

Sucker Creek First Nation #150A

Consolidated Financial Statements

March 31, 2021

Sucker Creek First Nation #150A

Consolidated Financial Statements

March 31, 2021

Page

Management's Responsibility for Financial Reporting 3

Independent Auditors' Report 4 - 5

Financial Statements

Consolidated Statement of Financial Position 6

Consolidated Statement of Operations and Accumulated Surplus 7

Consolidated Statement of Change in Net Financial Assets (Debt) 8

Consolidated Statement of Cash Flow 9

Notes to Consolidated Financial Statements 10 - 29

Sucker Creek First Nation #150A

Management's Responsibility for Financial Reporting

March 31, 2021

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:

Original signed by _____
Chief

November 25, 2021 _____
Date

Original signed by _____
Councilor

November 25, 2021 _____
Date

Independent Auditors' Report

To the Members of Sucker Creek First Nation #150A

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, 2021, and the consolidated statements of operations and accumulated surplus, change in net financial assets (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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, its changes in its consolidated net financial assets (debt), and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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
November 25, 2021

Crowe Mackay CFP
Chartered Professional Accountants

Sucker Creek First Nation #150A**Consolidated Statement of Financial Position**

March 31	2021	2020 (Restated Note 3)
-----------------	-------------	-------------------------------------

Financial Assets

Cash (Note 4)	\$ 14,724,802	\$ 12,695,418
Accounts receivable (Note 6)	610,609	649,162
Long-term investments (Note 7)	825,304	1,143,825
Ottawa Trust Funds (Note 8)	1,687,215	1,619,435
Sucker Creek First Nation Agricultural Benefits Settlement Trust (Note 9)	85,250,720	-
	103,098,650	16,107,840

Liabilities

Accounts payable and accrued liabilities	493,576	1,435,192
Agricultural Benefits Settlement Loan (Note 10)	35,023,897	-
Deferred revenue (Note 11)	12,984,673	9,069,169
Long-term debt (Note 12)	8,280,500	8,019,367
	56,782,646	18,523,728

Net financial assets (debt)	46,316,004	(2,415,888)
------------------------------------	-------------------	-------------

Non-financial Assets

Capital assets (Note 13)	28,866,954	23,165,361
Prepaid expenses (Note 14)	141,312	149,593
	29,008,266	23,314,954

Accumulated Surplus (Note 15)	\$ 75,324,270	\$ 20,899,066
--------------------------------------	----------------------	---------------

Contingent liabilities (Note 16)

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

Original signed by _____, Chief

Original signed by _____, Councilor

Original signed by _____, Councilor

Original signed by _____, Councilor

Sucker Creek First Nation #150A

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31

	2021 Budget	2021 Actual	2020 Actual (Restated Note 3)
Revenue			
Indigenous Services Canada (ISC)	\$ 9,961,908	\$ 18,873,846	\$ 12,286,477
Lesser Slave Lake Indian Regional Council (LSLIRC)	405,362	1,163,484	825,161
Government of Alberta	129,545	578,562	2,305,519
First Nations Development Fund (FNDF)	-	390,793	684,051
Canada Mortgage and Housing Corporation (CMHC) subsidy	-	606,915	554,139
Rental income	60,000	376,858	466,631
Ottawa Trust Funds revenue	-	67,781	81,800
Other income	2,237,768	3,110,245	3,183,541
Net Income (Loss) from SCFN Entities	-	(373,479)	(86,597)
Agricultural Benefits Settlement	-	136,431,042	-
	12,794,583	161,226,047	20,300,722
Expenses (Note 23)			
Band Government	2,071,962	3,511,537	2,698,043
Education	909,255	4,183,916	4,286,484
Social Services	1,756,193	1,921,375	1,563,714
Community Services	312,632	605,933	582,769
Economic Development	1,257,011	1,414,139	1,674,157
Public Works	-	3,056,811	1,613,004
Other	70,226	507,247	708,892
Amortization	-	1,267,201	1,242,160
Agricultural Benefits Settlement	-	86,204,219	-
Health	2,463,293	2,605,882	2,580,094
Housing	91,322	1,522,583	1,666,254
	8,931,894	106,800,843	18,615,571
Excess of revenue over expenses	3,862,689	54,425,204	1,685,151
Accumulated surplus, beginning of year	20,899,066	20,899,066	19,213,915
Accumulated surplus, end of year	\$ 24,761,755	\$ 75,324,270	\$ 20,899,066

Sucker Creek First Nation #150A

Consolidated Statement of Change in Net Financial Assets (Debt)

For the year ended March 31

2021
Budget

2021
Actual

2020
Actual
(Restated
Note 3)

Excess of revenue over expenses	\$ 3,862,689	\$ 54,425,204	\$ 1,685,151
Acquisition of tangible capital assets	(378,826)	(7,226,228)	(3,536,712)
Amortization of tangible capital assets	-	1,267,201	1,242,160
Proceeds on disposal of capital assets	-	185,500	9,760
Loss on disposal of capital assets	-	71,934	177
	(378,826)	(5,701,593)	(2,284,615)
Use of prepaid asset	-	8,281	(69,415)
Increase (decrease) in net financial assets	3,483,863	48,731,892	(668,879)
Net assets (debt), beginning of year	(2,415,888)	(2,415,888)	(1,747,009)
Net assets (debt), end of year	\$ 1,067,975	\$ 46,316,004	\$ (2,415,888)

Sucker Creek First Nation #150A**Consolidated Statement of Cash Flow**

For the year ended March 31, 2021**2021**2020
(Restated
Note 3)**Cash flows from****Operating activities**

Excess of revenue over expenses	\$ 54,425,204	\$ 1,685,151
Items not affecting cash		
Amortization of capital assets	1,267,201	1,242,160
Loss on disposal of capital assets	71,934	177
Equity pickup of investment in related parties	373,479	76,597

56,137,818 3,004,085

Change in non-cash operating working capital

Accounts receivable	38,553	322,242
Prepaid expenses	8,281	(69,415)
Accounts payable and accrued liabilities	(941,613)	827,929
Deferred revenue	3,915,504	4,064,473

59,158,543 8,149,314**Capital activities**

Purchase of capital assets	(7,226,229)	(3,536,713)
Proceeds on disposal of capital assets	185,500	9,760

(7,040,729) (3,526,953)**Financing activities**

Repayment of long-term debt	(419,644)	(634,281)
Advances of long term debt	680,777	1,016,604
Agricultural Benefits Settlement loan	35,023,897	-

35,285,030 382,323**Investing activities**

Sucker Creek First Nation Agricultural Benefits Settlement Trust	(85,250,720)	-
Ottawa Trust Funds	(67,781)	(81,800)
Investment in related parties	(54,959)	(43,265)

(85,373,460) (125,065)

Increase in cash and cash equivalents 2,029,384 4,879,619

Cash and cash equivalents, beginning of year 12,695,418 7,815,799

Cash and cash equivalents, end of year \$ 14,724,802 \$ 12,695,418

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

1. Basis of Presentation and Significant Accounting Policies

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

(a) Reporting entity principles of financial reporting

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.

Entities accounted for by full consolidation include:

1. Sucker Creek First Nation Agricultural Benefits Settlement Trust

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 up to the investment cost. Enterprises accounted for by the modified equity basis includes the following:

1. Sucker Creek Holdings Ltd.
2. Sucker Creek Gas Utility - (December 31, 2020 Fiscal Year End)
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.

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

(c) Cash

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

(d) Tangible capital assets

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

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

Tangible 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 tangible 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.

(e) 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.

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

(f) 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 First Nation's operations, financial performance and financial position for the year ended March 31, 2021. 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.

2. Impact of COVID-19 Pandemic

The COVID-19 pandemic has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, social distancing, restrictions on business operations and isolation/quarantine periods have caused material disruptions to communities and businesses, resulting in an economic slowdown.

In response, the First Nation received from Indigenous Services Canada, \$4,162,665 in additional funding to assist with implementation of public health measures, income assistance initiatives, and costs related to reopening.

The First Nation implemented remote work arrangements for those able to do so, and implemented stringent health and safety procedures and other precautionary measures, guided by public health authorities, to mitigate the spread of COVID-19 and the impact of the pandemic on the First Nation's operations and programs.

The effects of the COVID-19 pandemic remains uncertain and as such it is not possible to estimate the length and severity of the pandemic and the impact on the financial results and condition on the First Nation and its operations in future periods.

3. 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, 2020 year end balances is a decrease of long-term investments of \$286,185 and a decrease in opening accumulated surplus of \$286,185.

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

4. Cash

	2021	2020
Externally restricted cash		
CMHC	\$ 1,762,112	\$ 1,312,629
First Nation Development Funds	971,181	1,348,212
	2,733,293	2,660,841
Unrestricted cash		
General bank accounts	11,971,518	10,014,586
Term deposits	19,991	19,991
	11,991,509	10,034,577
	\$ 14,724,802	\$ 12,695,418

Included in cash are various term deposits that earn interest at 0.10% to 0.75% annually, and mature between August 2021 and March 2022.

5. 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, 2021 is \$Nil (2020: \$Nil).

6. Accounts Receivable

	2021	2020
Accounts receivable	\$ 3,752,289	\$ 3,359,230
Indigenous Services Canada	261,149	61,324
Lesser Slave Lake Indian Regional Council	-	33,844
Government of Alberta	-	128,635
	4,013,438	3,583,033
Allowance for doubtful accounts	(3,402,829)	(2,933,871)
	\$ 610,609	\$ 649,162

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

7. Long-Term Investments

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

	(December 31, 2020)			
	Sucker Creek Holdings Ltd. - 100%	Sucker Creek Gas Utility - 100%	Sucker Creek First Nation Co-op - 100%	SCFN Services LP - 100%
Cash	\$ 136,561	\$ 475,851	\$ -	\$ 282,352
Accounts receivable	62,379	45,606	-	311,421
Capital assets	12,242	85,413	-	313,186
Investment	-	10,024	849	160,000
Total assets	\$ 211,182	\$ 616,894	\$ 849	\$ 1,066,959
Accounts payable	\$ 9,754	\$ 11,568	\$ -	\$ 1,200,951
Due to shareholder	332,790	614,718	-	-
Due to related parties	-	-	849	-
Long-term debt	-	-	-	133,348
Total liabilities	342,544	626,286	849	1,334,299
Equity (deficit)	(131,362)	(9,392)	-	(267,340)
Total liabilities and equity	(131,362)	(9,392)	-	(267,340)
Total liabilities and equity	\$ 211,182	\$ 616,894	\$ 849	\$ 1,066,959
	(December 31, 2020)			
	Sucker Creek Holdings Ltd. - 100%	Sucker Creek Gas Utility - 100%	Sucker Creek First Nation Co-op - 100%	SCFN Services LP - 100%
Revenue	\$ 261,478	\$ 281,384	\$ -	\$ 5,831,674
Expenses	240,694	172,997	-	6,593,920
Net Income (Loss)	\$ 20,784	\$ 108,387	\$ -	\$ (762,246)

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

7. Long-Term Investments (continued)

	2021	2020 (Restated Note 3)
Advances to (from) Sucker Creek First Nation #150A Entities	\$ 965,209	\$ 918,844
Accumulated earnings (losses)	(139,905)	224,981
Investment in and advances to Sucker Creek First Nation #150A Entities	\$ 825,304	\$ 1,143,825

8. 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, 2020	Income	Withdrawals	March 31, 2021
Revenue	\$ 281,257	\$ 67,780	\$ -	\$ 349,037
Capital	1,338,178	-	-	1,338,178
	\$ 1,619,435	\$ 67,780	\$ -	\$ 1,687,215

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.

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

9. Settlement Funds - Agricultural Benefits Claim

Sucker Creek First Nation submitted its Agricultural Benefits Specific Claim under Canada's Specific Claims Policy, citing that Canada had failed to provide the Agricultural Benefits described in Treaty 8.

Sucker Creek First Nation and Canada have negotiated terms of settlement of the claim and reached a settlement agreement in March 2021. Under the agreement, the Nation was awarded \$136,431,042 from Canada, which was received subsequent to year end.

Pursuant to the claim with Canada, a portion of the balance was disbursed as Per Capita Distribution (PCD) payments to adult members of Sucker Creek First Nation. This PCD, and payment of negotiation and ratifications costs was completed in December 2020, and was financed by a bridge loan obtained from RBC in the amount of \$71,151,718. In May 2021 the bridge loan and interest was partially repaid from the proceeds of the Agricultural Benefits Specific Claim received from Canada. The net balance of the loan is \$35,023,897. The remaining amount of the claim was placed in trust.

Sucker Creek First Nation created the Sucker Creek First Nation Agricultural Benefits Settlement Trust to administer, manage, and hold in trust the remaining amount for beneficiaries of the Trust, which include minor Sucker Creek First Nation members and the Sucker Creek First Nation. \$99,980,720 was contributed to the Trust, which included \$14,730,000 of PCD's due to minor Sucker Creek First Nation members. The Nation's equity as a beneficiary of the trust is equal to the contribution of \$99,980,720 less the amount due to minor members, or \$85,250,720.

Subsequent to year end, \$1,000,000 of the funds were allocated to the Education Program to fund education expenses.

At year end, the balance due from Canada and the amounts distributed and due to recipients of the claim have been presented on a net basis on the statement of financial position.

Sucker Creek First Nation Agricultural Benefits Settlement Trust

The Trustees of the Sucker Creek First Nation Agricultural Benefits Settlement Trust are required to hold the Trust Property in trust and use the Trust Property for the specific purposes as outlined in the Sucker Creek First Nation Agricultural Benefits Settlement Trust Agreement.

Per capita distributions due to beneficiaries under the age of 18, are held in trust and invested in agreed upon investment funds as outlined in the Trust Agreement. Trustees are required to monitor and evaluate the performance of the investments to ensure they are in compliance with the Trust Agreement.

Upon a beneficiary reaching the age of 18 years old, the beneficiary is entitled to their proportionate per capita distribution, adjusted for inflation.

Annual net income of the Trust, is deemed to be due and payable to Sucker Creek First Nation to be used for specific purposes as outlined in the Trust Agreement.

10. Agricultural Benefits Settlement Loan

RBC loan bearing interest at prime, with interest only payments, with no set principal repayment, secured by a general security agreement.

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

11. 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, 2020	Funding received	Revenue recognized	March 31, 2021
Indigenous Services Canada (ISC)	\$ 7,283,733	\$ 22,356,168	\$ (18,873,846)	\$ 10,766,055
LSLIRC	907,447	622,421	(1,163,484)	366,384
Government of Alberta	773,760	366,279	(578,562)	561,477
Other	104,230	4,296,772	(3,110,245)	1,290,757
	\$ 9,069,170	\$ 27,641,640	\$ (23,726,137)	\$ 12,984,673

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

12. Long-Term Debt

	2021	2020
CMHC mortgage bearing interest at 1.69%, repayable in monthly installments of \$1,073, maturing May 2024. Secured by a ministerial guarantee.	\$ 39,729	\$ 51,843
CMHC mortgage bearing interest at 0.67%, repayable in monthly installments of \$1,033, maturing April 2025. Secured by a ministerial guarantee.	49,933	61,949
CMHC mortgage bearing interest at 0.67%, repayable in monthly installments of \$955, maturing June 2025. Secured by a ministerial guarantee.	48,016	59,111
CMHC mortgage bearing interest at 0.27%, repayable in monthly installments of \$907, maturing January 2026. Secured by a ministerial guarantee.	52,280	62,754
CMHC mortgage bearing interest at 1.97%, repayable in monthly installments of \$1,636, maturing November 2027. Secured by a ministerial guarantee.	122,748	139,822
CMHC mortgage bearing interest at 1.97%, repayable in monthly installments of \$2,395, maturing November 2027. Secured by a ministerial guarantee.	179,772	204,777
CMHC mortgage bearing interest at 2.50%, repayable in monthly installments of \$3,002, maturing April 2028. Secured by a ministerial guarantee.	234,221	264,102
CMHC mortgage bearing interest at 1.86%, repayable in monthly installments of \$1,323, maturing April 2029. Secured by a ministerial guarantee.	119,283	132,842
CMHC mortgage bearing interest at 0.68%, repayable in monthly installments of \$2,833, maturing September 2030. Secured by a ministerial guarantee.	312,881	344,415
CMHC mortgage bearing interest at 1.14%, repayable in monthly installments of \$1,283, maturing May 2031. Secured by a ministerial guarantee.	147,897	161,546
CMHC mortgage bearing interest at 0.74%, repayable in monthly installments of \$1,307, maturing February 2031. Secured by a ministerial guarantee.	149,983	164,348
CMHC mortgage bearing interest at 1.97%, repayable in monthly installments of \$7,862, maturing October 2027. Secured by a ministerial guarantee.	583,176	665,385

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

12. Long-Term Debt (continued)

	2021	2020
CMHC mortgage bearing interest at 0.68%, repayable in monthly installments of \$3,768, maturing October 2028. Secured by a ministerial guarantee.	334,289	376,052
CMHC mortgage bearing interest at 1.30%, repayable in monthly installments of \$1,189, maturing June 2027. Secured by a ministerial guarantee.	85,678	98,756
CMHC mortgage bearing interest at 0.45%, repayable in monthly installments of \$1,126, maturing December 2035. Secured by a ministerial guarantee.	192,827	204,967
CMHC mortgage bearing interest at 1.05%, repayable in monthly installments of \$5,910, maturing August 2036. Secured by a ministerial guarantee.	1,010,057	1,070,136
CMHC mortgage bearing interest at 1.43%, repayable in monthly installments of \$4,464, maturing March 2037. Secured by a ministerial guarantee.	802,428	844,320
CMHC mortgage bearing interest at 0.46%, repayable in monthly installments of \$2,927, maturing November 2039. Secured by a ministerial guarantee.	628,323	658,539
CMHC mortgage bearing interest at 1.69%, repayable in monthly installments of \$3,898, maturing September 2044. Secured by a ministerial guarantee.	908,608	939,898
CMHC mortgage advance.	324,770	-
Advance from Lesser Slave Lake Indian Regional Council non-interest bearing, repayable in annual installments of \$49,260, maturing April 2041. No payment was made during the 2021 fiscal year.	1,083,714	1,083,714
Ford Credit Canada loan, bearing interest at 3.99%, repayable in monthly installments of \$1,622, maturing April 2024, repaid during the year.	-	73,213
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$955, maturing April 2024, repaid during the year.	-	44,905
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$949, maturing April 2024, repaid during the year.	-	44,631

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

12. Long-Term Debt (continued)

	2021	2020
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 \$28,417.	35,048	46,241
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$911, maturing April 2024, repaid during the year.	-	42,855
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$920, maturing April 2024, repaid during the year.	-	43,263
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$946, maturing April 2024, repaid during the year.	-	44,476
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$918, maturing April 2024, repaid during the year.	-	43,148
Ford Credit Canada loan, bearing interest at 1.99%, repayable in monthly installments of \$1,007, maturing April 2024, repaid during the year.	-	47,359
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,610, maturing February 2026. Secured by a vehicle with a net book value of \$64,609.	83,137	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,696, maturing January 2026. Secured by a vehicle with a net book value of \$64,449.	86,156	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,623, maturing February 2026. Secured by a vehicle with a net book value of \$66,612.	83,837	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,604, maturing February 2026. Secured by a vehicle with a net book value of \$64,609.	82,841	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,583, maturing January 2026. Secured by a vehicle with a net book value of \$62,101.	80,438	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,545, maturing January 2026. Secured by a vehicle with a net book value of \$60,149.	78,502	-

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

12. Long-Term Debt (continued)

	2021	2020
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,002, maturing February 2026. Secured by a vehicle with a net book value of \$49,793.	52,756	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,489, maturing January 2026. Secured by a vehicle with a net book value of \$59,276.	75,666	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,001, maturing February 2026. Secured by a vehicle with a net book value of \$49,761.	51,720	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,906, maturing February 2026. Secured by a vehicle with a net book value of \$79,082.	98,471	-
Ford Credit Canada loan, bearing interest at 5.52%, repayable in monthly installments of \$1,172, maturing March 2026. Secured by a vehicle with a net book value of \$58,233.	61,315	-
	\$ 8,280,500	\$ 8,019,367

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

2022	\$ 768,433
2023	736,310
2024	754,077
2025	750,876
2026 and thereafter	5,270,804
	\$ 8,280,500

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

13. Tangible Capital Assets

	Cost				Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2021 net book value
Buildings and infrastructure	\$ 31,615,240	\$ 6,183,361	\$ -	\$ 37,798,601	\$ 9,564,253	\$ 866,875	\$ -	\$ 10,431,128	\$ 27,367,473
Automotive equipment	3,862,424	936,306	(482,827)	4,315,903	2,889,953	345,846	(225,392)	3,010,407	1,305,496
Computer equipment	326,852	90,819	-	417,671	217,805	46,327	-	264,132	153,539
Machinery and equipment	567,187	15,743	-	582,930	534,331	8,153	-	542,484	40,446
	\$ 36,371,703	\$ 7,226,229	\$ (482,827)	\$ 43,115,105	\$ 13,206,342	\$ 1,267,201	\$ (225,392)	\$ 14,248,151	\$ 28,866,954

	Cost				Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2020 Net book value
Buildings and infrastructure	\$ 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

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

14. Prepaid Expenses

	2021	2020
Prepaid expenses - Social	\$ 54,491	\$ 51,278
Prepaid expenses - Education	59,495	77,025
Prepaid expenses - CRF	27,326	21,290
	\$ 141,312	\$ 149,593

Prepaid expenses consist of payments from Education, Social and Indigenous Skills and Employment Training Strategy (ISETS) programs for expenses to be recognized in the next fiscal year.

15. Accumulated Surplus

	2021	2020 (Restated Note 3)
Unrestricted surplus	\$ 914,760	\$ 1,906,098
Capital Asset Fund	21,670,168	16,229,708
Enterprise Funds	825,304	1,143,825
Trust Funds	1,687,215	1,619,435
Agricultural Benefits Settlement Trust	50,226,823	-
	\$ 75,324,270	\$ 20,899,066

16. Contingent Liabilities

a) Government contributions

Government contributions related to programs of the First Nation are subject to conditions regarding the expenditure of funds. The First Nation's accounting records are subject to audit by the funding agencies. Should any instances be identified in which the amounts charged to the 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 ministerial audits will be recorded in the period in which they become known.

b) Legal proceedings

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

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

17. 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. At the year end date, the reserve was underfunded by \$90,366 (2020 - \$620,655).

18. Employment Retirement Plan

Sucker Creek First Nation has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Employees may contribute between 1.95% and 6.9% of their gross pay, with the Nation making a matching contribution to the plan. Any voluntary amounts paid by the employee are not matched.

19. Economic Dependence

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

20. Budget

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

21. Financial Instruments

The Nation's financial instruments consist of cash, accounts receivable, long-term investments, 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.

COVID-19 (see note 2) has resulted in an increase in risk of these financial instruments. The Nation cannot predict changes in these risks or the impact on operating results. Such changes related to the COVID-19 pandemic, could have a material effect on the Nation's operations and financial condition.

22. 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, 2021

23. Expenses by Object

For the year ended March 31	2021 Budget	2021 Actual	2020 Actual
Administration fees	\$ 1,176,625	\$ 2,310,854	\$ 1,430,984
Advertising	12,500	14,705	27,362
Agricultural Benefits Settlement disbursements	-	86,204,219	-
Amortization	-	1,267,201	1,242,160
Bad debts	-	547,161	489,678
Basic Needs	873,523	929,066	1,186,092
Brighter Futures	-	-	14,972
Capital purchases	378,876	-	-
Contracted services	431,246	1,020,341	1,013,796
Cultural events	77,504	69,972	78,166
Economic Development	300,411	490,813	135,400
Equipment rental and leases	2,886	11,716	-
Flood damage repairs	-	443,289	40,369
Funerals	20,000	44,566	22,000
Health Care expenses	19,217	38,742	64,504
In home care	172,000	160,006	107,163
Insurance	378,000	622,129	475,827
Interest and bank charges	57,310	123,510	126,707
Materials and supplies	237,289	525,556	209,565
Meetings	138,540	22,316	88,875
Office expenses	129,942	173,529	79,416
Prenatal Nutrition	-	-	2,890
Professional fees	651,492	548,045	784,212
Program expenses	19,350	1,265,248	415,634
Repairs and maintenance	91,926	1,609,976	1,451,348
Retrofit project	-	8,841	85,897
Salaries, wages and benefits	2,035,749	3,401,784	3,472,405
School lunch program	48,400	79,799	58,673
Special events	118,592	43,990	158,132
Sports and recreation	-	23,137	47,151
Training and professional development	423,834	494,249	468,587
Travel	151,308	661,589	902,444
Tuition and student allowances	819,700	3,105,637	3,419,870
Utilities	113,954	404,317	391,336
Vehicle	51,720	134,540	123,956
	\$ 8,931,894	\$106,800,843	\$ 18,615,571

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

24. 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:
as follows:

	2021 Budget	Band Government 2021 Actual	2020 Actual	2021 Budget	Education 2021 Actual	2020 Actual	2021 Budget	Health 2021 Actual	2020 Actual
Revenues									
Indigenous Services Canada	\$ 1,173,032	\$ 1,567,695	\$ 1,214,009	\$ 1,541,870	\$ 4,093,191	\$ 3,657,841	\$ 4,128,716	\$ 3,117,762	\$ 2,694,614
LSLIRC	42,730	569,503	210,370	50,000	(7,937)	35,329	-	-	-
Government of Alberta	545	229,867	1,128,983	19,000	34,000	136,348	-	-	-
Transfers	-	(85,640)	(562,172)	-	54,352	406,537	-	(39,528)	-
Other revenue	1,043,419	1,573,630	1,648,438	8,000	10,310	50,429	106,349	15,291	-
Total revenue	2,259,726	3,855,055	3,639,628	1,618,870	4,183,916	4,286,484	4,235,065	3,093,525	2,694,614
Expenses									
Salaries, wages and benefits	761,905	1,103,071	793,356	6,155	192,933	266,790	1,012,124	1,011,067	934,641
Meetings	14,000	4,335	24,623	-	573	1,619	24,540	17,407	59,707
Office expenses	54,958	103,149	42,915	-	7,049	7,006	4,100	6,215	3,206
Program expenses	-	-	-	-	-	-	19,217	38,742	64,504
Repairs and maintenance	27,500	9,240	25,462	-	502	2,617	31,426	42,789	81,826
Tuition and student allowances	-	-	-	819,700	3,076,087	3,404,907	-	-	-
Utilities	48,000	122,236	34,902	5,000	6,567	9,280	48,020	46,367	53,575
Other expenses	1,165,599	2,169,506	1,776,785	78,400	900,205	594,265	1,323,866	1,443,295	1,382,635
Total expenses	2,071,962	3,511,537	2,698,043	909,255	4,183,916	4,286,484	2,463,293	2,605,882	2,580,094
Annual surplus (deficit)	\$ 187,764	\$ 343,518	\$ 941,585	\$ 709,615	\$ -	\$ -	\$ 1,771,772	\$ 487,643	\$ 114,520

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

24. Segmented information (continued)

	2021 Budget	Social Services 2021 Actual	2020 Actual	2021 Budget	Housing 2021 Actual	2020 Actual	2021 Budget	Community Services 2021 Actual	2020 Actual
Revenues									
ISC - funding	\$ 2,280,121	\$ 1,919,405	\$ 1,466,087	\$ 182,318	\$ 843,353	\$ 1,637,342	\$ -	\$ -	\$ -
LSLIRC	-	-	-	-	-	-	312,632	601,919	579,462
CMHC subsidy	-	-	-	-	606,915	554,139	-	-	-
Transfers	-	-	-	-	-	376,151	-	(14,824)	(10,000)
Other revenue	-	1,970	35,565	-	446,442	478,949	-	18,838	17,665
Total revenue	2,280,121	1,921,375	1,501,652	182,318	1,896,710	3,046,581	312,632	605,933	587,127
Expenses									
Salaries, wages and benefits	131,254	146,067	145,925	-	267,869	416,208	-	173,924	170,154
Meetings	100,000	-	-	-	-	2,763	-	-	163
Office expenses	12,184	9,645	5,897	52,500	4,940	1,108	-	9,529	2,927
Repairs and maintenance	1,310	1,290	(925)	24,690	613,489	890,188	-	5,116	5,853
Utilities	1,934	1,150	765	-	30,684	6,828	-	3,972	4,514
Other expenses	1,509,511	1,763,223	1,412,052	14,132	605,601	349,159	312,632	413,392	399,158
Total expenses	1,756,193	1,921,375	1,563,714	91,322	1,522,583	1,666,254	312,632	605,933	582,769
Annual surplus (deficit)	\$ 523,928	\$ -	\$ (62,062)	\$ 90,996	\$ 374,127	\$ 1,380,327	\$ -	\$ -	\$ 4,358

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

24. Segmented information (continued)

	Economic Development				Public Works			Other	
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual
Revenues									
ISC funding	\$ 206,737	\$ 122,778	\$ 190,501	-	\$ 7,115,406	\$ 1,415,929	\$ 546,361	\$ 94,257	\$ 10,151
Government of Alberta	110,000	117,205	1,040,188	-	197,490	-	-	-	-
Trust funds revenue	-	-	-	-	-	-	-	67,781	81,800
Transfers	-	-	-	-	85,640	(210,516)	-	-	-
Other revenue	1,140,000	1,128,627	1,207,060	-	291,993	212,069	-	17,314	597,454
Total revenue	1,456,737	1,368,610	2,437,749	-	7,690,529	1,417,482	546,361	179,352	689,405
Expenses									
Salaries, wages and benefits	124,311	112,281	185,632	-	394,573	437,279	-	-	122,420
Office expenses	6,200	8,179	8,108	-	24,824	8,249	-	-	-
Repairs and maintenance	7,000	15,316	23,945	-	919,705	380,383	-	2,529	42,000
Tuition and student allowances	-	-	-	-	-	-	-	29,550	14,963
Utilities	11,000	6,743	25,527	-	186,598	255,946	-	-	-
Other expenses	1,108,500	1,271,620	1,430,945	-	1,531,111	531,147	70,226	475,168	529,509
Total expenses	1,257,011	1,414,139	1,674,157	-	3,056,811	1,613,004	70,226	507,247	708,892
Annual surplus (deficit)	\$ 199,726	\$ (45,529)	\$ 763,592	-	\$ 4,633,718	\$ (195,522)	\$ 476,135	\$ (327,895)	\$ (19,487)

Sucker Creek First Nation #150A

Notes to Consolidated Financial Statements

March 31, 2021

24. Segmented information (continued)

	2021 Budget	Amortization 2021 Actual	2020 Actual	Agricultural Benefits Settlement 2021 Budget	2021 Actual	2020 Actual	2021 Budget	Consolidated totals 2021 Actual	2020 Actual (Restated)
Revenues									
ISC - funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,059,155	\$ 18,873,847	\$ 12,286,474
LSLIRC	-	-	-	-	-	-	405,362	1,163,485	825,161
Government of Alberta	-	-	-	-	-	-	129,545	578,562	2,305,519
CMHC subsidy	-	-	-	-	-	-	-	606,915	554,139
Trust funds revenue	-	-	-	-	-	-	-	67,781	81,800
Other revenue	-	-	-	-	136,431,042	-	2,297,768	139,935,457	4,247,629
Total revenue	-	-	-	-	136,431,042	-	12,891,830	161,226,047	20,300,722
Expenses									
Salaries, wages and benefits	-	-	-	-	-	-	2,035,749	3,401,785	3,472,405
Meetings	-	-	-	-	-	-	138,540	22,315	88,875
Office expenses	-	-	-	-	-	-	129,942	173,530	79,416
Health Care expenses	-	-	-	-	-	-	19,217	38,742	64,504
Repairs and maintenance	-	-	-	-	-	-	91,926	1,609,976	1,451,349
Tuition and student allowances	-	-	-	-	-	-	819,700	3,105,637	3,419,870
Utilities	-	-	-	-	-	-	113,954	404,317	391,337
Other expenses	-	1,267,201	1,242,160	-	86,204,219	-	5,582,866	98,044,541	9,647,815
Total expenses	-	1,267,201	1,242,160	-	86,204,219	-	8,931,894	106,800,843	18,615,571
Annual surplus (deficit)	\$ -	\$ (1,267,201)	\$ (1,242,160)	-	\$ 50,226,823	\$ -	\$ 3,959,936	\$ 54,425,204	\$ 1,685,151