

Lubicon Lake Band No. 453
Consolidated Financial Statements
March 31, 2020

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

Original signed by _____ Councilor

Original signed by _____ Councilor

_____ Councilor

_____ Councilor

Allan J. Grykuliak, CPA, CA*
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INDEPENDENT AUDITORS' REPORT

To the Chief and Council

Opinion

We have audited the consolidated financial statements of **Lubicon Lake Band No. 453** (the Nation), which comprise the consolidated statement of financial position as at March 31, 2019, and the results of its operations, changes in its net financial assets and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Lubicon Lake Band No. 453 as at March 31, 2020, the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

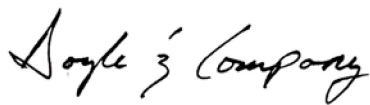
INDEPENDENT AUDITORS' REPORT - continued

- 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Scott Mockford, CPA, CA.



11210 - 107 Avenue NW
Edmonton, Alberta
T5H 0Y1

October 1, 2020

Chartered Professional Accountants

Lubicon Lake Band No. 453
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
	\$	\$
FINANCIAL ASSETS		
Cash	1,196,420	6,460,102
Restricted cash and cash equivalents (Note 2)	11,113,193	83,164,972
Investments (Note 3)	82,841,181	11,372,912
Accounts receivable (Note 4)	6,877,264	4,962,769
Investment in First Nation controlled entities (Note 5)	905,819	743,848
	102,933,877	106,704,603
LIABILITIES		
Accounts payable	1,195,198	935,359
Deferred contributions (Note 6)	19,992,460	8,130,603
Promissory note	-	7,959,658
	21,187,658	17,025,620
NET FINANCIAL ASSETS	81,746,219	89,678,983
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	20,293,882	13,009,185
Prepaid expenses	113,918	268,692
	20,407,800	13,277,877
ACCUMULATED SURPLUS (Schedule 1 and Note 10)	102,154,019	102,956,860

Approved by the First Nation:

Original signed by _____ Chief

Original signed by _____ Councilor

Original signed by _____ Councilor

Original signed by _____ Councilor

_____ Councilor

_____ Councilor

The accompanying notes form part of these financial statements.

Lubicon Lake Band No. 453
Consolidated Statement of Financial Activities
For the year ended March 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
REVENUE			
Indigenous Services Canada	2,170,503	23,095,794	5,603,950
Land Claim Settlement revenue	2,246,824	-	120,959,663
Alberta Government Grant	60,250	32,707	638,601
First Nations Development Fund	395,261	395,261	438,768
Health Canada	1,485,920	1,860,892	1,428,388
Aboriginal Skills and Employment Training Strategy	-	135,344	131,283
Other revenue	935,160	3,381,302	4,792,002
Revenue deferred from previous period	-	8,130,603	5,949,835
Revenue deferred to subsequent period	-	(19,992,460)	(8,130,603)
	7,293,918	17,039,443	131,811,887
EXPENDITURES			
Administration and Governance	1,780,406	3,566,322	1,722,320
Alberta Government Programs	-	446,908	146,736
Consultation	154,420	135,046	167,574
Capacity Build	-	497	-
Covid-19	-	123,304	-
Economic Development	90,000	89,145	80,169
Education	709,145	701,886	251,093
First Nations Development Fund	405,250	446,760	405,263
Gas Bar Feasibility	-	41,021	-
Health	1,262,616	1,804,339	1,129,943
Housing	1,556,000	1,240,795	520,487
Indigenous Skills Employment & Training	-	82,056	96,217
Integrated Employment Training Program	-	592,642	1,101,545
Leadership Program	-	152,779	-
Professional and Institutional Development Program	-	82,411	52,744
Public Works	855,514	825,697	630,142
Sawmill/Tiny Homes Feasibility	-	99,498	-
Social Services	1,215,609	1,221,550	1,093,007
Ventures Training Centre	-	509,301	-
Work Camp Feasibility	-	39,246	-
Land Settlement Trust	-	4,658,116	26,110,300
	8,028,960	16,859,319	33,507,540
Excess of Revenue Over Expenditures			
- Before Other Revenue (Expenditures)	(735,042)	180,124	98,304,347
Other Revenue (Expenditures)			
Amortization	-	(1,196,765)	(683,170)
EXCESS OF REVENUE OVER EXPENDITURES	(735,042)	(1,016,641)	97,621,177

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, 2020

	2020 \$	2019 \$
EXCESS OF REVENUE OVER EXPENDITURES	(802,841)	94,708,850
Acquisition of tangible capital assets	(8,779,251)	(3,669,389)
Proceeds on disposal of tangible capital assets	297,785	155,974
Amortization of tangible capital assets	1,196,769	683,171
	(7,284,697)	(2,830,244)
Acquisition of prepaid assets	(113,918)	(268,692)
Use of prepaid assets	268,692	52,925
	154,774	(215,767)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(7,932,764)	91,662,839
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	89,678,983	(1,983,856)
NET FINANCIAL ASSETS, END OF YEAR	81,746,219	89,678,983

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, 2020

	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from funding agencies and other income	26,986,805	133,246,413
Cash paid to suppliers and employees	(15,936,117)	(36,217,039)
	11,050,688	97,029,374
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in long-term liabilities	(7,959,658)	5,997,167
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investments	(71,468,269)	(9,860,237)
Increase in investment in First Nation controlled entities	(161,971)	(406,095)
Tangible capital assets acquired	(8,779,251)	(3,669,389)
	(80,409,491)	(13,935,721)
INCREASE (DECREASE) IN CASH DURING THE YEAR	(77,318,461)	89,090,820
CASH, BEGINNING OF YEAR	89,628,074	537,254
CASH, END OF YEAR	12,309,613	89,628,074
Cash if comprised of:		
Cash	1,196,420	6,460,102
Restricted cash	11,113,193	83,164,972
	12,309,613	89,625,074

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, 2020

	Unrestricted Surplus \$	Equity in Tangible Capital Assets \$	Equity in Enterprise Fund \$	Equity in Trust Funds \$	2020 \$	2019 \$
Balance, Beginning of Year	(1,277,145)	13,009,185	743,848	90,480,972	102,956,860	8,248,010
Excess of revenue over expenditures	(1,016,641)	-	210,726	3,074	(802,841)	97,708,850
Excess of revenue over expenditures - Trust Funds	(2,442,256)	-	-	2,442,256	-	-
Investment funds transferred to operations	3,746,825	-	-	(3,746,825)	-	(3,000,000)
Current years funds used for tangible capital assets	(8,779,251)	8,779,251	-	-	-	-
Disposal of tangible capital assets	297,785	(297,785)	-	-	-	-
Annual amortization expense	1,196,769	(1,196,769)	-	-	-	-
Long-term liabilities repaid	8,009,706	-	-	(8,009,706)	-	-
Transfer	(632,413)	-	(48,756)	681,169	-	-
Change in accumulated surplus	380,524	7,284,697	161,970	(8,630,032)	(802,841)	94,708,850
Balance, End of Year	(896,621)	20,293,882	905,818	81,850,940	102,154,019	102,956,860

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, 2020

	Automotive	Buildings & Infrastructure	Housing	Furniture & Equipment	2020	2019
	\$	\$	\$	\$	\$	\$
COST:						
Balance, Beginning of Year	921,022	3,519,519	9,437,258	1,589,495	15,467,294	11,975,148
Acquisition of tangible capital assets	141,067	1,847,410	4,606,764	2,184,010	8,779,251	3,669,389
Disposal of tangible capital assets	(93,105)	-	(343,408)	-	(436,513)	(177,243)
Balance, End of Year	968,984	5,366,929	13,700,614	3,773,505	23,810,032	15,467,294
ACCUMULATED AMORTIZATION:						
Balance, Beginning of Year	632,156	404,483	1,240,657	180,811	2,458,107	1,796,207
Annual amortization	107,819	175,039	413,492	500,419	1,196,769	683,171
Accumulated amortization on disposals	(93,105)	-	(45,621)	-	(138,726)	(21,269)
Balance, End of Year	646,870	579,522	1,608,528	681,230	3,516,150	2,458,109
NET BOOK VALUE	322,114	4,787,407	12,092,086	3,092,275	20,293,882	13,009,185

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, 2020

	2020			2019	
	ISC Revenue \$	Other Revenue \$	Total Revenue \$	Total Expenditures \$	Surplus (Deficit) \$
Administration and Governance	972,244	3,660,797	4,633,041	3,566,322	1,066,719
Alberta Government Programs - Consultation	-	80,500	80,500	135,046	(54,546)
Alberta Government Programs - Integrated Employment Training Program	-	323,877	323,877	592,642	(268,765)
Alberta Government Programs - Other	-	539,902	539,902	446,908	92,994
Capital Build	19,607,775	(13,944,532)	5,663,243	497	5,662,746
Covid-19	125,000	(1,696)	123,304	123,304	-
Economic Development	55,434	-	55,434	89,145	(33,711)
Education	159,145	550,000	709,145	701,886	7,259
First Nation Development Fund	-	446,760	446,760	446,760	-
Gas Bar Feasibility	32,800	8,200	41,000	41,021	(21)
Health Services	-	1,807,959	1,807,959	1,804,339	3,620
Housing	245,100	591,653	836,753	1,240,795	(404,042)
Indigenous Employment & Training Services	-	81,614	81,614	82,056	(442)
Leadership Program	-	250,000	250,000	152,779	97,221
Professional and Institutional Development Program	-	82,411	82,411	82,411	-
Public Works	456,221	1,610,025	2,066,246	825,697	1,240,549
Sawmill/Tiny Homes Feasibility	69,475	30,000	99,475	99,498	(23)
Social Services	1,341,720	-	1,341,720	1,221,550	120,170
Ventures Training Centre	-	-	-	509,301	(509,301)
Work Camp Feasibility	30,880	7,720	38,600	39,246	(646)
Land Settlement Trust	-	(2,181,541)	(2,181,541)	4,658,116	(6,839,657)
	23,095,794	(6,056,351)	17,039,443	16,859,319	180,124

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, 2020

	2020	2019
	\$	\$
EXPENDITURES		
Advertising	524	13,678
Bank charges	20,970	13,200
Contractors	1,733,486	307,068
Community special events	303,915	184,125
Equipment	154,104	33,775
Honorarium	95,655	5,550
Insurance	208,987	92,736
Material and supplies	566,856	212,024
Meeting costs	43,986	36,878
Office	59,198	58,616
Professional fees	664,192	1,712,053
Program expense	7,092,176	26,706,953
Rent	6,802	199,483
Repairs and maintenance	185,879	65,139
Training	95,707	635,891
Travel	1,210,521	633,289
Telephone and utilities	699,530	533,169
Wages and employee benefits	3,716,831	2,063,913
TOTAL EXPENDITURES	16,859,319	33,507,540

The accompanying notes form part of these financial statements.

Lubicon Lake Band No. 453

Notes to the Consolidated Financial Statements

March 31, 2020

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, 2020

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, 2020

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. RESTRICTED CASH AND CASH EQUIVALENT

	2020	2019
	\$	\$
Trust Funds		
Band Capital	29,392	29,392
Band Revenue	130,298	127,224
Funds in trust with lawyer	668,104	2,213,247
RBC - Capital Build bank account	10,285,399	-
Royal Trust Corporation - Minor Trust	-	10,795,109
Royal Bank of Canada - GIC	-	70,000,000
	11,113,193	83,164,972

The Minor Trust funds were consolidated with the RBC Investor and Treasury Services investment account. See Note 3 below.

Lubicon Lake Band No. 453
Notes to the Consolidated Financial Statements
March 31, 2020

3. INVESTMENTS

	2020	2019
	\$	\$
RBC Investor and Treasury Services	77,488,956	-
Royal Bank of Canada - GIC - School Enhancement	1,514,625	3,011,500
Royal Bank of Canada - GIC	2,006,500	8,361,412
Water share purchase - at cost	1,831,100	-
	82,841,181	11,372,912

The Royal Bank of Canada - GIC's are earning interest at 1.95 % per annum, maturing on September 2020 and February 2021.

The investment portfolio has an unrealized loss of \$5,770,405 as at March 31, 2020.

The investment portfolio consist mainly of common stocks and equivalents and a small amount of cash.

Trust funds can only be invested in approved bonds or securities,

The trust agreement allows the Nation to access up to 85% of the net income earned in trust investment accounts and use these funds for the Nation's operations.

4. ACCOUNTS RECEIVABLE

	2020	2019
	\$	\$
Kee Tas Kee Now Tribal Council	6,588,707	4,414,962
Aboriginal Skills Employment & Training	-	59,389
Health Canada	-	134,200
First Nation Development Fund		105,597
Alberta Government grant	116,803	340,058
GST receivable	-	15,984
Other	171,754	26,779
	6,877,264	4,962,769

Lubicon Lake Band No. 453
Notes to the Consolidated Financial Statements
March 31, 2020

5. INVESTMENTS IN BAND CONTROLLED ENTITIES

	2020 \$	2019 \$
1769919 Alberta Ltd. (Venture) - 100% interest		
Shares	100	100
Advances	1,060,937	1,109,692
Accumulated surplus (deficit) in earnings	(130,350)	(341,294)
	930,687	768,498
Lubicon Lake Forestry - 100% interest		
Shares	100	100
Accumulated surplus (deficit) in earnings	(24,968)	(24,750)
	(24,868)	(24,650)
Total investment in controlled entities	905,819	743,848

Unaudited financial information for each of the entities for their respective March 31, 2019 years ended are as follows:

	Assets \$	Liabilities \$	Revenues \$	Net Earnings (Loss) \$
Lubicon Lake Band Ventures Ltd.	1,669,110	1,799,360	4,191,075	210,944
1987889 Alberta Ltd. - Forestry	236	25,104	160	(217)

Lubicon Lake Band No. 453
Notes to the Consolidated Financial Statements
March 31, 2020

6. DEFERRED CONTRIBUTIONS

	2020	2019
	\$	\$
Administration and Governance		
Trust funds	3,149,388	2,930,000
KTC - Cultural camp	-	177,135
KTC - Elders program	-	41,716
Alberta Government		
Integrated Employment Training Program	-	323,877
Alberta Government Programs - Other		
Story of our land	-	145,322
Climate leadership project	99,793	249,128
Traditional use study	-	66,798
Capacity Build		
KTC - Housing	5,793,595	-
KTC - Environmental remediation		210,000
KTC - Lot clearing		143,424
KTC - Cultural access road	7,954,404	50,000
KTC - Water and Wastewater study		15,010
KTC - Gas Feasibility study	23,000	100,000
Indigenous Services Canada	750,000	-
Covid - 19		
Indigenous Services Canada	401,696	-
First Nation Development Fund	49,498	95,997
Health Canada		
Jordan's Principle	287,293	225,000
Housing		
KTC - Housing - Duplexes	-	277,380
KTC - Little Buffalo lot purchase	1,080,000	1,080,000
Aboriginal Skills and Employment Training Strategy		
KTC - ISETS	89,487	35,757
Professional and Institutional Development		
Indigenous Services Canada	22,718	64,059
Public Works		
KTC - New Water share purchase	68,900	1,900,000
KTC - Public Works equipment	222,688	-
	19,992,460	8,130,603

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7. EQUITY IN TANGIBLE CAPITAL ASSETS

	2020	2019
	\$	\$
Tangible capital assets (Schedule 2)	23,810,032	15,467,294
Accumulated amortization (Schedule 2)	(3,516,150)	(2,458,109)
	20,293,882	13,009,185

8. EQUITY IN ENTERPRISE FUND

	2020	2019
	\$	\$
Balance, beginning of year	743,848	334,753
Surplus from subsidiary companies	210,726	84,118
Advances to (from) controlled entities	(48,756)	324,977
Balance, end of year	905,818	743,848

9. EQUITY IN TRUST FUND

Federal Funds

	Capital	Revenue	Total
	\$	\$	\$
Balance, beginning of year	29,392	127,224	156,616
Earnings	-	3,074	3,074
Balance, end of year	29,392	130,298	159,690

Land Claim Funds

	2020
	\$
Balance, beginning of year	90,324,356
Transfer to Lubicon	(3,746,825)
Investment income	3,588,864
Investment unrealized losses	(5,770,405)
Expenditures	(279,697)
Distributions	(631,594)
Purchase of 4 plex	(1,277,300)
Opening balance adjustment to equity	(516,149)
Balance, end of year	81,691,250
Total Trust Funds	81,850,940

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10. ACCUMULATED SURPLUS

	2020	2019
	\$	\$
Unrestricted surplus (deficit)	(896,621)	(1,433,761)
Equity in tangible capital assets	20,293,882	13,009,185
Equity in enterprise fund	905,818	743,848
Equity in trust funds	81,850,940	90,637,588
	102,154,019	102,956,860

11. 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 5,000 gallon water tank lease with Williams Scotsman Canada is for five years commencing September 1, 2016 and requires monthly payments \$3,100.

12. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic. The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

The overall effect of these events on the Nation and its operations is too uncertain to be estimated at this time. As a result, we are unable to estimate the potential impact on the Nation's operations as at the date of these financial statements.