

Chipewyan Prairie First Nation

Consolidated Financial Statements

March 31, 2020

Chipewyan Prairie First Nation**Consolidated Financial Statements**

March 31, 2020

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	8
Consolidated Statement of Cash Flow	9
Notes to Consolidated Financial Statements	10 - 36

Chipewyan Prairie First Nation

Management's Responsibility for Financial Reporting

March 31, 2020

The accompanying consolidated financial statements of Chipewyan Prairie First Nation 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 Chipewyan Prairie First Nation and meet when required.

On behalf of Chipewyan Prairie First Nation:

Original signed by
Chief

February 12, 2021

Date

Original signed by
Administrative Director

February 22, 2021

Date

Independent Auditors' Report

To the Members of Chipewyan Prairie First Nation

Qualified Opinion

We have audited the consolidated financial statements of Chipewyan Prairie First Nation, 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 financial assets 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 possible 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 financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As discussed in Note 1 to the consolidated financial statements, the investment in the Chipewyan Prairie Business Trust is accounted for by the modified equity method. Indications of impairment are present with respect to certain investments held by the Chipewyan Prairie Business Trust, however, no impairment has been recorded as the current value of the investments is not available. Therefore, we were unable to determine whether any adjustments might be necessary to the impairment of investments, excess of revenue over expenses, and cash flows from operations for the year ended March 31, 2020 and investments in the First Nation controlled entities and accumulated surplus as at March 31, 2020. Our audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation of scope.

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.

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.

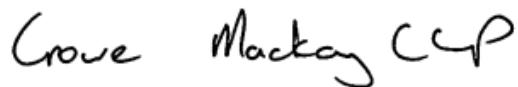
Independent Auditors' Report (continued)

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
February 12, 2021

Chartered Professional Accountants

Chipewyan Prairie First Nation

Consolidated Statement of Financial Position

March 31	2020	2019
Financial Assets		
<hr/>		
Cash (Note 3)	\$ 935,409	\$ 284,431
Cash held in Trust (Note 4)	100,000	100,000
Accounts receivable (Note 5)	1,697,488	2,087,189
Chipewyan Prairie First Nation Business Trust (Note 6)	5,934,798	5,527,077
Chipewyan Prairie Business Trust (Note 7)	12,595,428	10,514,258
NOHA Trust (Note 8)	77,009	-
Investments in First Nation Controlled Entities (Note 9)	9,197,641	11,284,602
Investments (Note 10)	121	121
Chipewyan Prairie First Nation Land Claim Settlement Trust (Note 11)	6,496,467	6,451,620
Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust (Note 12)	21,786,993	21,000,010
Chipewyan Prairie First Nation Community Trust (Note 13)	1,194	10
Federal Trust Funds (Note 14)	385,460	352,742
	59,208,008	57,602,060
<hr/>		
Liabilities		
<hr/>		
Accounts payable (Note 15)	1,386,719	606,254
Deferred revenue (Note 16)	665,008	585,392
Due to related parties (Note 17)	4,519,369	5,073,240
Long-term debt (Note 18)	3,383,650	3,629,738
	9,954,746	9,894,624
Net financial assets	49,253,262	47,707,436
<hr/>		
Non-financial Assets		
<hr/>		
Tangible capital assets (Note 19)	21,408,419	21,165,122
Prepaid expenses	-	636,353
	21,408,419	21,801,475
Accumulated Surplus (Note 20)	\$ 70,661,681	\$ 69,508,911
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Contingent liabilities (Note 21)

Approved on behalf of the Chipewyan Prairie First Nation

Original signed by _____, Chief

Original signed by _____, Councilor

Chipewyan Prairie First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2020 Budget	2020 Actual	2019 Actual
Revenue			
Indigenous Services Canada (ISC)	\$ 4,283,600	\$ 4,440,505	\$ 44,788,542
Capital Band Funds	-	10,259	5,282
Revenue Band Funds	-	22,459	23,244
Canada Mortgage and Housing Corporation subsidies	267,800	267,814	247,192
Athabasca Tribal Council	135,000	131,678	126,256
First Nation Development Funds	-	207,026	515,333
First Nation Controlled Entities income (loss)	-	(2,087,061)	(1,887,926)
Land Claims Settlement Trust	144,000	144,885	144,101
Business Trust Income - PHT	1,032,000	5,564,183	1,970,117
Business Trust Income - CIBC	-	183,311	154,714
Rental Income	-	10,000	100,850
NOHA Trust Income	-	77,009	-
Investment income	929,100	929,209	-
Social priorities - Industry Relations	1,780,000	2,271,008	2,547,079
Other government funding	-	97,503	44,499
Other revenue	2,439,950	2,363,054	1,842,436
	11,011,450	14,632,842	50,621,719
Expenses (Note 25)			
Amortization	-	1,105,132	1,139,957
Band government	2,286,500	3,638,683	3,081,602
Capital projects and housing	2,700,000	2,020,958	2,193,910
Economic development	2,000,000	2,097,952	21,004,211
Education	500,500	500,902	367,542
Employment programs	130,000	135,121	160,840
Health	2,000,000	2,152,638	1,374,846
Other	275,000	149,872	326,620
Public works	1,429,500	1,398,418	2,391,540
Social services	155,000	280,396	16,650
	11,476,500	13,480,072	32,057,718
Excess of revenue over expenses	(465,050)	1,152,770	18,564,001
Accumulated surplus, beginning of year	-	69,508,911	50,944,910
Accumulated surplus, end of year	\$ (465,050)	\$ 70,661,681	\$ 69,508,911

Chipewyan Prairie First Nation

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2020 Budget	2020 Actual	2019
Excess of revenue over expenses	\$ (465,050)	\$ 1,152,770	\$ 18,564,001
Acquisition of tangible capital assets	-	(1,348,429)	(729,822)
Amortization of tangible capital assets	-	1,105,132	1,139,957
Loss on disposal of assets	-	-	389,786
	-	(243,297)	799,921
Acquisition of prepaid asset	-	-	(636,353)
Use of prepaid asset	-	636,353	-
	-	636,353	(636,353)
(Decrease) increase in net financial assets	(465,050)	1,545,826	18,727,569
Net financial assets, beginning of year	47,707,436	47,707,436	28,979,867
Net financial assets, end of year	\$ 47,242,386	\$ 49,253,262	\$ 47,707,436

Chipewyan Prairie First Nation

Consolidated Statement of Cash Flow

For the year ended March 31, 2020	2020	2019
Cash flows from Operating activities		
Excess of revenue over expenses	\$ 1,152,770	\$ 18,564,001
Items not affecting cash		
Amortization of capital assets	1,105,132	1,139,957
Loss on disposal of capital asset	-	389,786
	2,257,902	20,093,744
Change in non-cash operating working capital		
Accounts receivable	389,701	(1,111,080)
Prepaid expenses	636,353	(636,353)
Chipewyan Prairie First Nation Land Claim Settlement Trust	(44,847)	(56,074)
Accounts payable	780,464	(153,471)
Deferred revenue	79,616	72,710
	4,099,189	18,209,476
Capital activities		
Purchase capital assets	(1,348,429)	(729,822)
Financing activities		
Due from related parties	(553,871)	1,769,592
Long-term debt	(246,087)	129,766
	(799,958)	1,899,358
Investing activities		
Increase in Federal Trust Funds	(32,718)	(28,526)
Investments in First Nation Controlled Entities	2,086,961	986,255
Chipewyan Prairie First Nation Business Trust	(407,721)	(143,119)
Chipewyan Prairie Business Trust	(2,081,170)	(90,227)
Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust	(786,983)	(21,000,010)
Chipewyan Prairie First Nation Community Trust	(1,184)	(10)
NOHA Trust	(77,009)	-
	(1,299,824)	(20,275,637)
Increase (decrease) in cash and cash equivalents	650,978	(896,625)
Cash and cash equivalents, beginning of year	284,431	1,181,056
Cash and cash equivalents, end of year	\$ 935,409	\$ 284,431

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

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 Chipewyan Prairie First Nation reporting entity includes the Chipewyan Prairie First Nation government and all related entities that are accountable to the First Nation, and are either owned or controlled by the Chipewyan Prairie First Nation.

These consolidated financial statements include the operations of the following:

1. Chipewyan Prairie First Nation Land Claim Settlement Trust
2. Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust
3. Chipewyan Prairie First Nation Community Trust

First Nation business enterprises and Trusts, that are owned or controlled by the First Nation Council and that are not dependent on the First Nation for their continuing operations, are included in the consolidated 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 is 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 include:

1. Chipewyan Prairie Ventures Inc.
2. Chipewyan Prairie Camp and Catering Corporation
3. Chipewyan Prairie Oil Field Development Corporation
4. Chipewyan Prairie Housing Society
5. 1027511 Alberta Limited (o/a Chipewyan Prairie Industry Relations Corporation)
6. Janvier Aboriginal Industrial Services Co. (JAISCO)
7. Chipewyan Prairie Business Trust
8. Prairie Dene Development Corporation
9. Chipewyan Prairie First Nation Business Trust
10. Chipewyan Prairie Real Estate Development Corporation
11. 218 Trading Post Ltd.
12. Green Feather Hemp Inc.
13. Janvier Laundry Facility Ltd.
14. NOHA Trust
15. NOHA Corporation

Long-term investments in non-controlled entities are recorded at cost.

(b) Cash

Cash and cash equivalents includes cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

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

(c) 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 tangible 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 Chipewyan Prairie First Nation's incremental cost of borrowing.

Amortization is provided for on a declining balance basis as follows:

Buildings	5% Declining balance
Automotive equipment	5% Declining balance
Computer equipment	100% Declining balance
Office equipment	20% Declining balance
Equipment	25% Declining balance
Infrastructure	5% Declining balance
Emergency trailers	5% Declining balance
Buildings - Park and Playground	5% Declining balance
Asset under construction	0% Declining balance

Tangible capital assets are written down when conditions indicate that they no longer contribute to Chipewyan Prairie First Nation'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.

(d) Financial instruments

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

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

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

(e) 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 are recorded on the accrual basis.

Other income is recognized when earned and collection is reasonably assured.

(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 Nations operations, financial performance and financial position for the year ended March 30, 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 First Nations financial results, conditions and cash flows.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

2. COVID -19 Pandemic

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 First Nation has implemented remote work arrangements for those able to do so.
- The First Nation has 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 development and the impact on the financial results and condition on the First Nation and its operations in future periods.

3. Cash

	2020	2019
Externally restricted cash		
Province of Alberta - First Nations Development Fund	\$ 382,875	\$ 8,858
Canada Mortgage and Housing Corporation	3,680	3,858
Chipewyan Prairie First Nation Land Claim Settlement Trust	<u>147,727</u>	<u>152,289</u>
	<hr/> 534,282	<hr/> 165,005
Unrestricted cash		
General accounts	<hr/> 401,127	<hr/> 119,426
	<hr/> \$ 935,409	<hr/> \$ 284,431

The First Nation's credit facilities include an authorized line of credit to a maximum of \$100,000 bearing interest at the bank's prime rate plus 3%, of which \$nil was used in the current year (2019 - \$nil).

4. Cash held in Trust

Cash held in trust includes a \$100,000 guaranteed investment certificate held as a letter of guarantee by the Government of Alberta Sustainable Resource Development.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

5. Accounts receivable

	2020	2019
Indigenous Services Canada (ISC)	\$ 131,485	\$ 216,810
Indigenous Services Canada - Health	40,590	3,656
Athabasca Tribal Council	-	15,918
Industry Partners	1,066,217	1,232,364
Canada Mortgage and Housing Corporation	168,974	168,974
First Nations Development Fund	-	135,966
Other	310,222	333,501
Janvier Laundry Facility Ltd.	481,500	481,500
Allowance for doubtful accounts	2,198,988 (501,500)	2,588,689 (501,500)
	\$ 1,697,488	\$ 2,087,189

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

6. Investment in Chipewyan Prairie First Nation Business Trust

The Investment in Chipewyan Prairie First Nation Business Trust consists of the First Nation's share of net income of limited partnerships, which includes Chipewyan Prairie Cats Limited Partnership, Chipewyan Prairie Ventures Limited Partnership, Chipewyan Prairie Oilfield Developments Limited Partnership, Chipewyan Prairie Clearing Limited Partnership, Chipewyan Prairie Camp and Catering Limited Partnership, less the cash distributions made by the limited partnerships to the First Nation.

CIBC is the Trustee.

	2020	2019
Equity, beginning of year	\$ 5,527,077	\$ 5,383,958
Net income (loss)	183,311	154,714
Distributions	(12,122)	(11,595)
Contributions	236,532	-

Investment in Chipewyan Prairie Business Trust	<u>5,934,798</u>	<u>5,527,077</u>
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Balance Sheet - December 31,

	2019	2018
Due from related party	\$ 14,250	\$ 10,000
Investments	4,995	4,995
Funds held in trust	838	-
 Total assets	 <u>20,083</u>	 14,995
 Bank indebtedness	 \$ 694	 243
Accounts payable	6,299	6,299
Due to related party	8,085	3,448
 Total liabilities	 <u>15,078</u>	 9,990
 Trust capital	 <u>5,005</u>	 5,005
 Total liabilities and equity	 <u>20,083</u>	 14,995

Income Statement - March 31,

	2020	2019
Receipts	\$ 17,169	\$ 12,911
Disbursements	(12,532)	(12,369)
Contributions	(4,637)	(542)
 Net income - December 31, 2019 and 2018	 -	 -
 Share of net income of limited partnerships	 <u>183,311</u>	 154,714
 Adjusted Net income, March 31,	 <u>\$ 183,311</u>	 \$ 154,714

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

7. Investment in Chipewyan Prairie Business Trust

The Investment in Chipewyan Prairie Business Trust consists of the First Nation's share of net income of limited partnerships, which includes Janvier Fabrication Services Limited Partnership, Janvier Pipeline Services Limited Partnership, Janvier Land Site Services Limited Partnership, Chipewyan Prairie Real Estate Development Limited Partnership, Chipewyan Prairie Store Limited Partnership, TDN Contracting Ltd., TDN Contracting Limited Partnership, Prairie Dene Development Limited Partnership, Chipewyan Prairie Industry Relations Limited Partnership, Janvier Laundry Facility Limited Partnership, and Sekui Limited Partnership, less the cash distributions made by the limited partnerships to the First Nation.

Peace Hills Trust is the Trustee.

	2020	2019
Equity, beginning of year	\$ 10,514,258	\$ 10,424,031
Net income	5,564,183	1,970,117
Distributions	(3,719,545)	(2,575,915)
Contributions	236,532	696,025
Investment in Chipewyan Prairie Business Trust	\$ 12,595,428	\$ 10,514,258

Balance Sheet - December 31,

	2020	2019
Cash	\$ 60	\$ 60
Investments	152,596	152,196
Funds held in trust	10	10
Due from related party	11,423	1,142
Total assets	\$ 164,089	\$ 153,408
 Due to related parties	 \$ 153,798	 \$ 153,398
Total liabilities	153,798	153,398
Trust capital	10	10
Total liabilities and equity	\$ 153,808	\$ 153,408

Income Statement - March 31,

	2020	2019
Distributions received from Limited Partnerships	\$ 1,645,738	\$ 4,840,984
Distributions paid	(1,645,738)	(4,840,984)
 Net income - December 31, 2019 and 2018	 -	 -
Share of net income of limited partnerships	5,564,183	1,970,117
Adjusted net income, March 31, 2020	\$ 5,564,183	\$ 1,970,117

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

8. NOHA Trust

In November 2019, the Nation formed NOHA Trust to hold investments in related government business partnerships. NOHA Trust holds 9,999 (99.99%) partnership units of NOHA. BMO Trust Company was appointed as the Trustee.

	2020	2019
Net income	\$ 77,009	\$ -
Contribution	100	-
Investment in NOHA Trust	\$ 77,109	\$ -

NOHA Trust's investment in NOHA has a carrying value of \$101,207 at March 31, 2020

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

9. Investments in First Nation Controlled Entities

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

Balance Sheet - March 31,

	Chipewyan Prairie Housing Society	Chipewyan Prairie Dene Development Corporation	Chipewyan Prairie Camp and Catering Corporation	Chipewyan Prairie Oil Field Development Corporation	Chipewyan Prairie Ventures Inc.	1027511 Alberta Ltd.	Janvier Aboriginal Industrial Services Corporation	Chipewyan Prairie Real Estate Development Corporation
Cash	\$ -	\$ 808,378	\$ -	\$ 3,704	\$ 3,093	\$ -	\$ 1,613	\$ 1,159
Due from shareholder	-	-	-	-	-	-	-	50
Investments	1,005,703	-	-	-	-	-	-	-
Investment in partnerships	-	6	560	6,786	-	1	-	113
Property and equipment	-	13,218,483	-	-	-	-	-	-
Loan receivable	-	1,608,947	-	-	-	-	-	-
Total assets	\$ 1,005,703	\$ 15,635,814	\$ 560	\$ 10,490	\$ 3,093	1	\$ 1,613	\$ 1,322
Accounts payable and accrued liabilities	\$ 3,000	\$ 27,861	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	\$ 2,001	\$ 1,500
Due to related parties	-	1,148,559	29,615	33,396	33,131	-	20,752	15,221
Deficiency in partnerships	-	-	-	-	1,304	-	5,919	-
Loans payable	-	5,674,055	-	-	-	-	-	-
Total liabilities	3,000	6,850,475	31,615	35,396	36,435	-	28,672	16,721
Equity	1,002,703	8,785,339	(31,055)	(24,906)	(33,342)	1	(27,059)	(15,399)
Total liabilities and equity	\$ 1,005,703	\$ 15,635,814	\$ 560	\$ 10,490	\$ 3,093	1	\$ 1,613	\$ 1,322

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

9. Investments in First Nation Controlled Entities (continued)

	NOHA Corp.	218 Trading Post Ltd.	Janvier Laundry Facility Ltd.	2020 Total	2019 Total
Cash	\$ -	\$ 2,000	\$ -	\$ 819,947	\$ 911,847
Accounts receivable	-	-	-	-	3,332,080
Prepaid expenses	-	-	-	-	300,133
Due from related parties	-	-	-	-	1,874,445
Due from shareholder	100	-	-	150	50
Investments	-	-	-	1,005,703	-
Investment in partnerships	8	-	-	7,474	694,925
Property and equipment	-	-	-	13,218,483	18,555,855
Loan receivable	-	-	-	1,608,947	1,900,777
Total assets	\$ 108	\$ 2,000	\$ -	\$ 16,660,704	\$ 27,570,112
Accounts payable and accrued liabilities	\$ -	\$ 1,500	\$ -	\$ 41,862	\$ 1,218,700
Unearned revenue	-	-	-	-	5,492,850
Deposits	-	-	-	-	59,284
Due to related parties	-	10,679	-	1,291,353	1,264,236
Deficiency in partnerships	-	7,817	440,753	455,793	9,170
Loans payable	-	-	-	5,674,055	7,926,278
Bank indebtedness	-	-	-	-	314,992
Total liabilities	-	19,996	440,753	7,463,063	16,285,510
Equity	108	(17,996)	(440,753)	9,197,641	11,284,602
Total liabilities and equity	\$ 108	\$ 2,000	\$ -	\$ 16,660,704	\$ 27,570,112

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

9. Investments in First Nation Controlled Entities (continued)

Income Statement - March 31,

	Chipewyan Prairie Housing Development Society	Chipewyan Prairie Dene Camp	Chipewyan Prairie Oil Field Development	Chipewyan Prairie Ventures Inc.	1027511 Alberta Ltd.	Janvier Aboriginal Industrial Services	Chipewyan Prairie Real Estate Development	Corporation	Corporation
Revenue	\$ 318,264	\$ 547,935	\$ (3)	\$ 2	\$ 181	\$ -	\$ 1,540	\$ (26)	
Expenses	3,000	1,368,034	1,825	1,706	3,382	2,395	8,067	1,802	
Net income (loss)	\$ 315,264	\$ (820,099)	\$ (1,828)	\$ (1,704)	\$ (3,201)	\$ (2,395)	\$ (6,527)	\$ (1,828)	

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

9. Investments in First Nation Controlled Entities (continued)

	NOHA Corp.	218 Trading Post Ltd.	Janvier Laundry Facility Ltd.	2020 Total	2019 Total
Revenue	\$ 8	\$ (1,631)	\$ 56	\$ 866,326	\$ 3,602,518
Expenses		-	-	1,563,176	2,953,387
Net income (loss)	\$ 8	\$ (1,631)	\$ (1,563,120)	\$ (2,087,061)	\$ (1,887,926)

During the year, several of the companies were involved in a corporate restructuring in which the operations were transferred to newly formed limited partnerships in exchange for partnership units of equivalent value. The limited partner of the new limited partnerships is Chipewyan Prairie Business Trust.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

10. Investments

The following investments are recorded at cost:

	2020	2019
Athabasca Tribal Council Ltd.	\$ 1	\$ 1
JHL Forestry Inc.	100	100
First Nation East Line Consortium	20	20
	<hr/> \$ 121	<hr/> \$ 121

11. Chipewyan Prairie First Nation Land Claim Settlement Trust

The restricted investments held in the Chipewyan Prairie First Nation Land Claim Settlement Trust of \$6,496,467 (2019 - \$6,451,620) are carried at cost plus accrued interest and consist of guaranteed investment certificates earning interest at rates ranging from 2.1% to 3.25% (2019 - 2.1% to 3.25%), maturing between May 2020 and June 2024.

The Chipewyan Prairie First Nation Land Claim Settlement Trust (the "Trust") was established on February 19, 1993, with a partial settlement of obligations of the Government of Canada to the Chipewyan Prairie First Nation under the land provisions of Treaty 8. The purpose of the Trust is to provide programs and projects for the benefit of members of the Chipewyan Prairie First Nation.

Equity of the Trust is separated into Capital and Revenue Funds, as set out in the terms of the Trust Agreement.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

12. Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust

The Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust balance at March 31, 2020 is \$21,786,993.

In 1994, Chipewyan Prairie First Nation submitted the Chipewyan Prairie First Nation Treaty 8 Agricultural Benefits Specific Claim under Canada's Specific Claims Policy, alleging that Canada had failed to provide the Agricultural Benefits described in Treaty 8.

On May 11, 1998, Canada accepted the Treaty 8 Agricultural Benefits Specific Claim for negotiation. Chipewyan Prairie First Nation and Canada reached a settlement agreement in June 2018. Under the agreement, the First Nation was awarded \$41,764,865 from Canada.

Pursuant to the settled claim with Canada, Chipewyan Prairie First Nation created Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust to administer, manage, and hold in trust the awarded funds from the Agricultural Benefits Specific Claim. The Trustees of the Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust are required to hold the Trust Property in trust and use the Trust Property for the specific purposes outlined in the Chipewyan Prairie First Nation Agricultural Benefits Settlement Trust. Pursuant to the Trust Agreement, all beneficiaries are entitled to per capita distributions out of the annual income.

Annual income of the Trust is deemed to be due and payable in its entirety to Chipewyan Prairie First Nation no later than December 31 of each year, to be used for biennial, proportionate per capita distributions.

The investments in the Trust consist of various portfolio investments and are recorded at cost. The fair market value of the portfolio investments at March 31, 2020 was \$1,194.

Minors Trust

Per capita distributions due to beneficiaries under the age of 18, are held in a Minors Trust and invested in investment funds as outlined in the Minors Trust Agreement. Trustees, with the assistance from the Trust Administrator, are required to monitor and evaluate the performance of the investments to ensure they are in compliance with the Minor's 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 plus an investment adjustment at a rate of 2% compounded annually, for each fiscal year after 2020. At March 31, 2020 the value of the Chipewyan Prairie First Nation Agricultural Benefits Settlement Minors Trust Account is \$6,102,189

BMO Trust Company is the Trustee for the Minors Trust.

13. Chipewyan Prairie First Nation Community Trust

On December 27, 2018, the First Nation created Chipewyan Prairie First Nation Community Trust. Certain lands comprising the traditional territories of Chipewyan Prairie First Nation were used by the Crown for industrial purposes, including oil sands development. This Trust was established for the purpose of having funds paid under various long-term benefit agreements set aside for the use and benefit of the First Nation. Pursuant to the Trust agreement, the Trust Property is only to be applied to specific purposes.

The investments in the Trust consist of various portfolio investments and are recorded at cost. The fair market value of the portfolio investments at March 31, 2020 was \$19,776,700.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

14. Federal Trust Funds

Funds held by the Government of Canada (Indigenous Services Canada) in trust for the use and benefit of the Chipewyan Prairie First Nation are as follows:

	March 31, 2019	Additions, 2020	March 31, 2020
Ottawa funds held in trust - Capital	\$ 71,758	\$ 10,259	\$ 82,017
Ottawa funds held in trust - Revenue	280,984	22,459	303,443
	<hr/>	<hr/>	<hr/>
	\$ 352,742	\$ 32,718	\$ 385,460

The trust funds accounts held in Ottawa arise from monies derived from capital and revenue sources which Canada 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 section 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.

15. Accounts payable

	2020	2019
Trade payables	\$ 863,582	\$ 480,531
Government remittances payable	12,746	28,492
ISC - Health	185,391	97,231
Contingent liability (Note 21)	325,000	-
	<hr/>	<hr/>
	\$ 1,386,719	\$ 606,254

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

16. 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 completed. The deferred revenue relates to the following funders:

	March 31, 2019	Funding received, 2020	Revenue recognized/ Returned, 2020	March 31, 2020
Indigenous Services Canada	\$ 247,254	\$ 2,473,965	\$ (2,721,219)	\$ -
Indigenous Services Canada - Health	108,920	1,961,446	(1,821,594)	248,772
First Nation Development Fund	135,967	426,219	(207,026)	355,160
Other government funding	93,251	-	(32,175)	61,076
	\$ 585,392	\$ 4,861,630	\$ (4,782,014)	\$ 665,008

17. Due from (to) related parties

The amounts due from (to) related parties include the following:

	2020	2019
Janvier Fabrication Services Limited Partnership	\$ (96,001)	\$ (96,000)
Chipewyan Prairie Real Estate Development Corporation	(50)	(50)
218 Trading Post Ltd.	(50)	(50)
Chipewyan Prairie Oil Field Development Corporation	16,885	16,885
1027511 Alberta Ltd.	-	(928,295)
Chipewyan Prairie Camp and Catering Corporation	23,468	23,468
Chipewyan Prairie Camp and Catering Limited Partnership	(125,765)	(125,765)
Chipewyan Prairie Oil Field Development Limited Partnership	(491,790)	(491,790)
Chipewyan Prairie Cats Limited Partnership	(5,611)	(5,611)
Chipewyan Prairie Ventures Limited Partnership	(3,404,787)	(3,030,764)
Chipewyan Prairie Clearing Limited Partnership	(8,760)	(8,760)
Janvier Aboriginal Industrial Services Corporation	4,900	4,900
Janvier Pipeline Service Limited Partnership	(557,495)	(557,195)
TDN Contracting Ltd.	-	114,002
Janvier Laundry Facility Ltd.	(100)	(100)
Chipewyan Prairie Ventures Inc.	11,885	11,885
TDN Contracting Limited Partnership	114,002	-
NOHA Corp	(100)	-
	\$ (4,519,369)	\$ (5,073,240)

The First Nation provides management support to various related parties for no consideration.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

18. Long-term debt

	2020	2019
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$2,611, including interest at 2.70%, maturing November 2043.	\$ 548,240	\$ 564,572
Peace Hills Trust mortgage payable in blended monthly payments of \$373, including interest at 3.95%, maturing July 2022.	28,190	31,505
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$3,645, including interest at 2.11%, maturing December 2038.	670,738	700,014
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$3,585, including interest at 2.39%, maturing January 2028.	307,180	342,416
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$1,126, including interest at 1.84%, maturing July 2032.	149,067	159,735
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$3,541, including interest at 1.84%, maturing August 2027.	294,485	331,205
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$1,264, including interest at 1.83%, maturing in December 2034.	196,125	207,602
Bank of Montreal loan, due on demand with blended monthly payments of \$5,035, including interest at prime plus 1.50% per month, maturing November 2023.	169,715	224,517
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$1,282, including interest at 1.01%, maturing March 2035.	214,100	227,251
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$4,374, including interest at 2.11%, maturing December 2038.	<u>805,810</u>	<u>840,921</u>
	<hr/> \$ 3,383,650	<hr/> \$ 3,629,738

All housing loans are secured by a redirection of Indigenous Services Canada funds and Ministerial guarantees.

Chipewyan Prairie First Nation**Notes to Consolidated Financial Statements**

March 31, 2020

18. Long-term debt (continued)

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

2021	\$ 191,081
2022	364,818
2023	217,286
2024	199,766
<u>2025 and thereafter</u>	<u>2,410,699</u>
	<hr/>
	\$ 3,383,650

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

19. Tangible 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	
Land	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ 9,000
Buildings	23,593,954	118,546	-	23,712,500	8,192,097	758,945	-	8,951,042	14,761,458
Automotive equipment	1,911,527	187,566	-	2,099,093	1,118,106	44,361	-	1,162,467	936,626
Computer equipment	33,606	-	-	33,606	33,606	-	-	33,606	-
Office equipment	322,558	-	-	322,558	254,180	13,676	-	267,856	54,702
Equipment	1,255,002	27,450	-	1,282,452	937,472	82,814	-	1,020,286	262,166
Infrastructure	4,560,227	-	-	4,560,227	2,394,792	108,272	-	2,503,064	2,057,163
Emergency trailers	111,398	-	-	111,398	42,783	3,431	-	46,214	65,184
Buildings - Park and Playground	2,539,791	-	-	2,539,791	198,905	93,635	-	292,540	2,247,251
Asset under construction	-	1,014,869	-	1,014,869	-	-	-	-	1,014,869
	\$ 34,337,063	\$ 1,348,431	\$ -	\$ 35,685,494	\$ 13,171,941	\$ 1,105,134	\$ -	\$ 14,277,075	\$ 21,408,419

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

	Cost				Accumulated amortization				2019 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	
Land	\$ 9,000	\$ -	\$ 9,000	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ 9,000
Buildings	22,969,658	1,128,623	(504,327)	23,593,954	7,541,187	765,450	(114,540)	8,192,097	15,401,857
Automotive equipment	1,816,527	95,000	-	1,911,527	1,078,849	39,257	-	1,118,106	793,421
Computer equipment	33,606	-	-	33,606	33,606	-	-	33,606	-
Office equipment	300,099	22,459	-	322,558	239,893	14,287	-	254,180	68,378
Equipment	1,255,002	-	-	1,255,002	831,628	105,844	-	937,472	317,530
Infrastructure	4,560,227	-	-	4,560,227	2,280,822	113,970	-	2,394,792	2,165,435
Emergency trailers	111,398	-	-	111,398	39,172	3,611	-	42,783	68,615
Buildings - Park and Playground	2,539,791	-	-	2,539,791	101,368	97,537	-	198,905	2,340,886
Asset under construction	516,260	(516,260)	-	-	-	-	-	-	-
	\$ 34,111,568	\$ 729,822	\$ (504,327)	\$ 34,337,063	\$ 12,146,525	\$ 1,139,956	\$ (114,540)	\$ 13,171,941	\$ 21,165,122

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

20. Accumulated surplus

The accumulated surplus includes the following:

	2020	2019
Unrestricted operating surplus (deficit)	\$ (3,357,776)	\$ (7,981,733)
Equity in Tangible Capital Assets	18,024,770	21,927,207
Equity in Federal Trust Funds	385,460	352,742
Equity in Investments	8,296,564	11,284,723
Equity in CMHC Replacement Reserve	404,481	404,481
Equity in Land Claims Settlement Trust Fund	6,512,761	6,480,136
Equity in Business Trust Funds	18,530,225	16,041,335
Equity in Agricultural Benefits Settlement Trust	21,786,993	21,000,010
Equity in Chipewyan Prairie First Nation Community Trust	1,194	10
Equity in NOHA Trust	77,009	-
	<hr/> \$ 70,661,681	<hr/> \$ 69,508,911

21. Contingent Liabilities

(a) Legal proceedings

In addition, in the normal course of its operations, Chipewyan Prairie First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Chipewyan Prairie First Nation's financial statements.

Subsequent to year end, a lawsuit in which the First Nation was the plaintiff concluded. As a result, the First Nation owes the defendant \$325,000 for reimbursement of legal fees. The amount has been included in accrued liabilities as at March 31, 2020.

(b) Government contributions

Government contributions related to projects of the First Nation are subject to conditions regarding the expenditure of funds. The First Nation's accounting records, as well as those of agencies delegated to execute the projects, are subject to audit by the various 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 audits will be recorded in the year in which they become known.

(c) Guarantor

The First Nation has provided loan guarantees for various related parties. As at year end, the total amount outstanding on these loans was \$6,733,539 (2019 - \$8,719,174).

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

22. 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. At March 31, 2020 the reserve is under funded by \$388,361 (2019 - \$404,481).

23. Budget Information

The budget information for the year ended March 31, 2020 is unaudited, prepared by management and has been approved by the Chief and Council.

24. Comparative Amounts

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

25. Expenditures by object

For the year ended March 31	2020 Budget	2020 Actual	2019 Actual
Administration fees	\$ 172,230	\$ 187,397	\$ 98,349
Donations	1,000	51,716	1,778
Allowances - HRD	5,000	5,107	25,847
Amortization	-	1,105,132	1,139,957
Bad debts	-	-	563,873
Community support	650,000	1,258,350	1,108,307
Courses	95,800	97,468	74,624
Distributions to members	-	-	18,960,000
Equipment	-	776	248
Insurance	200,500	205,054	211,172
Interest and bank charges	-	8,679	90,158
Interest on loans	320,000	80,975	275,269
Loss on disposal of assets	-	-	389,787
Materials and supplies	1,249,860	1,122,122	899,693
Meetings and travel	1,000,180	1,024,378	1,051,223
Office	12,400	65,670	89,847
Professional fees	379,500	1,244,467	523,035
Rent	46,200	50,990	15,162
Repairs and maintenance	43,800	51,050	61,122
Utilities and telephone	460,200	444,544	479,035
Vehicle	417,100	259,092	220,421
Wages and subcontractors	6,422,730	6,217,105	5,778,811
	\$ 11,476,500	\$ 13,480,072	\$ 32,057,718

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

26. Economic Dependence

Chipewyan Prairie First Nation receives a significant portion of its revenue pursuant to a funding agreement with Indigenous Services Canada.

27. Financial Instruments

The First Nation's financial instruments consist of cash, accounts receivable, long-term investments, federal trust funds, accounts payable and accrued liabilities, due to related parties and long-term debt.

It is management's opinion that the First Nation is not exposed to significant currency risk from its financial instruments. The First 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.

The First Nation is subject to market risk on its portfolio investments as the fair value or future cash flows will fluctuate because of changes in market prices for a variety of reasons including, investor sentiment and expectations, changes in market rates of interest, general economic indicators and restrictions of credit markets. The First Nation does not employ derivative financial instruments to hedge its exposure to market risk.

COVID-19 (see note 2) has resulted in an increase in risk of these financial instruments. The Tribe 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 in the First Nation's operations and financial condition.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

28. Segmented information

The First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. The segment revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the year are as follows:
as follows:

	2020 Budget	Amortization		2019 Actual	2020 Budget	Band government		2019 Actual	2020 Budget	2020 Actual	2019 Actual
Revenues											
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ 402,000	\$ 378,397	\$ 607,273	\$ 951,000	\$ 788,260	\$ 312,471	
CMHC subsidies	-	-	-	-	-	-	-	267,800	267,814	247,192	
Trusts	-	-	-	-	1,032,000	3,139,178	391,485	-	99,701	1,500,000	
Social priorities - Industry Relations	-	-	-	-	1,780,000	2,271,008	2,547,079	-	-	-	
Transfers between programs	-	-	-	-	-	-	262,929	1,120,800	1,120,764	-	
Other revenue	-	-	-	-	1,223,600	1,200,981	1,603,556	-	9,399	(14,654)	
Total revenue	-	-	-	-	4,437,600	6,989,564	5,412,322	2,339,600	2,285,938	2,045,009	
Expenses											
Amortization	-	1,105,132	1,139,957	-	-	-	-	-	-	-	
Community Support	-	-	-	650,000	1,258,350	1,108,307	-	-	-	-	
Materials and supplies	-	-	-	128,000	141,808	46,122	625,500	441,085	379,880		
Meetings and travel	-	-	-	160,000	136,338	117,658	120,500	118,924	273,999		
Professional fees	-	-	-	230,000	976,361	97,543	-	3,625	18,095		
Utilities and telephone	-	-	-	65,000	49,268	78,543	20,000	21,330	35,450		
Wages and subcontractors	-	-	-	843,500	771,311	809,323	1,574,000	1,309,973	964,024		
Other expenses	-	-	-	210,000	305,247	824,106	360,000	126,021	522,462		
Total expenses	-	1,105,132	1,139,957	2,286,500	3,638,683	3,081,602	2,700,000	2,020,958	2,193,910		
Annual surplus (deficit)	\$ -	\$ (1,105,132)	\$ (1,139,957)	\$ 2,151,100	\$ 3,350,881	\$ 2,330,720	\$ (360,400)	\$ 264,980	\$ (148,901)		

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

28. Segmented information (continued)

	Economic development			Education			Employment programs		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
Revenues									
Indigenous Services Canada	\$ 91,900	\$ 340,489	\$ 42,040,982	\$ 500,500	\$ 500,638	\$ 330,143	\$ -	\$ -	\$ -
Other revenue	218,000	209,898	166,749	-	-	9,918	135,000	134,028	116,338
Total revenue	309,900	550,387	42,207,731	500,500	500,638	340,061	135,000	134,028	116,338
Expenses									
Materials and supplies	226,000	225,093	265,606	34,900	34,926	6,160	7,000	9,396	3,746
Meetings and travel	301,500	352,487	235,552	58,700	58,703	20,761	12,500	15,437	13,650
Professional fees	50,000	42,524	401,621	-	-	-	-	-	-
Utilities and telephone	240,000	238,947	237,220	7,000	7,036	11,164	7,500	4,077	7,357
Wages and subcontractors	1,072,500	1,117,575	577,689	372,200	372,510	304,577	57,000	60,305	46,703
Other expenses	110,000	121,326	19,286,523	27,700	27,727	24,880	46,000	45,906	89,384
Total expenses	2,000,000	2,097,952	21,004,211	500,500	500,902	367,542	130,000	135,121	160,840
Annual surplus (deficit)	\$ (1,690,100)	\$ (1,547,565)	\$ 21,203,520	\$ -	\$ (264)	\$ (27,481)	\$ 5,000	\$ (1,093)	\$ (44,502)

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

28. Segmented information (continued)

	2020 Budget	Health 2020 Actual	2019 Actual	2020 Budget	Other 2020 Actual	2019 Actual	2020 Budget	Public works 2020 Actual	2019 Actual
Revenues									
Indigenous Services Canada	\$ 1,625,000	\$ 1,719,286	\$ 1,028,229	-	\$ 32,718	\$ 28,526	\$ 438,200	\$ 438,435	\$ 469,444
Band funds	-	-	-	-	207,026	515,333	-	-	-
First Nation Development Funds	-	-	-	-	2,565,900	233,346	-	19,725	-
Trusts	-	-	-	-	(1,120,800)	(1,120,764)	(262,929)	-	-
Transfers between programs	-	-	-	-	(2,882)	(1,542,471)	-	-	-
Other revenue	20,000	37,843	30,780	2,051,450	-	-	-	-	-
Total revenue	1,645,000	1,757,129	1,059,009	930,650	1,681,998	(1,028,195)	438,200	458,160	469,444
Expenses									
Materials and supplies	107,360	107,648	125,453	10,000	-	19,249	36,100	36,102	53,476
Meetings and travel	180,480	186,643	86,881	14,000	-	22,821	152,500	152,641	279,901
Professional fees	6,000	5,850	5,775	25,000	147,622	-	68,500	68,484	-
Utilities and telephone	7,200	11,137	13,222	1,000	400	-	108,500	108,549	91,929
Wages and subcontractors	1,409,530	1,590,269	1,026,209	164,000	1,050	268,245	854,000	846,784	1,769,540
Other expenses	289,430	251,091	117,306	61,000	800	16,305	209,900	185,858	196,694
Total expenses	2,000,000	2,152,638	1,374,846	275,000	149,872	326,620	1,429,500	1,398,418	2,391,540
Annual surplus (deficit)	\$ (355,000)	\$ (395,509)	\$ (315,837)	\$ 655,650	\$ 1,532,126	\$ (1,354,815)	\$ (991,300)	\$ (940,258)	\$ (1,922,096)

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2020

28. Segmented information (continued)

	Social services		2019 Actual	Consolidated totals		
	2020 Budget	2020 Actual		2020 Budget	2020 Actual	2019 Actual
Revenues						
Indigenous Services Canada	\$ 275,000	\$ 275,000	-	\$ 4,283,600	\$ 4,440,505	\$ 44,788,542
Band Funds	-	-	-	-	32,718	28,526
CMHC subsidies	-	-	-	267,800	267,814	247,192
First Nation Development Funds	-	-	-	-	207,026	515,333
Trusts	-	-	-	1,032,000	5,824,504	2,124,831
Social priorities - Industry Relations LP	-	-	-	1,780,000	2,271,008	2,547,079
Other revenue	-	-	-	3,648,050	1,589,267	370,216
Total revenue	275,000	275,000	-	11,011,450	14,632,842	50,621,719
Expenses						
Amortization	-	-	-	-	1,105,132	1,139,957
Community support	-	-	-	650,000	1,258,350	1,108,307
Materials and supplies	75,000	126,063	-	1,249,860	1,122,121	899,692
Meetings and travel	-	3,204	-	1,000,180	1,024,377	1,051,223
Professional fees	-	-	-	379,500	1,244,466	523,034
Utilities and telephone	4,000	3,800	4,150	460,200	444,544	479,035
Wages and subcontractors	76,000	147,328	12,500	6,422,730	6,217,105	5,778,810
Other expenses	-	1	-	1,314,030	1,063,977	21,077,660
Total expenses	155,000	280,396	16,650	11,476,500	13,480,072	32,057,718
Annual surplus (deficit)	\$ 120,000	\$ (5,396)	(16,650)	(\$ 465,050)	\$ 1,152,770	\$ 18,564,001