cost, except for the following, which are measured at fair value without any adjustment for transaction costs: derivatives, marketable securities in equity instruments that are quoted in an active market and marketable securities that the Tribe has elected to measure at fair value. The effective interest rate method is used to determine interest revenue or expenses for financial instruments measured at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, and Federal Trust funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term debt.

There are no financial instruments measured at fair value.

##### Transaction costs

Transaction costs attributable to financial instruments measured at fair value are recognized in the Statement of Operations in the period incurred. Transaction costs for financial instruments measured at cost or amortized cost are recognized in the original cost of the instrument.

##### Impairment

At the end of each reporting period, management assesses financial assets or groups of financial assets for evidence of objective impairment. An impairment loss is recognized in the Statement of Operations when there is a loss in value that is other than temporary. Future recoveries of impaired financial assets are recognized in the Statement of Operations when received, except for recoveries of impaired marketable securities. Future recoveries of impaired marketable securities are not recognized.

#### (f) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 1. Basis of Presentation and Significant Accounting Policies (continued)

##### (g) Asset Retirement Obligations

A liability is recognized when, as at the financial reporting date:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations.

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 2. Change in Accounting Policy from Changes to Accounting Standards

The Tribe adopted the following new accounting policies due to changes in the Public Sector Accounting Standards of the CPA Canada Handbook. The new standards are effective for years beginning on or after April 1, 2022 (the transition date):

##### **Financial Statement Presentation**

On April 1, 2022, the Tribe adopted Section PS 1201 "Financial Statement Presentation", which replaced the existing PS 1200 standard. The new standard introduces a Consolidated Statement of Remeasurement Gains and Losses, which includes unrealized gains and losses on financial instruments that are measured at fair value and unrealized foreign exchange gains and losses on items in the amortized cost category. In addition, accumulated surplus on the Consolidated Statement of Financial Position is presented as the total of the accumulated operating surplus and the accumulated remeasurement gains and losses.

The Tribe has applied the change prospectively on the transition date in accordance with the transition provisions.

The adoption of the new requirements had no significant impact on the Tribe's consolidated financial statements.

##### **Financial Instruments**

On April 1, 2022, the Tribe adopted Section PS 3450 "Financial Instruments". The new standard provides guidance on the recognition, measurement, presentation and disclosure of financial instruments. Financial instruments are measured at either (i) fair value or (ii) cost or amortized cost. For financial instruments measured at fair value, unrealized gains and losses are reported on the Consolidated Statement of Remeasurement Gains and Losses and realized gains and losses are reclassified from the Consolidated Statement of Remeasurement Gains and Losses to the Consolidated Statement of Operations. The Tribe must also disclose both qualitative and quantitative information on its exposure to financial instrument risk.

In accordance with the applicable transitional provisions, the Tribe has applied the new standard prospectively on the transition date and has recognized all financial assets and financial liabilities on its Consolidated Statement of Financial Position and classified items at (i) fair value or (ii) cost or amortized cost. Recognition, derecognition and measurement policies followed in the consolidated financial statements for periods prior to the transition date are not reversed. Therefore, the consolidated financial statements of prior periods, including comparative information, have not been restated.

The adoption of the new requirements resulted in the additional disclosures described in Note 18 of the financial statements.

##### **Asset Retirement Obligations**

On April 1, 2022, the Tribe adopted Section PS 3280 "Asset Retirement Obligations", which replaced the existing PS 3270 "Solid Waste Landfill Closure and Post-Closure Liability" standard. The new standard applies to asset retirement obligations associated with tangible capital assets controlled by the entity that are in productive use or no longer in productive use. It establishes requirements for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets.

Not all asset retirement obligations have not been estimated and recorded in the consolidated financial statements. Therefore, the impact of the adoption of these new requirements to the Tribe's consolidated financial statements is unknown.

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 3. Cash

	2023	2022
Externally restricted cash		
Funds held in trust	\$ 194,247	\$ -
CMHC Replacement Reserve	588,468	502,648
	<hr/> 782,715	<hr/> 502,648
Unrestricted cash		
General accounts	12,966,939	19,287,630
	<hr/> \$ 13,749,654	<hr/> \$ 19,790,278

A line of credit has been authorized in the amount of \$500,000 bearing interest at prime plus 1%. At March 31, 2023, \$Nil had been drawn upon (2022: \$Nil).

#### 4. Accounts receivable

	2023	2022
Indigenous Services Canada	\$ 21,906,985	\$ 185,285
First Nation Development Fund	64,801	-
GST receivable	251,866	-
Other	173,778	263,298
	<hr/> \$ 22,397,430	<hr/> \$ 448,583



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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 5. Long-term investments

##### Balance sheet

	677626 Alberta Ltd	Bear Hills Casino Limited Partnership	2023 Total	2022 Total
Cash	\$ 2,481,348	\$ -	\$ 2,481,348	\$ 1,117,059
Accounts receivable	43,405	-	43,405	315,594
Inventory	250	-	250	1,200
Capital assets	2,953,224	3,412,516	6,365,740	2,980,882
<b>Total assets</b>	<b>\$ 5,478,227</b>	<b>\$ 3,412,516</b>	<b>\$ 8,890,743</b>	<b>\$ 4,414,735</b>
Accounts payable	\$ 115,472	\$ 52,421	\$ 167,893	\$ 48,071
Due to related parties	33,788,603	3,353,594	37,142,197	33,788,605
Unearned revenue	701,040	-	701,040	421,444
<b>Total liabilities</b>	<b>34,605,115</b>	<b>3,406,015</b>	<b>38,011,130</b>	<b>34,258,120</b>
<b>Equity (deficit)</b>	<b>(29,126,888)</b>	<b>6,501</b>	<b>(29,120,387)</b>	<b>(29,843,385)</b>
<b>Total liabilities and equity</b>	<b>\$ 5,478,227</b>	<b>\$ 3,412,516</b>	<b>\$ 8,890,743</b>	<b>\$ 4,414,735</b>

##### Statement of Operations

	677626 Alberta Ltd	Bear Hills Casino Limited Partnership	2023 Total	2022 Total
Revenue	\$ 2,628,524	\$ -	\$ 2,628,524	\$ 1,828,323
Expenses	1,912,028	3,500	1,915,528	1,594,313
<b>Net income (loss)</b>	<b>\$ 716,496</b>	<b>\$ (3,500)</b>	<b>\$ 712,996</b>	<b>\$ 234,010</b>

Investments in and advances to 677626 Alberta Ltd. and Bear Hills Casino Limited Partnership, include the following:

	2023	2022
Advances	\$ 37,142,197	\$ 33,788,605
Accumulated losses	(29,120,387)	(29,843,385)
	<b>\$ 8,021,810</b>	<b>\$ 3,945,220</b>

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 6. Ottawa Trust Funds

The Ottawa Trust Funds include funds held by the Government of Canada for the use and benefit of the Louis Bull Tribe. These funds are accounted for as received, and the release of such funds is subject to Ministerial approval.

	March 31, 2022	Income	March 31, 2023
Capital funds held in trust	\$ 271,869	\$ 223,760	\$ 495,629
Revenue funds held in trust	601,491	101,721	703,212
	<b>\$ 873,360</b>	<b>\$ 325,481</b>	<b>\$ 1,198,841</b>

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The trust fund accounts held in Ottawa arise from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by Sections 64 and 69 of the Indian Act.

These funds are treated by Canada as held in trust in the Consolidated Revenue fund of the Government of Canada. The funds attract interest pursuant to Section 61(2) of the Indian Act.

#### 7. Accounts payable and accrued liabilities

	2023	2022
Trade payables and accrued liabilities	\$ 3,617,065	\$ 1,232,097
Asikiw Mostos O'pikinawasiwin Society	22,943,320	740,000
Provision for landfill closure and post closure costs	442,726	442,726
	<b>\$ 27,003,111</b>	<b>\$ 2,414,823</b>

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The provision for landfill closure and post closure costs represents the estimated closure and post closure costs to be incurred. During the year, no reclamation expenditures were incurred.

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 8. Deferred Revenue

Deferred revenue represents funds received that will be recognized as revenue in the next fiscal year, when the related expenses are incurred, or when the terms of the funding have been fulfilled.

	March 31, 2022	Funding received	Revenue recognized	March 31, 2023
Indigenous Services Canada	\$ 14,267,687	\$ 16,573,719	\$ (22,579,715)	\$ 8,261,691
First Nation Development Funds	145,068	763,911	(744,863)	164,116
Indigenous Skills and Employment Training Strategy	-	1,344,773	(856,553)	488,220
Other	2,833,092	6,987,767	(8,201,008)	1,619,851
	<b>\$ 17,245,847</b>	<b>\$ 25,670,170</b>	<b>\$ (32,382,139)</b>	<b>\$ 10,533,878</b>

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#### 9. Long-term debt

	2023	2022
CMHC housing mortgages repayable in combined monthly instalments of \$47,807 including interest rates from 0.67% to 4.73%, renewable at various dates. The mortgages are secured by ministerial guarantees.	\$ 5,461,431	\$ 5,920,443
Bank of Montreal demand loan, repaid during the year.	-	1,095,000
First Nations Bank of Canada loan, bearing interest at prime plus 0.90%, repayable in monthly instalments of \$11,820, maturing January 2034. Secured by a general security agreement.	1,220,355	-
First Nations Bank of Canada loan, bearing interest at prime plus 1.50%, repayable in monthly interest only until construction of the building is completed. Secured by a general security agreement.	4,313,988	-
	<b>\$ 10,995,774</b>	<b>\$ 7,015,443</b>

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Principal portion of long-term debt due within the next five years:

2024	\$ 532,943
2025	529,284
2026	507,817
2027	514,202
2028 and thereafter	8,911,528
	<b>\$ 10,995,774</b>

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# Louis Bull Tribe

## Notes to Consolidated Financial Statements

March 31, 2023

### 10. Tangible Capital Assets

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2023 net book value
Land	\$ 6,183,201	\$ -	\$ 6,183,201	\$ -	\$ -	\$ -	\$ 6,183,201
Buildings	32,268,723	2,820,422	35,089,145	25,914,014	1,253,635	27,167,649	7,921,496
Automotive equipment	3,111,408	342,128	3,453,536	2,749,338	297,197	3,046,535	407,001
Computer equipment	120,348	30,975	151,323	120,348	4,647	124,995	26,328
Office furniture and equipment	1,819,126	67,963	1,887,089	1,805,005	20,917	1,825,922	61,167
Service equipment	238,740	-	238,740	237,496	1,244	238,740	-
Computer Equipment	43,985	-	43,985	43,985	-	43,985	-
Infrastructure	16,670,918	-	16,670,918	11,519,194	372,750	11,891,944	4,778,974
Equipment	655,444	56,395	711,839	636,435	18,313	654,748	57,091
Asset under construction	3,745,647	3,758,880	7,504,527	-	-	-	7,504,527
	\$ 64,857,540	\$ 7,076,763	\$ 71,934,303	\$ 43,025,815	\$ 1,968,703	\$ 44,994,518	\$ 26,939,785

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2022 Net book value
Land	\$ 6,183,201	\$ -	\$ 6,183,201	\$ -	\$ -	\$ -	\$ 6,183,201
Buildings	31,147,160	1,121,563	32,268,723	24,802,116	1,111,898	25,914,014	6,354,709
Automotive equipment	2,991,526	119,882	3,111,408	2,427,817	321,521	2,749,338	362,070
Computer equipment	120,348	-	120,348	120,348	-	120,348	-
Office furniture and equipment	1,819,126	-	1,819,126	1,692,178	112,827	1,805,005	14,121
Service equipment	238,740	-	238,740	233,403	4,093	237,496	1,244
Computer Equipment	43,985	-	43,985	43,985	-	43,985	-
Infrastructure	16,670,918	-	16,670,918	11,146,444	372,750	11,519,194	5,151,724
Equipment	655,444	-	655,444	622,496	13,939	636,435	19,009
Asset under construction	-	3,745,647	3,745,647	-	-	-	3,745,647
	\$ 59,870,448	\$ 4,987,092	\$ 64,857,540	\$ 41,088,787	\$ 1,937,028	\$ 43,025,815	\$ 21,831,725

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 11. Accumulated surplus

	2023	2022
Unrestricted operating (deficit) surplus	\$ (1,228,823)	\$ 713,532
Equity in tangible capital assets	15,944,011	14,816,282
Equity in trust funds	1,198,841	873,360
Equity in enterprises	8,021,810	3,945,220
	<b>\$ 23,935,839</b>	<b>\$ 20,348,394</b>

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#### 12. Contingent Liabilities

Louis Bull Tribe has been named as defendant in certain legal proceedings. The Tribe is actively defending all lawsuits. Since the amount of losses, if any, cannot be reasonably estimated, no provision has been recorded in these financial statements. Should a loss be incurred, it will be expensed in the year the liability is determined.

#### 13. CMHC Replacement Reserve

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Tribe is required to provide a replacement reserve. This reserve is to ensure replacement of buildings financed by Canada Mortgage and Housing Corporation. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation. Withdrawals are to be credited to interest first and then to the principal.

#### 14. Employment Retirement Plan

The Tribe has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Employees may contribute between 4% and 6% of their gross pay with the organization making a matching contribution to the plan. Any voluntary amounts paid by the employee are not matched.

#### 15. Economic Dependence

Louis Bull Tribe receives a significant portion of its revenue pursuant to a funding agreement with Indigenous and Services Canada.

#### 16. Budget Information

Budgeted figures are unaudited and have been provided by management and approved by Chief and Council.

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 17. Risk management

Transacting in and holding of financial instruments exposes the Tribe to certain financial risks and uncertainties. Qualitative and quantitative analysis of the significant risks are as follows:

##### (a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Tribe's exposure to credit risk relates to accounts receivable and arises from the possibility that a debtor does not fulfil its obligations. Management believes this risk is minimized through continuously monitoring its financial assets, negotiation of payment plans with select individuals, and maintaining regular contact with funders, members, and other credit applicants. The Tribe performs continuous evaluation of its financial assets and records impairment in accordance with the stated policy. The maximum exposure to credit risk is the carrying value of accounts receivable and band member receivables. A significant portion of the Tribe's accounts receivable is from federal and provincial governments, which minimizes credit risk.

The aged financial assets that are past due but not impaired are as follows:

	> 30 days		> 60 days		> 90 days	
Accounts receivable	\$	-	\$	-	\$	185,285

As at year-end, management has determined that no amounts of accounts receivable are impaired. Management's assessment is based on specific identification and the age of the receivables.

There have been no significant changes to the credit risk from the previous year.

##### (b) Liquidity Risk

Liquidity risk is the risk that the Tribe will encounter difficulty in meeting its obligations associated with financial liabilities. The Tribe's exposure to liquidity risk relates to accounts payable and accrued liabilities and long-term debt and arises from the possibility that the timing and amount of its cash inflows will not be sufficient to enable it to meet its financial obligations as they become due. Management believes this risk is minimized through active working capital management including monitoring current and future cash flow requirements in consideration of current credit facilities and management of expenses. Accounts payable and accrued liabilities are due within 30 days of receipt of an invoice. The contractual maturities of long-term debt are disclosed in Note 9. There have been no significant changes to the liquidity risk from the previous year.

##### (c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Tribe is exposed to market risk as follows:

###### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Tribe's interest-bearing financial instruments include fixed rate investment in Federal Trust funds and fixed and variable rate long-term debt. The fair values of fixed rate financial instruments fluctuate as market rates of interest change. The cash flows resulting from variable rate financial instruments fluctuate as interest rates applicable to the instruments change. The Tribe does not use derivative instruments to hedge its exposure to interest rate risk.

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## **Louis Bull Tribe**

### **Notes to Consolidated Financial Statements**

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**March 31, 2023**

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#### **17. Risk management (continued)**

Management has determined that any fluctuation in interest rates will not have a significant impact on its fixed and variable rate financial instruments.

There have been no significant changes to interest rate risk from the previous year and no significant changes to the methods and assumptions used in the sensitivity analysis.

#### **18. Asset Retirement Obligations**

Not all asset retirement obligations have been estimated and recorded in the consolidated financial statements due to the difficulty in determining the amount of obligation. In addition, management believes that the Tribe will receive government funding sufficient to cover any asset retirement obligations as they arise, resulting in the net effect to the consolidated statement of financial position to be Nil. The obligation that has been estimated is detailed in note 7.

#### **19. Comparative Amounts**

Certain of the comparative amounts have been reclassified to conform to the presentation adopted in the current year.

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## Louis Bull Tribe

### Notes to Consolidated Financial Statements

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March 31, 2023

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#### 20. Expenses by object

For the year ended March 31	2023 Budget	2023 Actual	2022 Actual
Administration fees	\$ 102,765	\$ 601,840	\$ 758,083
Amortization	-	1,968,703	1,937,028
Bad debts	-	8,848	101,598
Cost of sales - Louis Bull Services	-	2,559,966	2,605,482
Cultural events	33,000	183,449	60,416
Education and tuition fees	420,000	833,861	621,567
Insurance	157,174	384,887	272,626
Interest and bank charges	-	25,402	12,139
Interest on long-term debt	421,000	219,081	158,782
Meeting and travel	368,212	945,986	362,748
Office expenses	122,660	177,109	101,692
Per capita distribution	-	578,750	-
Professional fees	553,500	1,848,130	908,022
Program costs	1,086,834	5,404,801	4,527,702
Property taxes	65,000	79,260	107,341
Public works	-	85,946	188,585
Reclamation costs	-	5,597,023	-
Rent	16,000	-	15,180
Repairs and maintenance	821,699	1,272,741	565,420
Social Assistance	2,551,707	3,357,611	2,906,202
Subcontractor	-	20,522	-
Supplies	106,683	454,913	818,683
Tipping fees	24,000	17,120	9,461
Training	546,554	1,397,562	589,549
Utilities and telephone	596,910	1,416,234	1,199,931
Vehicle	81,574	82,491	148,788
Wages and benefits	3,428,013	4,525,230	5,506,472
	\$ 11,503,285	\$ 34,047,466	\$ 24,483,497

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# Louis Bull Tribe

## Notes to Consolidated Financial Statements

March 31, 2023

### 21. Segmented information

The Tribe provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function as follows:

	2023 Budget	Education 2023 Actual	2022 Actual	2023 Budget	Health 2023 Actual	2022 Actual	Economic Development 2023 Budget	2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ 723,261	\$ 1,420,795	\$ 1,150,446	\$ 1,383,453	\$ 3,056,701	\$ 5,284,330	\$ 145,390	\$ 2,857,052	\$ 452,222
First Nation Development Funds	32,000	42,542	30,376	-	-	-	-	-	-
Other revenue	-	(40,074)	(26,871)	82,145	492,992	339,845	441,194	610,417	542,735
Total revenue	755,261	1,423,263	1,153,951	1,465,598	3,549,693	5,624,175	586,584	3,467,469	994,957
Expenses									
Wages and benefits	92,942	242,566	268,468	723,294	968,731	2,340,483	128,248	130,105	156,544
Supplies	3,500	4,237	9,830	56,683	224,365	737,967	-	106,317	22,898
Repairs and maintenance	7,500	91,260	7,820	30,000	314,095	72,051	26,390	163,454	-
Program costs	57,337	62,788	75,925	131,279	796,505	1,605,728	10,379	101,093	156,523
Education and tuition fees	420,000	833,861	620,547	-	-	-	-	-	-
Other expenses	203,370	184,261	171,361	247,682	830,890	936,837	421,567	6,038,197	658,992
Total expenses	784,649	1,418,973	1,153,951	1,188,938	3,134,586	5,693,066	586,584	6,539,166	994,957
Annual surplus (deficit)	\$ (29,388)	\$ 4,290	\$ -	\$ 276,660	\$ 415,107	\$ (68,891)	\$ -	\$ (3,071,697)	\$ -

# Louis Bull Tribe

## Notes to Consolidated Financial Statements

March 31, 2023

### 21. Segmented information (continued)

	2023 Budget	Housing 2023 Actual	2022 Actual	2023 Budget	Community Services 2023 Actual	2022 Actual	2023 Budget	Social Services 2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ 111,600	\$ 2,803,784	\$ 777,726	\$ 139,056	\$ 615,603	\$ 597,533	\$ 3,220,006	\$ 5,512,421	\$ 4,055,742
First Nation Development Funds	138,500	201,938	102,323	423,744	332,523	167,878	-	8,959	-
Other revenue	813,076	918,228	836,148	778,700	2,546,449	1,811,426	1,007,606	1,455,034	519,213
Total revenue	1,063,176	3,923,950	1,716,197	1,341,500	3,494,575	2,576,837	4,227,612	6,976,414	4,574,955
Expenses									
Wages and benefits	138,500	102,830	26,800	315,349	666,970	425,268	820,093	719,034	759,922
Supplies	-	-	-	7,000	24,247	5,393	30,500	34,566	18,371
Repairs and maintenance	321,376	299,699	276,695	133,800	90,870	23,669	16,000	86,051	37,056
Program costs	95,440	388,800	240,171	339,100	1,404,949	1,743,022	411,299	1,406,037	447,101
Social Assistance	-	-	-	-	-	-	2,551,707	3,357,611	2,906,202
Other expenses	507,860	387,352	255,495	223,851	1,199,161	379,485	398,013	1,339,740	406,303
Total expenses	1,063,176	1,178,681	799,161	1,019,100	3,386,197	2,576,837	4,227,612	6,943,039	4,574,955
Annual surplus (deficit)	\$ -	\$ 2,745,269	\$ 917,036	\$ 322,400	\$ 108,378	\$ -	\$ -	\$ 33,375	\$ -

# Louis Bull Tribe

## Notes to Consolidated Financial Statements

March 31, 2023

### 21. Segmented information (continued)

	2023 Budget	Band Government 2023 Actual	2022 Actual	2023 Budget	Public Works 2023 Actual	2022 Actual	2023 Budget	Other 2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ 705,434	\$ 881,513	\$ 1,255,918	\$ 546,191	\$ 5,335,215	\$ 4,130,960	\$ -	\$ 96,630	\$ 467,407
First Nation Development Funds	40,000	120,000	120,000	-	-	-	-	38,900	24,278
Other revenue	748,858	3,577,273	1,237,597	-	-	37,675	590,000	4,424,534	2,904,713
Total revenue	1,494,292	4,578,786	2,613,515	546,191	5,335,215	4,168,635	590,000	4,560,064	3,396,398
Expenses									
Wages and benefits	994,435	1,170,918	1,024,164	215,152	318,303	308,885	-	205,772	195,938
Supplies	5,000	37,104	15,135	4,000	544	1,353	-	23,533	7,736
Repairs and maintenance	76,500	64,347	45,361	210,133	148,144	88,716	-	14,821	14,051
Program costs	-	1,046,840	98,340	-	53,475	36,031	42,000	130,315	112,701
Education and tuition fees	-	-	1,020	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	2,559,966	2,605,482
Other expenses	904,100	2,243,127	1,429,495	116,906	437,621	400,474	65,000	1,023,292	368,659
Total expenses	1,980,035	4,562,336	2,613,515	546,191	958,087	835,459	107,000	3,957,699	3,304,567
Annual surplus (deficit)	\$ (485,743)	\$ 16,450	\$ -	\$ -	\$ 4,377,128	\$ 3,333,176	\$ 483,000	\$ 602,365	\$ 91,831

# Louis Bull Tribe

## Notes to Consolidated Financial Statements

March 31, 2023

### 21. Segmented information (continued)

	2023 Budget	Amortization 2023 Actual	2022 Actual	2023 Budget	Trust Funds 2023 Actual	2022 Actual	2023 Budget	Consolidated totals 2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,974,391	\$ 22,579,715	\$ 18,172,284
First Nation Development Funds	-	-	-	-	-	-	634,244	744,863	444,855
Other revenue	-	-	-	-	325,481	147,294	4,461,579	14,310,332	8,349,775
Total revenue	-	-	-	-	325,481	147,294	12,070,214	37,634,910	26,966,914
Expenses									
Wages and benefits	-	-	-	-	-	-	3,428,013	4,525,229	5,506,472
Amortization	-	1,968,702	1,937,029	-	-	-	-	1,968,702	1,937,029
Supplies	-	-	-	-	-	-	106,683	454,913	818,683
Repairs and maintenance	-	-	-	-	-	-	821,699	1,272,741	565,419
Program costs	-	-	-	-	-	-	1,086,834	5,390,802	4,515,542
Social Assistance	-	-	-	-	-	-	2,551,707	3,357,611	2,906,202
Education and tuition fees	-	-	-	-	-	-	420,000	833,861	621,567
Cost of sales	-	-	-	-	-	-	-	2,559,966	2,605,482
Other expenses	-	-	-	-	-	-	3,088,349	13,683,641	5,007,101
Total expenses	-	1,968,702	1,937,029	-	-	-	11,503,285	34,047,466	24,483,497
Annual surplus (deficit)	\$ -	\$ (1,968,702)	\$ (1,937,029)	\$ -	\$ 325,481	\$ 147,294	\$ 566,929	\$ 3,587,444	\$ 2,483,417