

**Lubicon Lake Band No. 453**  
**Consolidated Financial Statements**  
**March 31, 2018**

# Lubicon Lake Band No. 453

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# Lubicon Lake Band No. 453

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the **Lubicon Lake Band No. 453** 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 judgement. 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 Lubicon Lake Band No. 453 maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Band's assets are appropriately accounted for and adequately safeguarded.

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

The financial statements have been audited by Doyle & Company in accordance with Canadian auditing standards on behalf of the members. Doyle & Company have full and free access to the Council.

\_\_\_\_\_ *Original signed by* \_\_\_\_\_ Chief

\_\_\_\_\_ *Original signed by* \_\_\_\_\_ Councilor

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## INDEPENDENT AUDITORS' REPORT

To the Chief and Council

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the **Lubicon Lake Band No. 453**, which comprise the statement of financial position as at March 31, 2018 and the statements of activities, change in net financial assets and cash flows, change in accumulated surplus, tangible capital assets, financial activities by program and expenditures by object for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility 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 financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparations and fair presentation of the consolidated 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 consolidated financial statements.

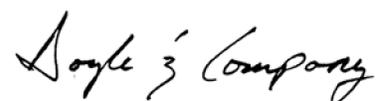
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Lubicon Lake Band No. 453 as at March 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

July 23, 2018

Edmonton, Alberta



Chartered Professional Accountants

**Lubicon Lake Band No. 453**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2018**

	2018	2017 (Restated)
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	384,193	54,840
Restricted cash (Note 3)	153,061	256,363
Investments (Note 2)	1,512,675	150,000
Accounts receivable (Note 4)	4,216,527	927,337
Investment in First Nation controlled entities (Note 5)	334,753	83,321
	<b>6,601,209</b>	<b>1,471,861</b>
<b>LIABILITIES</b>		
Accounts payable (Note 6)	672,739	99,250
Deferred contributions (Note 7)	5,949,835	1,434,347
Promissory note (Note 8)	1,962,491	1,228,697
	<b>8,585,065</b>	<b>2,762,294</b>
<b>NET FINANCIAL DEBT</b>	<b>(1,983,856)</b>	<b>(1,290,433)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	10,178,941	8,532,743
Prepaid expenses	52,925	35,328
	<b>10,231,866</b>	<b>8,568,071</b>
<b>ACCUMULATED SURPLUS (Schedule 1 and Note 12)</b>	<b>8,248,010</b>	<b>7,277,638</b>

**Approved by the First Nation:**

\_\_\_\_\_ *Original signed by* \_\_\_\_\_ Chief

\_\_\_\_\_ *Original signed by* \_\_\_\_\_ Councilor

**Lubicon Lake Band No. 453**  
**Consolidated Statement of Financial Activities**  
**For the year ended March 31, 2018**

	2018 Budget	2018 Actual	2017 Actual (Restated)
	\$	\$	\$
<b>REVENUE</b>			
Indigenous and Northern Affairs Canada	2,630,659	6,209,550	2,555,581
Trust Funds - Revenue	-	-	500,000
Alberta Government Grant	2,135,000	2,694,425	549,500
First Nations Development Fund	-	405,005	466,373
Health Canada	722,438	722,438	655,911
Aboriginal Skills and Employment Training Strategy	-	138,281	90,735
Other revenue	481,439	659,343	785,014
Revenue deferred from previous period	330,735	1,434,347	510,902
Revenue deferred to subsequent period	-	(5,949,835)	(1,434,347)
	<b>6,300,271</b>	<b>6,313,554</b>	<b>4,679,669</b>
<b>EXPENDITURES</b>			
Administration and Governance	1,497,806	1,985,683	1,083,480
Alberta Government Programs	172,104	178,955	385,806
Aboriginal Skills Employment & Training	-	142,839	90,739
Consultation	165,000	180,697	150,896
Economic Development	55,434	139,956	79,519
Education	138,042	184,778	238,398
First Nations Development Fund	-	533,659	467,922
Health	762,119	770,560	694,443
Housing	472,542	874,282	375,100
Integrated Employment Training Program	734,552	609,743	505,587
Public Works	891,687	549,114	439,167
Social Services	890,233	863,681	946,084
	<b>5,779,519</b>	<b>7,013,947</b>	<b>5,457,141</b>
<b>Excess of Revenue Over Expenditures</b>			
<b>- Before Other Revenue (Expenditures)</b>	<b>520,752</b>	<b>(700,393)</b>	<b>(777,472)</b>
<b>Other Revenue (Expenditures)</b>			
Capital funding			
Indigenous and Northern Affairs Canada	-	2,031,998	-
Amortization	-	(433,300)	(546,719)
	<b>-</b>	<b>1,598,698</b>	<b>(546,719)</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>520,752</b>	<b>898,305</b>	<b>(1,324,191)</b>

The accompanying notes form part of these financial statements.

**Lubicon Lake Band No. 453**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the year ended March 31, 2018**

	2018	2017 (Restated)
	\$	\$
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>970,372</b>	<b>(1,822,028)</b>
Acquisition of tangible capital assets	<b>(2,079,498)</b>	(32,898)
Amortization of tangible capital assets	<b>433,300</b>	546,719
Decrease of trust funds	-	(500,000)
	<b>(1,646,198)</b>	13,821
Acquisition of prepaid assets	<b>(52,925)</b>	(35,328)
Use of prepaid assets	<b>35,328</b>	45,345
	<b>(17,597)</b>	10,017
<b>INCREASE IN NET FINANCIAL DEBT</b>	<b>(693,423)</b>	<b>(1,798,190)</b>
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>	<b>(1,290,433)</b>	507,757
<b>NET FINANCIAL DEBT, END OF YEAR</b>	<b>(1,983,856)</b>	<b>(1,290,433)</b>

The accompanying notes form part of these financial statements.

**Lubicon Lake Band No. 453**  
**Consolidated Statement of Cash Flows**  
**For the year ended March 31, 2018**

	2018	2017 (Restated)
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from funding agencies and other income	9,571,850	4,599,984
Cash paid to suppliers and employees	(6,385,988)	(5,080,096)
	<b>3,185,862</b>	<b>(480,112)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in long-term liabilities	733,794	728,697
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in investments	(1,362,675)	(150,000)
Decrease (increase) in investment in First Nation controlled entities	(251,432)	188,253
Tangible capital assets acquired	(2,079,498)	(32,898)
	<b>(3,693,605)</b>	<b>5,355</b>
<b>INCREASE IN CASH DURING THE YEAR</b>	<b>226,051</b>	<b>253,940</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>311,203</b>	<b>57,263</b>
<b>CASH, END OF YEAR</b>	<b>537,254</b>	<b>311,203</b>
Cash if comprised of:		
Cash	384,193	54,840
Restricted cash	153,061	256,363
	<b>537,254</b>	<b>311,203</b>

The accompanying notes form part of these financial statements.

# Lubicon Lake Band No. 453

## Consolidated Statement of Changes in Accumulated Surplus - Schedule 1

For the year ended March 31, 2018

	Unrestricted Surplus \$	Equity in Tangible Capital Assets \$	Equity in Enterprise Fund \$	Equity in Trust Funds \$	2018 \$	2017 (Restated) \$
<b>Balance, Beginning of Year, as originally stated</b>	(1,278,446)	8,532,743	83,321	145,608	7,483,226	9,599,667
<b>Prior period adjustment (Note 14)</b>	(205,588)	-	-	-	(205,588)	-
<b>Balance, Beginning of Year, as restated</b>	(1,484,034)	8,532,743	83,321	145,608	7,277,638	9,599,667
Excess of revenue over expenditures	898,305	-	64,614	7,453	970,372	(1,822,029)
Restricted funds used for operations	-	-	-	-	-	(500,000)
Current years funds used for subsidiaries advances	(186,818)	-	186,818	-	-	-
Current years funds used for tangible capital assets	(2,079,498)	2,079,498	-	-	-	-
Annual amortization expense	433,300	(433,300)	-	-	-	-
<b>Change in accumulated surplus</b>	(934,711)	1,646,198	251,432	7,453	970,372	(2,322,029)
<b>Balance, End of Year</b>	(2,418,745)	10,178,941	334,753	153,061	8,248,010	7,277,638

The accompanying notes form part of these financial statements.

## Lubicon Lake Band No. 453

### Consolidated Statement of Tangible Capital Assets - Schedule 2

For the year ended March 31, 2018

	Automotive \$	Buildings & Infrastructure \$	Housing \$	Furniture & Equipment \$	2018 \$	2017 \$
<b>COST:</b>						
Balance, Beginning of Year	659,627	1,711,967	7,476,329	47,727	9,895,650	9,862,752
Acquisition of tangible capital assets	47,500	355,337	1,676,661	-	2,079,498	32,898
Balance, End of Year	707,127	2,067,304	9,152,990	47,727	11,975,148	9,895,650
<b>ACCUMULATED AMORTIZATION:</b>						
Balance, Beginning of Year	501,802	230,865	615,470	14,770	1,362,907	816,188
Annual amortization	52,390	66,351	307,968	6,591	433,300	546,719
Balance, End of Year	554,192	297,216	923,438	21,361	1,796,207	1,362,907
<b>NET BOOK VALUE</b>	<b>152,935</b>	<b>1,770,088</b>	<b>8,229,552</b>	<b>26,366</b>	<b>10,178,941</b>	<b>8,532,743</b>

The accompanying notes form part of these financial statements.

# Lubicon Lake Band No. 453

## Consolidated Statement of Financial Activities by Program - Schedule 3

For the year ended March 31, 2018

	2018			2017		
	INAC Revenue \$	Other Revenue \$	Total Revenue \$	Total Expenditures \$	Surplus (Deficit) \$	Surplus (Deficit) \$
Administration and Governance	847,315	196,863	1,044,178	1,985,683	(941,505)	(398,035)
Alberta Government Programs	-	178,955	178,955	178,955	-	(866)
Aboriginal Skills Employment & Training Services	-	138,281	138,281	142,839	(4,558)	(4)
Consultation	-	163,500	163,500	180,697	(17,197)	(5,496)
Economic Development	55,434	-	55,434	139,956	(84,522)	(24,085)
Education	183,070	-	183,070	184,778	(1,708)	49,029
First Nation Development Fund	-	561,460	561,460	533,659	27,801	(7)
Health Services	-	762,119	762,119	770,560	(8,441)	(3,029)
Housing	3,795,100	(1,244,157)	2,550,943	874,282	1,676,661	(60,000)
Integrated Employment Training Program	-	1,238,354	1,238,354	609,743	628,611	(5,587)
Public Works	2,400,362	(1,891,371)	508,991	549,114	(40,123)	(309,740)
Social Services	960,267	-	960,267	863,681	96,586	(19,652)
	<b>8,241,548</b>	<b>104,004</b>	<b>8,345,552</b>	<b>7,013,947</b>	<b>1,331,605</b>	<b>(777,472)</b>

The accompanying notes form part of these financial statements.

# Lubicon Lake Band No. 453

## Consolidated Statement of Expenditures by Object - Schedule 4

For the year ended March 31, 2018

	2018	2017
	\$	\$
<b>EXPENDITURES</b>		
Advertising	368	10,567
Bank charges	9,992	8,271
Contractors	546,954	432,364
Community special events	246,321	182,165
Equipment	107,233	143,354
Honorarium	8,550	3,200
Insurance	77,449	50,532
Material and supplies	241,757	335,447
Meeting costs	53,789	14,255
Office	70,281	40,911
Professional fees	880,361	584,003
Program expense	1,163,652	994,276
Rent	-	66,785
Repairs and maintenance	59,525	68,512
Training	76,814	144,068
Travel	441,693	382,285
Telephone and utilities	529,608	437,931
Wages and employee benefits	2,499,600	1,558,217
<b>TOTAL EXPENDITURES</b>	<b>7,013,947</b>	<b>5,457,143</b>

The accompanying notes form part of these financial statements.

# Lubicon Lake Band No. 453

## Notes to the Consolidated Financial Statements

March 31, 2018

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### NATURE OF OPERATIONS

Lubicon Lake Band provides local government, education and social development services to its members and was established under the Indian Act (Canada)

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements include the assets, liabilities, and results of operations of Lubicon Lake Band (the "Band") and all related entities and organizations subject to control by Chief and Council. No inclusion has been made of assets, liabilities, revenues or expenses of Band members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of Chief and Council.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government, as established by the Public Sector Accounting and Audit Boards ("PSAB"), which encompasses the following principles:

#### (a) Fund Accounting

The Lubicon Lake Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Lubicon Lake Band maintains the following funds:

- The Operating Fund which reports the general activities of the Band Administration.
- The Tangible Capital Assets Fund which reports the capital assets of the Band, together with their related financing.
- The Trust Fund which reports on trust funds owned by the Band and held by third parties.

#### (b) Cash and Cash Equivalents

Cash and cash equivalents consist of bank accounts and temporary investments with maturities of three months or less.

#### (c) Investment in Controlled Entities

Investments in wholly-owned incorporated subsidiaries of Lubicon Lake Band are accounted for by the equity method. The equity method initially records the investment at cost and the carrying value thereafter is adjusted for the investor's pro-rata share of post acquisition earnings or losses of the subsidiary. Lubicon Lake Band owns the following subsidiary:

- 1769919 Alberta Ltd.
- Lubicon Lake Forestry

#### (d) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

# Lubicon Lake Band No. 453

## Notes to the Consolidated Financial Statements

March 31, 2018

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### 1. SIGNIFICANT ACCOUNTING POLICIES - continued

#### (e) Revenue Recognition

Government transfers and grant revenue are recognized as the Band becomes entitled to the funding under the terms of applicable funding agreements and are recorded in the period in which the recourses are used for the purpose specified in the agreements. Restricted funding received which relates to a subsequent fiscal period or which stipulations that give rise to an obligation are reported as deferred revenue until the resources are used for the purpose or purposes specified and/or the stipulations giving rise to an obligation have been met.

Other revenue, including rent and lease revenue, sales of goods and provision of services are recognized in the period the goods or services are provided and the related proceeds are received or receivable.

#### (f) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a declining balance basis over the estimated useful life as follows:

	Rate
Automotive	30%
Buildings and infrastructure	4%
Furniture and equipment	20%

Annual amortization is charged in the year of acquisition and not in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

#### (g) Trust Funds

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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

Band trust funds are included as revenue in these statements only to the extent they have been received from the Band's trust funds. The amounts on deposit with the Government of Canada are audited by the Auditor General of Canada.

#### (h) Financial Instruments

The Band initially measures financial assets and financial liabilities at their fair value. It subsequently measures its financial assets and financial liabilities, other than investments, at amortized cost. The financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. The financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. Investments are recorded at fair value.

**Lubicon Lake Band No. 453**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2018**

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**1. SIGNIFICANT ACCOUNTING POLICIES - continued**

**Credit Risk**

The Band is exposed to credit risk on the accounts receivable from its customers. In order to reduce its credit risk, the partnership has adopted credit policies which include an analysis of the financial position of its customers and the regular review of their credit limits.

**Interest Rate Risk**

The Band is exposed to risk that the fair value of financial instruments or future cashflows associated with the instrument will fluctuate due to changes in market interest rates.

**(i) Measurement Uncertainty**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. INVESTMENTS**

Investments consist of three guaranteed investment certificates, all maturing in May, 2018 and earning annual interest at between 0.64% and 1.05%.

**3. RESTRICTED CASH**

	<b>2018</b>	<b>2017</b>
	\$	\$
Trust Funds		
Band Capital	<b>29,392</b>	29,392
Band Revenue	<b>123,669</b>	116,216
First Nation Development Fund	-	110,755
	<b>153,061</b>	256,363

**4. ACCOUNTS RECEIVABLE**

	<b>2018</b>	<b>2017</b>
	\$	\$
Kee Tas Kee Now Tribal Council	<b>3,761,966</b>	733,267
First Nation Development Fund	<b>245,176</b>	123,405
Alberta Government grant	<b>153,236</b>	30,250
Aboriginal Skills Employment & Training Services	-	25,993
GST receivable	<b>31,920</b>	-
Other	<b>24,229</b>	14,422
	<b>4,216,527</b>	927,337

**Lubicon Lake Band No. 453**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2018**

**5. INVESTMENTS IN BAND CONTROLLED ENTITIES**

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>1769919 Alberta Ltd. (Venture) - 100% interest</b>		
Shares	100	100
Advances	784,715	597,898
Accumulated surplus in earnings	(425,472)	(499,619)
	<b>359,343</b>	<b>98,379</b>
<b>Lubicon Lake Forestry - 100% interest</b>		
Shares	100	100
Accumulated surplus in earnings	(24,690)	(15,158)
	<b>(24,590)</b>	<b>(15,058)</b>
<b>Total investment in controlled entities</b>	<b>334,753</b>	<b>83,321</b>

Unaudited financial information for each of the entities for their respective March 31, 2018 years ended are as follows:

	Assets	Liabilities	Revenues	Net Earnings (Loss)
	\$	\$	\$	\$
1769919 Alberta Ltd.	904,081	1,328,181	2,126,311	75,417
Lubicon Lake Forestry	-	24,968	-	(9,672)
				<b>(9,672)</b>

**6. ACCOUNTS PAYABLE**

	<b>2018</b>	<b>2017</b>
	\$	\$
Trade	672,739	85,085
GST payable	-	4,861
Canada Revenue Agency - source deductions		9,304
	<b>672,739</b>	<b>99,250</b>

# Lubicon Lake Band No. 453

## Notes to the Consolidated Financial Statements

March 31, 2018

### 7. DEFERRED CONTRIBUTIONS

	2018	2017 (Restated)
	\$	\$
Administration and Governance		
KTC - Planning & skills development	261,000	-
Cultural camp	53,273	-
Community prospectus	-	86,028
Alberta Government - IETP	1,388,922	450,612
Alberta Government - Other		
Climate leadership project	14,996	-
Green Jobs	38,800	-
Pre-trades training	165,203	-
Traditional use study	16,798	66,902
First Nation Development Fund	139,399	236,253
Health Canada	-	39,681
Housing		
KTC - Housing - Duplexes	520,509	-
KTC - Little Buffalo lot purchase	1,080,000	-
KTC - Housing co-coordinator	-	35,000
MNP Housing	-	144,871
Public Works		
KTC - New Water share purchase	1,900,000	-
KTC - 3 - Phase power	370,935	375,000
	<b>5,949,835</b>	<b>1,434,347</b>

### 8. PROMISSORY NOTE

The promissory note due to Indigenous and Northern Affairs Canada is \$1,962,491 (2017 - \$1,228,697) and is repayable on the earlier of March 31, 2019 or the date on which the claim is settled. The promissory note is interest free unless the First Nation defaults or the loan reaches maturity.

### 9. EQUITY IN TANGIBLE CAPITAL ASSETS

	2018	2017
	\$	\$
Tangible capital assets (Schedule 2)	11,975,148	9,895,650
Accumulated amortization (Schedule 2)	(1,796,207)	(1,362,907)
	<b>10,178,941</b>	<b>8,532,743</b>

**Lubicon Lake Band No. 453**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2018**

**10. EQUITY IN ENTERPRISE FUND**

	<b>2018</b>	<b>2017</b>
	\$	\$
Balance, beginning of year	<b>83,321</b>	271,574
Surplus (deficit) from subsidiary companies	<b>64,614</b>	(509,588)
Advances to controlled entities	<b>186,818</b>	321,335
Balance, end of year	<b>334,753</b>	83,321

**11. EQUITY IN TRUST FUND**

	<b>Capital</b>	<b>Revenue</b>	<b>Total</b>
	\$	\$	\$
Balance, beginning of year	<b>29,392</b>	<b>116,216</b>	<b>145,608</b>
Earnings	-	<b>7,453</b>	<b>7,453</b>
Balance, end of year	<b>29,392</b>	<b>123,669</b>	<b>153,061</b>

**12. ACCUMULATED SURPLUS**

	<b>2018</b>	<b>2017</b>
	\$	\$
Unrestricted surplus	<b>(2,418,745)</b>	(1,484,034)
Equity in tangible capital assets	<b>10,178,941</b>	8,532,743
Equity in enterprise fund	<b>334,753</b>	83,321
Equity in trust funds	<b>153,061</b>	145,608
	<b>8,248,010</b>	7,277,638

**13. LEASE COMMITMENTS**

(a) The office lease with Williams Scotsman Canada is for five years commencing September 1, 2016 and requires monthly payments \$4,500.

(b) The 5000 gallon water tank lease with Williams Scotsman Canada is for five years commencing September 1, 2016 and requires monthly payments \$3,100.

**14. PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was necessary to correct the amount of revenue deferred in 2017.

The result of this prior period adjustment was to reduce the unrestricted surplus and increase the deferred contributions by \$205,588.