

**Sucker Creek First Nation #150A**

**Consolidated Financial Statements**

**March 31, 2020**

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**Sucker Creek First Nation #150A****Consolidated Financial Statements**

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**March 31, 2020**

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## **Sucker Creek First Nation #150A**

### **Management's Responsibility for Financial Reporting**

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**March 31, 2020**

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The accompanying consolidated financial statements of Sucker Creek First Nation #150A 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 Sucker Creek First Nation #150A and meet when required.

On behalf of Sucker Creek First Nation #150A:

<u>Original signed by</u> Chief	<u>October 22, 2020</u> Date
<u>Original signed by</u> Councilor	<u>October 22, 2020</u> Date
<u>Original signed by</u>	<u>October 22, 2020</u> Date

## **Independent Auditors' Report**

**To the Members of  
Sucker Creek First Nation #150A**

### ***Qualified Opinion***

We have audited the consolidated financial statements of Sucker Creek First Nation #150A, which comprise the consolidated statement of financial position as at March 31, 2020, 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 First Nation as at March 31, 2020, 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***

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 First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

The current year's financial information for a specific investment owned by Sucker Creek First Nation #150A was not available for satisfactory audit verification. We were unable to obtain appropriate audit evidence about the carrying value of the long-term investment. As a result, the long-term investments recorded in the financial statements may be understated or overstated.

### ***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 material misstatement, whether due to fraud or error.

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

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

### ***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 First Nation's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 First Nation to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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  
October 22, 2020

*Chow & Mackay LLP*

Chartered Professional Accountants

# Sucker Creek First Nation #150A

## Consolidated Statement of Financial Position

March 31	2020	2019 (Restated Note 18)
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### Financial Assets

Cash (Note 3)	\$ 12,695,418	\$ 7,815,799
Accounts receivable (Note 4)	649,162	971,404
Long-term investments (Note 5)	1,430,010	1,177,156
Ottawa Trust Funds (Note 6)	1,619,435	1,537,635
	<b>16,394,025</b>	11,501,994

### Liabilities

Accounts payable and accrued liabilities	1,435,192	607,263
Deferred revenue (Note 7)	9,069,169	5,004,696
Long-term debt (Note 8)	8,019,367	7,637,042
	<b>18,523,728</b>	13,249,001
<b>Net debt</b>	<b>(2,129,703)</b>	<b>(1,747,007)</b>

### Non-financial Assets

Capital assets (Note 9)	23,165,361	20,880,743
Prepaid expenses (Note 10)	149,593	80,178
	<b>23,314,954</b>	20,960,921
<b>Accumulated Surplus (Note 11)</b>	<b>\$ 21,185,251</b>	<b>\$ 19,213,914</b>

Contingent liabilities (Note 12)

Approved on behalf of the Sucker Creek First Nation #150A

Original signed by \_\_\_\_\_, Chief

Original signed by \_\_\_\_\_, Councilor

## Sucker Creek First Nation #150A

### Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2020 Budget	2020 Actual	2019 Actual (Restated Note 18)
<b>Revenue</b>			
Indigenous Services Canada (ISC)	\$ 18,604,730	\$ 12,286,477	\$ 11,833,397
Government of Alberta	3,030,885	2,305,519	639,135
Lesser Slave Lake Indian Regional Council (LSLIRC)	731,608	825,161	625,569
First Nations Development Fund (FNDF)	684,051	684,051	707,926
Canada Mortgage and Housing Corporation (CMHC)			
subsidy	544,066	554,139	547,266
Rental income	640,000	466,631	455,192
Replacement reserve funded in current year	250,000	-	-
Trust funds revenue	-	81,800	91,378
Other income	3,811,431	3,383,129	2,769,893
	<b>28,296,771</b>	<b>20,586,907</b>	<b>17,669,756</b>
<b>Expenses (Note 20)</b>			
Band Government	5,104,828	2,698,043	1,706,759
Education	4,647,074	4,286,484	4,579,838
Social Services	1,573,900	1,563,714	1,395,011
Community Services	678,776	582,769	550,983
Economic Development	1,883,250	1,674,157	1,569,738
Public Works	6,237,911	1,613,004	1,358,329
Other	760,493	708,892	719,926
Amortization	-	1,242,160	1,031,181
Health	2,738,532	2,580,094	2,022,638
Housing	3,490,410	1,666,254	1,379,567
	<b>27,115,174</b>	<b>18,615,571</b>	<b>16,313,970</b>
<b>Excess of revenue over expenses</b>	<b>1,181,597</b>	<b>1,971,336</b>	<b>1,355,787</b>
<b>Accumulated surplus, beginning of year</b>			
As previously stated	-	19,213,914	18,747,669
Prior period adjustment (Note 18)	-	-	(889,542)
As restated	-	<b>19,213,914</b>	<b>17,858,127</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 1,181,597</b>	<b>\$ 21,185,250</b>	<b>\$ 19,213,914</b>

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**Sucker Creek First Nation #150A****Consolidated Statement of Change in Net Debt**

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<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
		(Restated Note 18)
<b>Excess of revenue over expenses</b>	<b>\$ 1,971,336</b>	<b>\$ 1,355,787</b>
Acquisition of tangible capital assets	(3,536,714)	(1,909,085)
Amortization of tangible capital assets	1,242,160	1,031,181
Proceeds on disposal of capital assets	9,760	21,503
Loss on disposal of capital assets	177	35,487
	<b>(2,284,617)</b>	<b>(820,914)</b>
Acquisition (use) of prepaid asset	(69,415)	70,623
<b>Increase in net financial assets</b>	<b>(382,696)</b>	<b>605,496</b>
<b>Net debt, beginning of year</b>	<b>(1,747,007)</b>	<b>(2,352,503)</b>
<b>Net debt, end of year</b>	<b>\$ (2,129,703)</b>	<b>\$ (1,747,007)</b>

# Sucker Creek First Nation #150A

## Consolidated Statement of Cash Flow

For the year ended March 31, 2020	2020	2019 (Restated Note 18)
<b>Cash flows from Operating activities</b>		
Excess of revenue over expenses	\$ 1,971,336	\$ 1,355,787
Items not affecting cash		
Amortization of capital assets	1,242,160	1,031,181
Loss on disposal of capital assets	177	35,487
Equity pickup of investment in related parties	(209,588)	577,704
	<b>3,004,085</b>	3,000,159
Change in non-cash operating working capital		
Accounts receivable	322,242	(146,641)
Prepaid expenses	(69,415)	70,623
Accounts payable and accrued liabilities	827,929	422,757
Deferred revenue	4,064,473	4,274,795
	<b>8,149,314</b>	7,621,693
<b>Capital activities</b>		
Purchase of capital assets	(3,536,713)	(1,909,085)
Proceeds on disposal of capital assets	9,760	21,503
	<b>(3,526,953)</b>	(1,887,582)
<b>Financing activities</b>		
Repayment of long-term debt	(634,281)	(556,321)
Advances of long term debt	1,016,604	478,217
	<b>382,323</b>	(78,104)
<b>Investing activities</b>		
Ottawa Trust Funds	(81,800)	(91,378)
Investment in related parties	(43,265)	(92,046)
	<b>(125,065)</b>	(183,424)
<b>Increase in cash and cash equivalents</b>	<b>4,879,619</b>	5,472,583
<b>Cash and cash equivalents, beginning of year</b>	<b>7,815,799</b>	2,343,216
<b>Cash and cash equivalents, end of year</b>	<b>\$ 12,695,418</b>	\$ 7,815,799

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# **Sucker Creek First Nation #150A**

## **Notes to Consolidated Financial Statements**

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**March 31, 2020**

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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 Canadian Institute of Chartered Accountants.

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

The Sucker Creek First Nation #150A reporting entity includes the Sucker Creek First Nation #150A government and all related entities that are accountable to the First Nation and are either owned or controlled by the Sucker Creek First Nation #150A.

First Nation business enterprises, that are owned or controlled by the Sucker Creek First Nation and that are not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method, in accordance with the Public Sector Accounting recommendations.

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 First Nation. Thus, the First Nation's investment in these enterprises are recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses. Enterprises accounted for by the modified equity basis includes the following:

1. Sucker Creek Holdings Ltd.
2. Sucker Creek Gas Utility - (December 31, 2019 Fiscal Yearend)
3. Sucker Creek First Nation Co-op
4. SCFN Services Limited Partnership

#### **(b) Revenue recognition**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Income from investments is recorded on the accrual basis.

#### **(c) Cash**

Cash consists of funds held with financial institutions, and cheques issued in excess of funds held on deposit.

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## **Sucker Creek First Nation #150A**

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

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**March 31, 2020**

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#### **(d) Investments**

The investment in Sucker Creek First Nation #150A entities are recorded using the modified equity method of accounting. All other investments are recorded at cost.

#### **(e) Capital assets**

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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Sucker Creek First Nation #150A's incremental cost of borrowing.

Amortization is provided for on a declining balance method over their estimated useful lives as follows:

Buildings	4% Declining balance
Automotive equipment	30% Declining balance
Computer equipment	30% Declining balance
Machinery and equipment	20% Declining balance

Capital assets are written down when conditions indicate that they no longer contribute to Sucker Creek First Nation #150A'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.

#### **(f) Financial instruments**

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements, together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

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## **Sucker Creek First Nation #150A**

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

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**March 31, 2020**

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#### **(g) Use of estimates and COVID-19 measurement uncertainty**

In preparing these financial statements, management made estimates and judgments including consideration for the uncertainties and economic implications of the COVID-19 pandemic on the Nation's operations, financial performance and financial position for the year ended March 31, 2020.

The uncertainty surrounding the COVID-19 pandemic could generate in future reporting periods, a significant risk of material adjustment to the carrying amounts in the financial statements. Estimates not associated with the COVID-19 pandemic are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

At the date of publication of these financial statements, it is not possible to reliably estimate the length and severity of the COVID-19 pandemic developments and its potential impact on the Nation's financial results, conditions and cash flows.

#### **2. Impact of COVID-19**

On March 11, 2020, the World Health Organization declared a global pandemic. The outbreak of the novel strain of the coronavirus, COVID-19, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility. Governments and central banks including Canadian federal, provincial, territorial and municipal governments have responded with significant monetary and fiscal interventions designed to stabilize economic conditions.

At the time of approval of these financial statements, in response to the COVID-19 pandemic the Nation has:

- Management has been proactive and diligent in addressing the implementation of infection prevention and other precautionary measures, guided by public health authorities, to limit the spread of COVID-19 and the impact of the pandemic and the related economic restriction on the entity.
- Implemented remote work arrangements for those able to do so.
- Implemented stringent health and safety procedures.

The rapidly evolving event, including health and safety conditions, economic environment and resulting government measures, creates a high level of uncertainty and risk that may result in significant impacts to the Nation's activities, results of operations and financial condition. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. As such it is not possible to estimate the length and severity of these developments and the possible impact on the financial results and condition on the Nation's and its operations in future periods.

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 3. Cash

	2020	2019
Externally restricted cash		
CMHC	\$ 1,312,629	\$ 884,314
First Nation Development Funds	<u>1,348,212</u>	<u>722,682</u>
	<u><u>2,660,841</u></u>	<u><u>1,606,996</u></u>
Unrestricted cash		
General bank accounts	10,014,586	6,188,999
Term deposits	<u>19,991</u>	<u>19,804</u>
	<u><u>10,034,577</u></u>	<u><u>6,208,803</u></u>
	<u><u><b>\$ 12,695,418</b></u></u>	<u><u><b>\$ 7,815,799</b></u></u>

Included in cash are various term deposits that earn interest at 0.50% to 1.50% annually, and mature between August 2020 and March 2021.

### 4. Accounts receivable

	2020	2019
First Nation Development Funds	\$ -	\$ 173,351
Indigenous Services Canada	61,324	205,121
Lesser Slave Lake Indian Regional Council	33,844	4,323
Government of Alberta	336,000	128,635
Members receivables, rent, water, daycare, and other	1,934,800	1,721,100
GST Receivable	56,802	53,390
Consultation, and other	<u>1,160,263</u>	<u>1,238,063</u>
	<u><u>3,583,033</u></u>	<u><u>3,523,983</u></u>
Allowance for doubtful accounts	<u>(2,933,871)</u>	<u>(2,552,579)</u>
	<u><u><b>\$ 649,162</b></u></u>	<u><u><b>\$ 971,404</b></u></u>

## Sucker Creek First Nation #150A

### Notes to Consolidated Financial Statements

March 31, 2020

#### 5. Long-term investments

The investments in and advances to Sucker Creek First Nation #150A entities include the following:

	Sucker Creek Holdings Ltd. - 100%	Sucker Creek Gas Utility - 100%	Sucker Creek First Nation Co-op - 100%	SCFN Services LP - 100%
<b>March 31, 2020</b>				
Cash	\$ 201,220	\$ 328,759	\$ -	\$ 77,081
Accounts receivable	-	30,321	-	1,687,696
Inventory	-	36,105	-	-
Capital assets	15,303	51,363	-	370,617
Investment	-	10,024	849	10,000
<b>Total assets</b>	<b>\$ 216,523</b>	<b>\$ 456,572</b>	<b>\$ 849</b>	<b>\$ 2,145,394</b>
Accounts payable	\$ 35,879	\$ 11,569	\$ -	\$ 1,106,446
Due to shareholder	332,790	562,782	849	-
Long-term debt	-	-	-	257,857
<b>Total liabilities</b>	<b>368,669</b>	<b>574,351</b>	<b>849</b>	<b>1,364,303</b>
<b>Equity (Deficit)</b>	<b>(152,146)</b>	<b>(117,779)</b>	<b>-</b>	<b>781,091</b>
<b>Total liabilities and equity</b>	<b>\$ 216,523</b>	<b>\$ 456,572</b>	<b>\$ 849</b>	<b>\$ 2,145,394</b>

	Sucker Creek Holdings Ltd. - 100%	Sucker Creek Gas Utility - 100%	Sucker Creek First Nation Co-op - 100%	SCFN Services LP - 100%
Revenue	\$ 488,159	\$ 223,248	\$ -	\$ -
Expenses	334,333	167,486	-	-
<b>Net Income (Loss)</b>	<b>\$ 153,826</b>	<b>\$ 55,762</b>	<b>\$ -</b>	<b>\$ -</b>

The investment in SCFN Services LP has been recorded based on the March 31, 2019 financial information. The financial statements as at March 31, 2020 were not available at the audit report date of these financial statements.

	2020	2019 (Restated Note 18)
Advances to (from) Sucker Creek First Nation #150A Entities	\$ 918,844	\$ 874,731
Accumulated earnings	511,166	302,425
<b>Investment in and advances to Sucker Creek First Nation #150A Entities</b>	<b>\$ 1,430,010</b>	<b>\$ 1,177,156</b>

# **Sucker Creek First Nation #150A**

## **Notes to Consolidated Financial Statements**

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**March 31, 2020**

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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 Sucker Creek First Nation #150A. These funds are accounted for as received and the release of such funds is subject to Ministerial approval.

	March 31, 2019	Additions, 2020	March 31, 2020
Revenue	\$ 199,457	\$ 81,800	\$ 281,257
Capital	1,338,178	-	1,338,178
	<hr/>	<hr/>	<hr/>
	\$ 1,537,635	\$ 81,800	\$ 1,619,435

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. 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, 2019	Funding received	Revenue recognized	March 31, 2020
Indigenous Services Canada (ISC)	\$ 2,820,823	\$ 16,749,387	\$ (12,286,477)	\$ 7,283,733
LSLIRC	113,523	1,619,085	(825,161)	907,447
FNDF	39,645	644,406	(684,051)	-
Province of Alberta	1,969,117	1,110,162	(2,305,519)	773,760
Other	61,588	4,443,056	(4,485,698)	104,230
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 5,004,696	\$ 24,566,096	\$ (20,586,906)	\$ 9,069,170

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## Sucker Creek First Nation #150A

### Notes to Consolidated Financial Statements

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March 31, 2020

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8. Long-term debt

	2020	2019
CMHC mortgage bearing interest at 1.69%, repayable in monthly installments of \$1,073, maturing May 2024. Secured by a ministerial guarantee.	\$ 51,843	\$ 63,739
CMHC mortgage bearing interest at 1.08%, repayable in monthly installments of \$1,043, maturing April 2025. Secured by a ministerial guarantee.	61,949	73,740
CMHC mortgage bearing interest at 1.08%, repayable in monthly installments of \$965, maturing June 2025. Secured by a ministerial guarantee.	59,111	69,994
CMHC mortgage bearing interest at 1.11%, repayable in monthly installments of \$925, maturing January 2026. Secured by a ministerial guarantee.	62,754	73,109
CMHC mortgage bearing interest at 1.97%, repayable in monthly installments of \$1,635, maturing November 2027. Secured by a ministerial guarantee.	139,822	156,552
CMHC mortgage bearing interest at 1.97%, repayable in monthly installments of \$2,395, maturing November 2027. Secured by a ministerial guarantee.	204,777	229,280
CMHC mortgage bearing interest at 2.50%, repayable in monthly installments of \$3,002, maturing April 2028. Secured by a ministerial guarantee.	264,102	293,224
CMHC mortgage bearing interest at 1.86%, repayable in monthly installments of \$1,323, maturing April 2029. Secured by a ministerial guarantee.	132,842	146,146
CMHC mortgage bearing interest at 1.04%, repayable in monthly installments of \$2,884, maturing September 2030. Secured by a ministerial guarantee.	344,415	375,294
CMHC mortgage bearing interest at 1.14%, repayable in monthly installments of \$1,283, maturing May 2031. Secured by a ministerial guarantee.	161,546	175,033
CMHC mortgage bearing interest at 1.01%, repayable in monthly installments of \$1,324, maturing February 2031. Secured by a ministerial guarantee.	164,348	178,516
CMHC mortgage bearing interest at 1.97%, repayable in monthly installments of \$7,862, maturing October 2027. Secured by a ministerial guarantee.	665,385	745,946

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 8. Long-term debt, continued

	2020	2019
CMHC mortgage bearing interest at 2.11%, repayable in monthly installments of \$3,986, maturing October 2028. Secured by a ministerial guarantee.	<b>376,052</b>	415,601
CMHC mortgage bearing interest at 1.30%, repayable in monthly installments of \$1,189, maturing June 2027. Secured by a ministerial guarantee.	<b>98,756</b>	111,661
CMHC mortgage bearing interest at 1.30%, repayable in monthly installments of \$1,198, maturing December 2035. Secured by a ministerial guarantee.	<b>204,967</b>	216,617
CMHC mortgage bearing interest at 1.05%, repayable in monthly installments of \$5,910, maturing August 2036. Secured by a ministerial guarantee.	<b>1,070,136</b>	1,129,543
CMHC mortgage bearing interest at 1.43%, repayable in monthly installments of \$4,464, maturing March 2037. Secured by a ministerial guarantee.	<b>844,320</b>	885,570
CMHC mortgage bearing interest at 1.77%, repayable in monthly installments of \$3,300, maturing November 2039. Secured by a ministerial guarantee.	<b>658,539</b>	686,287
CMHC mortgage bearing interest at 1.69%, repayable in monthly installments of \$3,898, maturing November 2044. Secured by a ministerial guarantee.	<b>939,898</b>	478,217
Advance from Lesser Slave Lake Indian Regional Council non-interest bearing, repayable in annual installments of \$49,260, maturing April 2041.	<b>1,083,714</b>	1,132,973
Ford Credit Canada loan, bearing interest at 3.99%, repayable in monthly installments of \$1,622, maturing April 2024. Secured by a vehicle with a net book value of \$63,209.	<b>73,213</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$955, maturing April 2024. Secured by a vehicle with a net book value of \$39,702.	<b>44,905</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$949, maturing April 2024. Secured by a vehicle with a net book value of \$39,469.	<b>44,631</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$977, maturing April 2024. Secured by a vehicle with a net book value of \$40,596.	<b>46,241</b>	-

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## Sucker Creek First Nation #150A

### Notes to Consolidated Financial Statements

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March 31, 2020

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#### 8. Long-term debt, continued

	2020	2019
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$911, maturing April 2024. Secured by a vehicle with a net book value of \$37,961.	<b>42,855</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$920, maturing April 2024. Secured by a vehicle with a net book value of \$38,307.	<b>43,263</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$946, maturing April 2024. Secured by a vehicle with a net book value of \$39,337.	<b>44,476</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$918, maturing April 2024. Secured by a vehicle with a net book value of \$38,209.	<b>43,148</b>	-
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$1,007, maturing April 2024. Secured by a vehicle with a net book value of \$41,786.	<b>47,359</b>	-
	<b>\$ 8,019,367</b>	<b>\$ 7,637,042</b>

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

2021	\$ 648,841
2022	659,347
2023	670,057
2024	680,976
2025 and thereafter	<b>5,360,146</b>
	<b>\$ 8,019,367</b>

## Sucker Creek First Nation #150A

### Notes to Consolidated Financial Statements

March 31, 2020

#### 9. Capital Assets

	Cost				Accumulated amortization				2020 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	on disposals	Balance, end of year	
Buildings	\$28,862,005	\$2,753,235	\$ -	\$ 31,615,240	\$ 8,749,842	\$ 814,411	\$ -	\$ 9,564,253	\$22,050,987
Automotive equipment	3,294,986	656,050	(88,612)	3,862,424	2,573,090	395,539	(78,676)	2,889,953	972,471
Computer equipment	199,824	127,028	-	326,852	195,655	22,150	-	217,805	109,047
Machinery and equipment	566,787	400	-	567,187	524,272	10,059	-	534,331	32,856
	\$32,923,602	\$3,536,713	\$ (88,612)	\$36,371,703	\$12,042,859	\$ 1,242,159	\$ (78,676)	\$13,206,342	\$23,165,361

	Cost				Accumulated amortization				2019 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	on disposals	Balance, end of year	
Buildings	\$27,295,994	\$1,566,011	\$ -	\$ 28,862,005	\$ 7,975,508	\$ 774,334	\$ -	\$ 8,749,842	\$20,112,163
Automotive equipment	3,103,772	343,074	(151,860)	3,294,986	2,426,607	241,353	(94,870)	2,573,090	721,896
Computer equipment	199,824	-	-	199,824	193,033	2,622	-	195,655	4,169
Machinery and equipment	566,787	-	-	566,787	511,400	12,872	-	524,272	42,515
	\$31,166,377	\$1,909,085	\$ (151,860)	\$32,923,602	\$11,106,548	\$ 1,031,181	\$ (94,870)	\$12,042,859	\$20,880,743

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## **Sucker Creek First Nation #150A**

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

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**March 31, 2020**

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#### **10. Prepaid expenses**

	<b>2020</b>	<b>2019</b>
Prepaid expenses - Social	\$ 51,278	\$ 80,178
Prepaid expenses - Education	77,025	-
Prepaid expenses - CRF	21,290	-
	<b>\$ 149,593</b>	<b>\$ 80,178</b>

Prepays consist of payments from Education, Social and Indigenous Skills and Employment Training Strategy (ISETS).

#### **11. Accumulated surplus**

	<b>2020</b>	<b>2019</b>
		(Restated Note 18)
Unrestricted surplus	\$ 1,906,098	\$ 2,122,449
Capital Asset Fund	16,229,708	14,376,674
Enterprise Funds	1,430,010	1,177,156
Trust Funds	1,619,435	1,537,635
	<b>\$ 21,185,251</b>	<b>\$ 19,213,914</b>

#### **12. Contingent liabilities**

Government contributions related to the projects of the organization are subject to conditions regarding the expenditure of funds. The organization's accounting records are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective funding agencies. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

#### **13. Operating loan**

The ATB line of credit has a maximum of \$500,000 and is payable on demand, bearing interest of prime plus 2.50%. The balance at March 31, 2020 is, \$Nil (2019: \$Nil).

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## **Sucker Creek First Nation #150A**

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

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**March 31, 2020**

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#### **14. CMHC Replacement Reserve**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation 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.

#### **15. Economic Dependence**

Sucker Creek First Nation #150A receives a significant portion of its revenue pursuant to a funding agreement with Indigenous Services Canada.

#### **16. Budget**

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

#### **17. Financial Instruments**

The Nation's financial instruments consist of cash, accounts receivable, long-term investments, Ottawa trust funds, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, the carrying value of its financial instruments approximates fair value.

It is management's opinion that the Nation is not exposed to significant currency risk from its financial instruments. The Nation is subject to credit risk with respect to accounts receivable. Credit risk arises from the possibility that the entities may experience financial difficulty and be unable to fulfil their obligations. The large amount of annual funding received from the Government of Canada minimizes credit risk.

#### **18. Prior period adjustment**

In the prior year, the Nation did not have sufficient financial information from SCFN Services Limited Partnership to enable it to record its investment in that entity. The financial information of that entity was made available in the current year and adjusted accordingly. The effect on the financial statements in the March 31, 2019 year end balances is a decrease of long-term investments of \$889,542 and a decrease in opening accumulated surplus of \$889,542.

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

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

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 20. Expenses by Object

For the year ended March 31	2020 Budget	2020 Actual	2019 Actual
Administration fees	\$ 851,143	\$ 1,430,984	\$ 667,480
Advertising	47,300	27,362	18,205
Amortization	-	1,242,160	1,031,181
Bad debts	-	489,678	211,931
Basic Needs	1,151,500	1,149,105	1,054,161
Brighter Futures	14,000	14,972	7,290
Cultural and language program	72,000	76,980	64,644
Economic Development	232,500	135,400	204,573
Equipment purchase	400,000	-	-
Fire Fighting Expenses	20,000	-	7,019
Flood damage repairs	40,000	40,369	91,229
Funerals	22,000	22,000	21,161
Health Care expenses	83,514	64,504	100,627
In home care	98,500	107,163	140,490
Insurance	388,203	475,850	287,452
Interest and bank charges	197,760	126,707	108,181
Materials and supplies	298,835	209,396	178,113
Meetings	85,941	99,469	53,521
New housing construction	826,500	-	-
O&M costs	4,960,000	242,072	116,196
Office expenses	143,799	79,562	66,061
Prenatal Nutrition	3,000	2,890	7,438
Professional fees	2,299,897	1,664,327	1,075,641
Program expenses	500,000	462,348	148,896
Repairs and maintenance	2,082,698	1,198,683	936,272
Replacement reserve	525,000	-	-
Retrofit project	1,000,000	85,897	-
Salaries, wages and benefits	4,844,715	3,472,405	3,676,528
School lunch program	78,676	58,673	78,502
Special Needs	800	35,309	20,821
Special assistance	2,000	1,679	77,881
Special events	309,642	166,124	193,782
Sports and recreation	50,000	47,151	50,000
Subcontractors	154,000	133,681	174,332
Training and professional development	458,854	415,065	359,131
Travel	917,877	915,229	968,959
Tuition and Student Allowances	3,505,270	3,419,870	3,662,824
Utilities	316,250	391,336	338,762
Vehicle	133,000	111,171	114,686
	<b>\$ 27,115,174</b>	<b>\$ 18,615,571</b>	<b>\$ 16,313,970</b>

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 21. Segmented information

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

	2020 Budget	Band 2020 Actual	Government 2019 Actual	2020 Budget	Education 2020 Actual	2019 Actual	2020 Budget	Health 2020 Actual	2019 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ 1,385,219	\$ 1,214,009	\$ 925,142	\$ 4,355,209	\$ 3,657,841	\$ 4,154,390	\$ 2,738,530	\$ 2,694,615	\$ 2,026,141
LSLIRC	-	210,370	5,710	57,110	35,329	59,472	-	-	31,202
Government of Alberta	1,796,176	1,128,983	545	224,709	136,348	173,931	-	-	-
Transfers	(187,591)	(562,172)	-	10,000	406,537	174,000	-	-	-
Other revenue	2,124,000	1,648,438	1,400,745	40,000	50,429	17,481	-	-	-
<b>Total revenue</b>	<b>5,117,804</b>	<b>3,639,628</b>	<b>2,332,142</b>	<b>4,687,028</b>	<b>4,286,484</b>	<b>4,579,274</b>	<b>2,738,530</b>	<b>2,694,614</b>	<b>2,057,343</b>
<b>Expenses</b>									
Salaries, wages and benefits	1,612,570	793,356	776,803	288,000	266,790	303,621	1,002,364	934,641	902,784
Meetings	9,500	24,623	30,657	2,700	1,619	6,904	48,941	59,707	6,978
Office expenses	60,500	42,915	33,527	6,000	7,006	3,259	6,500	3,375	1,185
Program expenses	-	-	-	-	-	-	83,514	64,504	100,627
Repairs and maintenance	317,000	25,462	36,614	21,000	2,617	11,603	27,198	81,826	46,770
Tuition and Student Allowances	-	-	-	3,505,000	3,404,907	3,647,559	-	-	-
Utilities	49,200	34,902	48,555	10,050	9,280	7,556	55,200	53,575	51,596
Other expenses	3,056,058	1,776,785	780,603	814,324	594,265	599,336	1,514,815	1,382,466	912,698
<b>Total expenses</b>	<b>5,104,828</b>	<b>2,698,043</b>	<b>1,706,759</b>	<b>4,647,074</b>	<b>4,286,484</b>	<b>4,579,838</b>	<b>2,738,532</b>	<b>2,580,094</b>	<b>2,022,638</b>
<b>Annual surplus (deficit)</b>	<b>\$ 12,976</b>	<b>\$ 941,585</b>	<b>\$ 625,383</b>	<b>\$ 39,954</b>	<b>-</b>	<b>\$ (564)</b>	<b>\$ (2)</b>	<b>\$ 114,520</b>	<b>\$ 34,705</b>

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 21. Segmented information (continued)

	2020 Budget	Social Services		2020 Budget	Housing		Community Services		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
<b>Revenues</b>									
ISC - funding	\$ 1,573,916	\$ 1,466,087	\$ 1,611,437	\$ 1,867,342	\$ 1,637,342	\$ 1,575,962	-	\$ 674,498	\$ 579,462
LSLIRC	-	-	-	-	-	-	-	-	529,185
Government of Alberta	-	-	-	-	-	198,812	-	-	-
CMHC subsidy	-	-	-	544,066	554,139	547,266	-	-	-
Transfers	-	-	(164,000)	376,151	376,151	-	(10,000)	(10,000)	(10,000)
Other revenue	-	35,565	17,652	1,202,132	478,949	669,111	15,000	17,665	31,648
<b>Total revenue</b>	<b>1,573,916</b>	<b>1,501,652</b>	<b>1,465,089</b>	<b>3,989,691</b>	<b>3,046,581</b>	<b>2,991,151</b>	<b>679,498</b>	<b>587,127</b>	<b>550,833</b>
<b>Expenses</b>									
Salaries, wages and benefits	155,000	145,925	151,331	524,000	416,208	296,610	265,879	170,154	228,509
Meetings	-	-	-	2,800	2,763	2,286	-	163	-
Office expenses	12,000	5,897	6,618	500	1,108	2,743	8,100	2,927	1,739
Repairs and maintenance	2,500	(925)	6,161	1,427,000	890,188	568,231	8,500	5,853	22,135
Utilities	1,600	765	1,543	8,000	6,828	2,805	6,700	4,514	4,657
Other expenses	1,402,800	1,412,052	1,229,358	1,528,110	349,159	506,892	389,597	399,158	293,943
<b>Total expenses</b>	<b>1,573,900</b>	<b>1,563,714</b>	<b>1,395,011</b>	<b>3,490,410</b>	<b>1,666,254</b>	<b>1,379,567</b>	<b>678,776</b>	<b>582,769</b>	<b>550,983</b>
<b>Annual surplus (deficit)</b>	<b>\$ 16</b>	<b>\$ (62,062)</b>	<b>\$ 70,078</b>	<b>\$ 499,281</b>	<b>\$ 1,380,327</b>	<b>\$ 1,611,584</b>	<b>\$ 722</b>	<b>\$ 4,358</b>	<b>\$ (150)</b>

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 21. Segmented information (continued)

	Economic Development			Public Works			Other	
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2019 Actual
<b>Revenues</b>								
ISC funding	\$ 274,500	\$ 190,501	\$ 249,259	\$ 6,333,572	\$ 1,415,929	\$ 1,291,066	\$ 76,442	\$ 10,151
Government of Alberta	1,010,000	1,040,188	157,461	-	-	108,385	-	-
Trust funds revenue	-	-	-	-	-	-	-	81,800
Transfers	-	-	-	(188,560)	(210,516)	-	-	-
Other revenue	1,185,300	1,207,060	1,380,125	135,000	212,069	301,026	684,051	883,639
<b>Total revenue</b>	<b>2,469,800</b>	<b>2,437,749</b>	<b>1,786,845</b>	<b>6,280,012</b>	<b>1,417,482</b>	<b>1,700,477</b>	<b>760,493</b>	<b>975,590</b>
<b>Expenses</b>								
Salaries, wages and benefits	329,000	185,632	309,713	485,000	437,279	485,658	182,902	122,420
Meetings	10,000	-	198	12,000	10,594	6,498	-	-
Office expenses	40,950	8,108	13,735	9,249	8,226	3,254	-	-
Repairs and maintenance	80,000	23,945	12,821	157,500	127,717	190,401	42,000	42,000
Tuition and Student Allowances	-	-	-	-	-	-	270	14,963
Utilities	20,500	25,527	18,609	165,000	255,946	203,441	-	-
Other expenses	1,402,800	1,430,945	1,214,662	5,409,162	773,242	469,077	535,321	529,509
<b>Total expenses</b>	<b>1,883,250</b>	<b>1,674,157</b>	<b>1,569,738</b>	<b>6,237,911</b>	<b>1,613,004</b>	<b>1,358,329</b>	<b>760,493</b>	<b>708,892</b>
<b>Annual surplus (deficit)</b>	<b>\$ 586,550</b>	<b>\$ 763,592</b>	<b>\$ 217,107</b>	<b>\$ 42,101</b>	<b>\$ (195,522)</b>	<b>\$ 342,148</b>	<b>\$ -</b>	<b>\$ 266,698</b>
								<b>\$ (513,324)</b>

# Sucker Creek First Nation #150A

## Notes to Consolidated Financial Statements

March 31, 2020

### 21. Segmented information (continued)

	2020 Budget	Amortization		2019 Actual	Consolidated totals		2019 Actual
		2020 Actual	2019 Actual		2020 Budget	2020 Actual	
<b>Revenues</b>							
ISC - funding	\$ -	\$ -	\$ -	\$ 18,604,730	\$ 12,286,475	\$ 11,833,397	
LSLIRC	-	-	-	731,608	825,161	625,569	
Government of Alberta	-	-	-	3,030,885	2,305,519	639,134	
CMHC subsidy	-	-	-	544,066	554,139	547,266	
Trust funds revenue	-	-	-	-	81,800	91,378	
Other revenue	-	-	-	5,385,483	4,533,814	3,933,012	
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,296,772</b>	<b>20,586,907</b>	<b>17,669,756</b>	
<b>Expenses</b>							
Salaries, wages and benefits	-	-	-	4,844,715	3,472,405	3,676,529	
Meetings	-	-	-	85,941	99,469	53,521	
Office expenses	-	-	-	143,799	79,562	66,060	
Health Care expenses	-	-	-	83,514	64,504	100,627	
Repairs and maintenance	-	-	-	2,082,698	1,198,683	936,272	
Tuition and Student Allowances	-	-	-	3,505,270	3,419,870	3,662,824	
Utilities	-	-	-	316,250	391,337	338,762	
Other expenses	-	1,242,160	1,031,181	16,052,987	9,889,741	7,479,375	
<b>Total expenses</b>	<b>-</b>	<b>1,242,160</b>	<b>1,031,181</b>	<b>27,115,174</b>	<b>18,615,571</b>	<b>16,313,970</b>	
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (1,242,160)</b>	<b>\$ (1,031,181)</b>	<b>\$ 1,181,598</b>	<b>\$ 1,971,336</b>	<b>\$ 1,355,786</b>	