

LAKE BABINE NATION



CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

LAKE BABINE NATION

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MARCH 31, 2023

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LAKE BABINE NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

MARCH 31, 2023

The accompanying consolidated financial statements of Lake Babine 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.

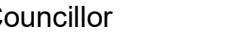
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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, DMC Chartered Professional Accountants Inc., 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 Lake Babine Nation and meet when required.

On behalf of Lake Babine Nation:

	7/25/2023
Chief	Date
	7/26/2023
Councillor	Date
	7/26/2023
Chief Finance Officer	Date

Independent Auditor's Report

To the Members of
Lake Babine Nation

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Lake Babine Nation, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of revenue, expenditures 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.

Except as noted in the following paragraph, in our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the as at and the results of its operations for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As described in Note 5, the Band holds investments in government business enterprises which are accounted for using the modified equity method. Each of these government business enterprises does not have audited financial information available, and as such we are unable to determine whether any adjustment might be necessary to the Band's investment in these government business enterprises, and accumulated surplus (deficit) for the years ended March 31, 2023 and 2022. Our audit opinion has been 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 Auditor's 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.

Emphasis of Matter

We draw attention to Note 17 to the consolidated financial statements, which explains that certain comparative information presented for the year ended March 31, 2022 has been restated. Note 17 explains the reasoning for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 auditor's 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 auditor's 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 First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the 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.

Prince George, British Columbia
July 18, 2023

DMC Chartered Professional
Accountants Inc.

LAKE BABINE NATION**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MARCH 31, 2023**

	2023	2022 (restated)
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,518,337	\$ 2,084,630
Short term deposits (Note 2)	50,470,275	42,274,488
Restricted cash (Note 2)	254,209	308,578
Accounts receivable (Note 3)	11,171,660	7,083,966
Investment in Government business enterprises (Note 4) (Note 5)	15,254,150	18,919,795
<u>Federal trust funds (Note 6)</u>	<u>1,740,000</u>	<u>1,682,303</u>
	81,408,631	72,353,760
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	2,175,855	1,686,143
Deferred revenue (Note 8)	40,931,792	40,608,980
<u>Long-term debt (Note 9)</u>	<u>5,836,392</u>	<u>6,287,206</u>
	48,944,039	48,582,329
NET FINANCIAL ASSETS	32,464,592	23,771,431
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 10)	40,475,041	38,390,434
<u>Prepaid expenses</u>	<u>318,134</u>	<u>118,874</u>
	40,793,175	38,509,308
ACCUMULATED SURPLUS (Note 11)	\$ 73,257,767	\$ 62,280,739

Contingent Liabilities (Note 12)

Approved on behalf of the Lake Babine Nation _____, Chief _____, Councillor

Marilyn Joseph-Williams _____, Chief Finance Officer

See accompanying notes to these financial statements.

LAKE BABINE NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED MARCH 31, 2023

	2023 Budget	2023 Actual	2022 Actual (restated)
EXCESS OF REVENUE OVER EXPENDITURES	\$ (4,508,583)	\$ 10,977,028	\$ 14,872,113
Acquisition of tangible capital assets	-	(4,411,019)	(4,824,309)
Amortization of tangible capital assets	-	2,198,391	1,916,043
Gain on disposal of tangible capital assets	-	(3,981)	-
Proceeds on disposal of tangible capital assets	-	132,000	-
	-	(2,084,609)	(2,908,266)
Acquisition of prepaid asset	(199,260)	(319,111)	(109,168)
Use of prepaid asset	-	119,853	111,053
	(199,260)	(199,258)	1,885
(Decrease) increase in net financial assets	(4,707,843)	8,693,161	11,965,732
Net financial assets at beginning of year			
As previously stated	-	31,771,431	12,805,699
Adjustment of prior year (Note 17)	-	(8,000,000)	(1,000,000)
As restated	-	23,771,431	11,805,699
NET FINANCIAL ASSETS AT END OF YEAR	\$ -	\$ 32,464,592	\$ 23,771,431

See accompanying notes to these financial statements.

LAKE BABINE NATION

CONSOLIDATED STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED MARCH 31, 2023

	2023 Budget	2023 Actual	2022 Actual (restated)
REVENUE			
Federal Government (Note 14)	\$ 12,669,589	\$ 19,483,007	\$ 22,742,069
Provincial Government (Note 14)	-	8,803,946	7,371,367
Other Aboriginal Groups	5,748,671	10,208,650	8,459,670
Band Generated	1,294,900	2,006,978	2,050,806
Miscellaneous	-	1,502,462	1,411,360
First Nations Gaming	-	1,223,387	525,377
Interest income	-	1,589,730	289,315
Transfer (to) from deferred revenue	-	5,514,702	(1,992,848)
	19,713,160	50,332,862	40,857,116
EXPENDITURES			
Operations	4,440,538	6,050,516	4,519,518
LBN Education Program	6,628,858	10,001,102	8,819,045
Economic Development	182,930	764,819	559,030
Natural Resource Management	551,771	3,971,017	3,097,422
Social Housing Fund	1,406,420	1,901,743	2,194,839
Health Services Fund	5,245,140	4,915,849	5,426,862
LBN Social Development	2,758,972	2,725,229	2,328,323
Capital Projects 500	967,200	2,682,294	2,114,264
Operations & Maintenance	1,382,769	1,671,586	1,448,769
Fisheries Fund	632,145	888,335	1,106,965
Equity in First Nation Investments	-	2,003,937	-
Lake Babine Child & Family Services	-	1,940,287	2,269,367
	24,196,743	39,516,714	33,884,404
RECOVERY			
	-	-	(87,945)
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER ITEMS			
	(4,508,583)	10,816,148	6,884,766
OTHER ITEMS			
Income from First Nation Entities	-	-	7,761,724
Forgiveness of debt	-	156,899	140,020
Gain on disposal of tangible capital assets	-	3,981	-
ISC escalator payments received in error	-	-	85,603
	-	160,880	7,987,347
EXCESS OF REVENUE OVER EXPENDITURES			
	(4,508,583)	10,977,028	14,872,113

See accompanying notes to these financial statements.

LAKE BABINE NATION**CONSOLIDATED STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS****FOR THE YEAR ENDED MARCH 31, 2023**

	2023 Budget	2023 Actual	2022 Actual
ACCUMULATED SURPLUS AT BEGINNING OF YEAR			
As previously stated	-	70,280,739	48,408,626
Prior period adjustment	-	(8,000,000)	(1,000,000)
As restated	-	62,280,739	47,408,626
ACCUMULATED SURPLUS AT END OF YEAR	\$ (4,508,583)	\$ 73,257,767	\$ 62,280,739

See accompanying notes to these financial statements.

LAKE BABINE NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022 (restated)
Cash flows from OPERATING ACTIVITIES		
EXCESS OF REVENUE OVER EXPENDITURES	\$ 10,977,028	\$ 14,872,113
Items not affecting cash		
Amortization	2,198,391	1,916,043
Income from Ottawa Trust fund	(57,697)	(37,323)
Income from investments in First Nations Enterprises	-	(7,761,724)
Forgiveness of debt	(156,899)	(140,020)
Gain on disposal of tangible capital assets	(3,981)	-
	12,956,842	8,849,089
Change in non-cash operating working capital		
Prepaid expenses	(199,260)	1,885
Accounts payable and accrued liabilities	489,715	135,697
Deferred revenue	322,812	31,204,349
Accounts receivable	(4,087,694)	(3,660,291)
	9,482,415	36,530,729
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(4,411,019)	(4,824,309)
Proceeds on sale of tangible capital assets	132,000	-
	(4,279,019)	(4,824,309)
FINANCING ACTIVITIES		
Repayment of long term debt	(293,915)	(255,332)
INVESTING ACTIVITIES		
Advances from First Nations Investments	3,665,644	(710,450)
INCREASE IN CASH AND CASH EQUIVALENTS	8,575,125	30,740,638
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	44,667,696	13,927,058
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 53,242,821	\$ 44,667,696
REPRESENTED BY		
Cash	\$ 2,518,337	\$ 2,084,630
Short term deposits	50,470,275	42,274,488
Restricted cash	254,209	308,578
	\$ 53,242,821	\$ 44,667,696

See accompanying notes to these financial statements.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

DESCRIPTION OF OPERATIONS

Lake Babine Nation is a self-governed First Nation Band and operates on Lake Babine Nation traditional territory, located at Burns Lake, BC and area.

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 Chartered Accountants.

(a) Fund accounting

The First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual, or voluntary actions. The various funds have been amalgamated for the purposes of presentation in the Summary Financial Statements. Detail of the operations of each fund are set out in the supplementary schedules. The First Nation maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation including administration, education, social assistance, natural resource management, operations and maintenance, housing Lake Babine Child and Family, and other miscellaneous programs.
- The Ottawa Trust Fund, which reports the trust funds owned by the Nation and held in trust by the Government of Canada.
- The Equity in Government Business Enterprises fund, which reports the operations of the Nations investments in its government business enterprises on a modified equity basis.

(b) Financial instruments

The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The entity subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable, short term deposits and federal trust funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred revenue and long term debt.

Fair value is determined by the price that is quoted in an active market. The most recent quote price becomes its new carrying value. When a quoted price in an active market is not available for an equity instrument that is an investment, it is measured at cost.

The Nation does not currently have any financial instruments that are measured at fair value.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits 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.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Investments in Government Business Enterprises and Partnerships

Lake Babine Nation's investment in government business enterprises and Partnerships owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are accounted for using the modified equity method. Under the modified equity method, the equity method is modified only to the extent that the First Nation entity accounting principles are not adjusted to conform to those of the First Nation. The First Nation's investment in these entities is recorded at cost and increased or decreased for its proportionate share of the post acquisition earnings, losses and distributions received. Entities accounted for under the modified equity method include:

Burns Lake Native Development Corporation
Fort Babine Lake Property Ltd.
Gramma's House Society
Lake Babine Economic Development Society
Lake Babine Nation Forestry Limited Partnership
Lake Babine Nation Forestry Ltd.
Lake Babine Nation Ventures LP
Nedut'een Development Corp.
Talok Fisheries Limited Partnership
Talok Fisheries Ltd.
1203001 B.C. Ltd.

(e) Trust funds

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds. The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(f) 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 Lake Babine Nation's incremental cost of borrowing.

Amortization is provided for on a declining balance basis based on each asset class' estimated useful lives as follows:

Automotive equipment	30%
Buildings and infrastructure	4%
Computer equipment	30%
Equipment	20%
Fisheries equipment	20%
Water and sewer	5%
Roads and bridges	5%

Tangible capital assets are written down when conditions indicate that they no longer contribute to Lake Babine 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.

Assets under construction are not amortized until the asset is available to be put into service.

(g) Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as excess of the carrying value of the asset over its fair value.

(h) Surplus recoveries and deficit funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency. These recoveries and additional fundings are recognized when recovered or received from the funding arrangement.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Revenue recognition

Revenue and funding are recognized as follows:

i) Government transfers with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when, and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Any such liability is reduced, and an equivalent amount of revenue is recognized, as the liability is settled.

Government transfers without stipulations are recognized in the period in which the transfer is authorized, any eligibility criteria have been met and a reasonable estimate of the amount to be received can be made.

ii) Housing revenue is recognized based on lower end of market (LEM) rent for CMHC subsidized housing and based on collected receipts for non-subsidized houses. Rents not collected are written off to bad debts.

iii) Income from investments is recorded on the accrual basis.

iv) Funding received under the terms of specified use agreements (other than government transfers) is recognized as revenue when the related expenditures are incurred. To the extent that such funding meets the definition of a liability it is recorded as deferred revenue until such time that is expended.

(j) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible assets, prepaid expenses and inventory of supplies.

(k) Net Financial Assets

The Nation's financial statements are presented so as to highlight net financial Assets as the measurement of financial position. The net assets of the Nation is determined by its financial assets less its liabilities. Net assets is comprised of two components, non-financial assets and accumulated surplus.

(l) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(m) Use of estimates

The preparation of financial statements in conformity with Canadian Public Sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accounts specifically affected by estimates in these financial statements are allowance for doubtful accounts and accounts receivable impairment. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

	2023	2022
Internally restricted		
Short term deposit - Premium Investment Savings Account	\$ 50,470,275	\$ 42,274,488
Capital projects	254,209	308,578
	<hr/> 50,724,484	<hr/> 42,583,066
Unrestricted		
Operating	2,097,767	1,738,700
Health	172,961	78,942
Natural Resources Department	106,136	101,979
Social Housing	141,473	165,009
	<hr/> 2,518,337	<hr/> 2,084,630
Total cash and cash equivalents	\$ 53,242,821	\$ 44,667,696

Internally restricted cash is restricted by Chief and Council for the purpose of future projects.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

3. ACCOUNTS RECEIVABLE

	2023	2022
Due from government and funders		
Department of Fisheries and Oceans	\$ 494,698	\$ 299,322
Government Remittances	167,250	80,424
Indigenous Services Canada (ISC)	864,435	2,313,230
Other First Nation Funding agencies	3,333,171	3,937,147
Province of British Columbia	6,312,106	453,843
	<hr/> 11,171,660	<hr/> 7,083,966
Due from members		
Rent receivable	8,654,993	7,745,547
Allowance for doubtful accounts - rent receivable	(8,654,993)	(7,745,547)
	<hr/> \$ 11,171,660	<hr/> \$ 7,083,966

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES AND PARTNERSHIPS

During the year the Nation had investments in and transactions with the following government business enterprises and partnerships.

- ◆ Burns Lake Native Development Corporation (BLNDC), 62.87% ownership
- ◆ Fort Babine Lake Property Ltd., 100% ownership
- ◆ Gramma's House Society (GHS) - GHS acts as an agent to Lake Babine Nation as the Chief and Council hold and exert significant decision making power within the Society.
- ◆ Lake Babine Economic Development Society (LBEDS) - LBEDS acts as an agent to Lake Babine Nation as the Chief and Council hold and exert significant decision making power within the Society.
- ◆ Lake Babine Nation Forestry LP, 99.99% ownership
- ◆ Lake Babine Nation Forestry Ltd., 100% ownership
- ◆ Lake Babine Nation Ventures LP, 99.99% ownership
- ◆ Nedut'een Development Corporation, 100% ownership
- ◆ Talok Fisheries LP (Talok LP), 99.99% ownership
- ◆ Talok Fisheries Corporation Ltd. (Talok Ltd.), 100% ownership
- ◆ 1203001 B.C. Ltd., 100% ownership

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES AND PARTNERSHIPS, continued

Transactions with related parties, if any, are in the normal course of operations, and are recorded at the exchange value that is mutually agreed upon by the related parties.

	2023	2022
1203001 B.C. Ltd - Fuel & nutrition	\$ 199,638	\$ 82,876
Talok Fisheries LP	150	-
	<hr/> \$ 199,788	<hr/> \$ 82,876

5. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES AND PARTNERSHIPS

The Nation holds investments in the following government business enterprises and partnerships:

	2023 Unaudited	2022 Unaudited
Burns Lake Native Development Corporation (62.87%)		
BLNDC shares, at cost	\$ 63	\$ 63
BLNDC share of net assets	4,658,823	4,658,823
	<hr/> 4,658,886	<hr/> 4,658,886
Lake Babine Economic Development Society (100%)		
Advances to Lake Babine Economic Development Society	591,166	591,166
Lake Babine Economic Development Society, deficiency in net assets	(173,611)	(173,611)
	<hr/> 417,555	<hr/> 417,555
Woyenne Enterprises Ltd. (100%)		
Woyenne Enterprises Ltd. (100%), shares at cost	-	2
Talok Fisheries Ltd. (100%)		
Talok Fisheries Ltd. shares at cost	1	1
Talok Fisheries Ltd. share of net assets	73,937	73,937
Advances from Talok Fisheries Ltd.	(35,783)	(2,743)
	<hr/> 38,155	<hr/> 71,195

LAKE BABINE NATION**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2023**

5. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES AND PARTNERSHIPS, continued**Talok Fisheries LP (99.99%)**

Partnership Units	1,200	1,200
LBN share of net assets	373,462	373,462
Advances from Talok Fisheries LP	300,028	300,028
	<hr/>	<hr/>
	674,690	674,690

Lake Babine Nation Forestry LP (99.99%)

Advances to Lake Babine Nation Forestry LP	3,174	3,174
LBN share of net assets	8,013,017	12,093,145
	<hr/>	<hr/>
	8,016,191	12,096,319

Nadut'een Development Corporation (100%)

Advances to Nadut'een Development Corporation	14,857	-
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1203001 B.C. Ltd. (100%)

1203001 B.C. Ltd. shares, at cost	1	1
Advances to 1203001 B.C. Ltd.	1,373,744	973,029
	<hr/>	<hr/>
	1,373,745	973,030

BC First Nations Gaming Revenue Sharing General Partnership

Partnership Units	110	110
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Gramma's House Society

Advances from Gramma's House	(10,149)	(10,149)
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Fort Babine Lake Property Ltd. (100%)

Advances to Fort Babine Lake Property Ltd.	70,110	38,157
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\$ 15,254,150 \$ 18,919,795

Qualification on Audit Report:

The above noted companies and partnerships have not had a year end completed as at March 31, 2023, and as a result, we were unable to determine whether adjustments were required in respect of investments and advances, other income (charges), excess revenues (expenditures) for the year and fund balances at end of year.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

6. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

The Ottawa Trust Accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2023 Revenue	2023 Capital	2023 Total	2022 Total
Surplus, beginning of year	\$ 881,259	\$ 801,044	\$ 1,682,303	\$ 1,644,980
Interest earnings	<u>57,697</u>	-	<u>57,697</u>	<u>37,323</u>
Surplus, end of year	\$ 938,956	\$ 801,044	\$ 1,740,000	\$ 1,682,303

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trades accounts payable	\$ 964,451	\$ 487,172
Accrued payables	<u>133,995</u>	<u>139,430</u>
Payroll and benefits	<u>1,077,409</u>	<u>1,059,541</u>
	\$ 2,175,855	\$ 1,686,143

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

8. DEFERRED REVENUE

	March 31, 2022 (restated)	Funding received, 2023	Revenue recognized, 2023	March 31, 2023
Indigenous Services Canada (ISC)				
ISC - Nation rebuilding	\$ 134,137	\$ -	\$ (117,825)	\$ 16,312
CPMS 7769 Surplus Account	1,776	-	-	1,776
Village of BL - WTP	377,853	-	(236,239)	141,614
A&C Wastewater	1,735	-	(1,735)	-
ACRES Group 2	22,190	-	(246)	21,944
Digitization project	14,287	-	(14,287)	-
COVID 19 Emergency Management	144,811	-	-	144,811
COVID 19 Special Needs	75,508	-	-	75,508
FNESS - Emergency Training	2,379	-	(2,379)	-
COVID 19 LEDSP-CEDP-ICBF	161,926	-	(161,926)	-
IND Community	259,989	-	-	259,989
COVID 19 Base needs	174,100	27,483	-	201,583
COVID 19 OCI REO	15,572	-	-	15,572
COVID 19 Income assistance	238,811	-	-	238,811
Woyenne Drainage	2,063,751	-	(2,010,027)	53,724
Remediation and waste management	250,000	-	(250,000)	-
ISC Firefighting	-	150,000	-	150,000
ISC Jurisdiction Mechanism Funding	-	500,000	-	500,000
ISC CSFS Prevention	-	2,082,281	-	2,082,281
	3,938,825	2,759,764	(2,794,664)	3,903,925
Provincial Government				
Joint Forestry Forum	15,673	-	-	15,673
FPA- Program enhancements	-	2,000,000	-	2,000,000
FPA - Negotiation and implementation fund	4,528,627	3,880,014	(4,528,627)	3,880,014
Consultation and engagement	19,735	-	-	19,735
Negotiation agreements	25,000	-	-	25,000
Infrastructure	858,847	-	(652,424)	206,423
LMP Project	42,047	-	(42,047)	-
Reconnect Project	7,754	-	-	7,754
FPA - Economic Development	30,000,000	-	-	30,000,000
Crime prevention and remediation	30,000	-	(12,864)	17,136
Bulkley TSA	85,000	-	(8,082)	76,918
Lake resiliency project	24,000	-	-	24,000
MCF-PF	-	30,000	-	30,000
	35,636,683	5,910,014	(5,244,044)	36,302,653

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

8. DEFERRED REVENUE, continued

Other				
Tree planting	70,000	-	-	70,000
FNESCS - school bus purchase	78,156	-	(78,156)	-
First Nation home and community care	197,770	-	(139,867)	57,903
FNHA - Project COVID 19 emergency	127,927	-	(7,735)	120,192
PGNAETA Bladerunners	35,009	-	-	35,009
NNDAP mental health	328,312	-	-	328,312
Prenatal program	82,143	-	-	82,143
PGNAETA health forum	10,000	-	(10,000)	-
Family violence prevention	31,655	-	-	31,655
FPCC language vitality	72,500	-	(72,500)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,033,472	-	(308,258)	725,214
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 40,608,980	\$ 8,669,778	\$ (8,346,966)	\$ 40,931,792
	<hr/>	<hr/>	<hr/>	<hr/>

9. LONG-TERM DEBT

	2023	2022
Gas Bar term loan bearing interest at prime plus 0.5% per annum, repayable in monthly payments of \$14,445. The loan is secured by general security agreement. The loan matures on July 13, 2043.	\$ 2,057,346	\$ 2,254,160
Safehouse - On-reserve Shelter Enhancement Program loan bearing interest at 0% per annum, forgivable at 1/15th per annum, ending on March 31, 2035.	1,519,023	1,654,048
Natural Resource Building term loan bearing interest at prime plus 5.11% per annum, repayable in monthly payments of \$7,920 including interest. The loan is secured by general security agreement. The loan matures on July 13, 2043.	1,214,553	1,246,300
Fort Babine Lodge term loan bearing interest at 6.04% per annum, repayable in monthly payments of \$8,455 including interest. The loan is secured by general security agreement. The loan matures on November 30, 2024.	758,122	775,525
Triplex term loan bearing interest at prime plus 1.25% per annum, repayable in monthly payments of \$2,169 excluding interest. The loan is secured by general security agreement. The loan matures on June 30, 2023.	267,407	293,443
Vehicle loan bearing interest at 6.99% per annum, repayable in monthly payments of \$1,081 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$18,623. The loan matures on January 22, 2024.	10,609	22,269

LAKE BABINE NATION**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2023****9. LONG-TERM DEBT, continued**

	2023	2022
Vehicle loan bearing interest at 6.99% per annum, repayable in monthly payments of \$951 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$17,293. The loan matures on January 22, 2024.	9,332	19,587
Loan repaid during the year	-	12,000
<u>Loan repaid during the year</u>	<u>-</u>	<u>9,874</u>
	\$ 5,836,392	\$ 6,287,206

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

2024	\$ 351,677
2025	337,057
2026	342,691
2027	348,656
<u>2028 and thereafter</u>	<u>4,456,311</u>
	\$ 5,836,392

	2023	2022
Interest expense for the year on long-term debt	\$ 196,176	\$ 167,762

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

10. TANGIBLE CAPITAL ASSETS

	Cost	Additions	Disposals	Accumulated amortization	2023 Net book value
Land	\$ 4,743,539	\$ -	\$ -	\$ -	\$ 4,743,539
Buildings and infrastructure	55,367,129	978,818	-	37,144,815	19,201,132
Automotive equipment	2,629,344	481,157	295,396	1,668,424	1,146,678
Computer equipment	1,265,050	101,119	-	906,310	459,859
Equipment	2,397,771	444,770	-	2,162,456	680,085
Fisheries equipment	501,152	16,843	-	242,320	275,675
Water and sewer	14,309,822	62,246	-	7,450,923	6,921,145
Roads and bridges	8,465,165	2,326,066	-	3,744,303	7,046,928
	\$ 89,678,972	\$ 4,411,019	\$ 295,396	\$ 53,319,551	\$ 40,475,041

	Cost	Additions	Disposals	Accumulated amortization	2022 Net book value
Land	\$ 4,743,539	\$ -	\$ -	\$ -	\$ 4,743,539
Buildings and infrastructure	54,700,709	666,420	-	36,393,077	18,974,052
Automotive equipment	2,108,965	520,379	-	1,240,125	1,389,219
Computer equipment	1,099,908	165,142	-	745,305	519,745
Equipment	2,327,041	70,730	-	2,103,079	294,692
Fisheries equipment	249,903	251,249	-	196,396	304,756
Water and sewer	14,217,780	92,042	-	7,094,082	7,215,740
Roads and bridges	5,406,815	3,058,350	-	3,516,474	4,948,691
	\$ 84,854,660	\$ 4,824,312	\$ -	\$ 51,288,538	\$ 38,390,434

11. ACCUMULATED SURPLUS

	2023	2022
Restricted		
Equity in Investments in Government Business Enterprises	\$ 12,940,612	\$ 9,259,015
Equity in Ottawa Trust Funds	2,114,804	2,057,108
	15,055,416	11,316,123
Unrestricted		
Operating equity	58,202,351	50,964,616
	\$ 73,257,767	\$ 62,280,739

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

12. CONTINGENT LIABILITIES

Lake Babine Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

Nation has an Bank indebtedness consists of operating line of credit authorized to \$150,000 bearing interest at prime plus 2.65% per annum, and is unsecured.

In addition, in the normal course of its operations, Lake Babine 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 Lake Babine Nation's financial statements. In managements opinions there are no losses resulting in the accrual of a liability present as at the date of the audit report.

13. ECONOMIC DEPENDENCE

Lake Babine Nation receives a significant portion of its revenue pursuant to a funding agreements with Indigenous Services Canada and other government funders. The Nation's ability to operate certain programs depends on the continuation of this funding.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

14. GOVERNMENT TRANSFERS

	2023		
	Operating	Capital	Total
Federal government transfers			
Indigenous Services Canada (ISC)	\$ 18,230,942	\$ -	\$ 18,230,942
Canada Mortgage and Housing Corporation	28,755	\$ -	28,755
Department of Fisheries and Oceans	1,003,213	\$ -	1,003,213
Pacific Salmon Commission	220,097	\$ -	220,097
Total	19,483,007	\$ -	19,483,007
Provincial government transfers			
	8,803,946	\$ -	8,803,946
	\$ 28,286,953	\$ -	\$ 28,286,953
	2022		
	Operating (restated)	Capital	Total
Federal government transfers			
Indigenous Services Canada (ISC)	\$ 16,781,458	\$ 4,733,323	\$ 21,514,781
Canada Mortgage and Housing Corporation	9,359	\$ -	9,359
Department of Fisheries and Oceans	987,832	\$ -	987,832
Pacific Salmon Commission	230,097	\$ -	230,097
Total	18,008,746	\$ 4,733,323	22,742,069
Provincial government transfers			
	7,371,367	\$ -	7,371,367
	\$ 25,380,113	\$ 4,733,323	\$ 30,113,436

15. EMPLOYMENT RETIREMENT PLAN

The 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 3% and 8% of their gross pay with the organization making a matching contribution to the plan. Any voluntary amounts paid by the employee are not matched. Total employer contributions for 2023 were \$261,013 (2022 - \$242,458).

16. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates provided by management, and were approved by Chief and Council on March 28, 2022.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

17. PRIOR PERIOD ADJUSTMENT

The comparative figures have been restated for an adjustment of previously recognized revenue under the Foundation Agreement. These revenues are to be used in accordance with the Foundation Agreement and as such have been deferred for future use. As a result of this adjustment, prior period figures have been restated as follows:

	As previously stated in 2022	Adjustment	
		Increase (Decrease)	Restated 2022
Deferred revenue	\$ 32,608,980	\$ 8,000,000	\$ 40,608,980
Accumulated surplus	70,280,739	(8,000,000)	62,280,739

18. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments.

(a) Credit Risk

The Band is exposed to credit risk from their investment in Lake Babine Economic Development Society ("LBEDS"), which is in the same geographical area and does significant business with members of the Nation. The Nation has advanced significant amounts to LBEDS to assist with start up and construction costs, and payroll, management considers their risk of collection of these receivables to be acceptable and appropriately managed.

(b) Interest rate risk

The band is exposed to interest rate risk. Interest rate risk is the risk that the band has interest rate exposure on its bank contingent liabilities, and long-term debt, which are variable based on the bank's prime rates. This exposure may have an effect on its earnings in future periods. The band reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been relatively stable over the period presented. There are some loans that are at fixed term rates and do not affect interest rate risk. The band does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk to the band is low and is not material.

19. COMPARATIVE AMOUNTS

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

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

20. EXPENDITURES BY OBJECT

	2023 Budget	2023 Actual	2022 Actual
Administration fees	\$ 1,269,140	\$ 1	\$ 69,033
Advertising	76,500	57,872	21,316
Amortization	-	2,198,391	1,916,043
Awards day	20,000	21,989	13,149
Bad debts	-	1,186,160	1,723,155
Capital purchases	556,505	34,999	-
Catering	53,000	427,648	137,977
Christmas	65,200	72,789	66,862
Community Support	125,923	701,833	319,914
Contracted services	808,396	596,550	451,163
Economic development opportunities	-	105,815	-
Equipment leases and rentals	58,685	166,773	118,018
Fees	95,730	392,912	189,688
Field trips	10,000	7,720	4,598
Fort Babine Lodge	-	28,174	-
Fuel and oil	59,800	160,306	79,412
General operating expense	35,769	83,230	119,624
Honorarium	543,800	908,738	1,303,442
Incentives	16,700	155,384	162,327
Insurance	355,339	495,367	448,797
Interest and bank charges	30,175	253,630	209,467
Janitorial	-	-	16,514
LBN Gas Bars	-	47,919	-
Meeting expenses	231,608	841,549	163,294
Nutrition	148,613	262,097	237,451
One time inflation relief fund	-	1,965,000	-
Other expense	430,545	384,093	356,949
Professional development	71,414	54,006	98,460
Professional fees	386,016	1,802,348	1,487,045
Property taxes	30,789	4,212	3,829
Purchases	-	10,320	6,746
Rent	411,293	272,836	329,682
Repairs and maintenance	1,175,129	928,758	1,251,314
Social assistance and support	1,703,864	2,141,285	1,746,740
Supplies	727,310	2,188,000	2,487,344
Traditional food	42,379	43,624	43,979
Training	107,255	263,218	282,745
Travel	1,532,748	3,318,758	2,160,899
Tuitions and allowances	2,801,573	3,472,018	2,935,505
Utilities and telephone	806,091	1,013,189	944,128
Wages and benefits	9,349,044	12,191,823	11,856,524
Wood delivery	85,410	255,380	121,271
	\$ 24,221,743	\$ 39,516,714	\$ 33,884,404

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION

Lake Babine Nation is a First Nation organization that provides a wide range of services to its members including social, education, housing, capital, economic development and community services. For management reporting purposes, the Nation's operations and activities are organized and reported by segments. Segments were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations.

The Nation's services are provided by departments and their activities are recorded in these funds. Certain departments that have been disclosed in the segmented information, along with the services they provide, are as follows:

Operations

The Operations program provides administration support to the First Nation. Those costs that relate directly to the administration of the various segments have been allocated to the appropriate segment.

Education

The Education program provides primary and secondary instructional services and financial support to eligible post-secondary First Nations students.

Economic Development

The Economic Development program provides planning and capacity development initiatives under various agreements.

Natural Resource Management

The Natural Resources program administers and oversees natural resource based projects.

Social Housing

The Housing program provides on-reserve housing to eligible members under the CMHC housing programs for First Nations, and reports on the respective revenue and expenditures.

Health Services

The Health program provides a variety of health and wellness programs and support to First Nation members.

Social Development

The Social Development program Administers the provision of social assistance to qualifying First Nation members, as well as providing social development programs to the First Nation.

Capital

The Capital program administers the development of new capital projects and infrastructure programs on the reserve.

Operations and Maintenance

The Operations and Maintenance program provides regular maintenance services throughout the First Nation.

Fisheries

The Fisheries program administers fishing operations, habitat restoration, and research on First Nation land.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION, continued

Child and Family Services

The Child and Family Services program provides special needs and prevention services to the First Nations members

Equity in First Nation Investments

The Equity in First Nation Investments program includes all activity from investments in other entities by the First Nation.

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION, continued

	Operations			LBN Education Program			Economic Development		
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ 731,495	\$ 1,121,540	\$ 7,074,178	\$ 5,607,242	\$ 5,694,035	\$ 5,721,335	\$ 155,070	\$ 160,485	\$ 156,046
Provincial Government	-	582,375	48,529	-	741,534	906,355	-	3,061,898	2,199,813
Other Aboriginal Groups	-	22,078	-	672,294	4,004,386	2,640,653	-	-	-
Band Generated	103,500	23,770	8,775	-	935	23,823	-	271,868	243,051
Interest income	-	1,587,042	288,761	-	-	-	-	-	-
Administration fee	-	(81,880)	82,995	-	-	-	-	-	-
Transfer from deferred revenue	-	2,314,523	113,753	-	78,156	145,913	-	-	-
Other revenue	-	2,114,220	(1,314,914)	(25,000)	129,338	122,100	-	-	100
Total revenue	834,995	7,683,668	6,302,077	6,254,536	10,648,384	9,560,179	155,070	3,494,251	2,599,010
Expenses									
Administration fees	19,915	-	2,800	424,461	-	15,404	23,261	-	-
Capital purchases	281,023	-	(5,332)	20,000	-	-	-	-	-
Contracted services	22,500	226,561	3,423	-	49,142	17,782	-	1,447	60,000
Professional fees	108,000	149,515	222,918	32,500	5,114	5,502	6,000	11,382	14
Repairs and maintenance	68,009	43,146	30,841	13,750	168,926	195,821	-	194	1,287
Travel	480,615	593,240	170,146	56,174	301,672	141,430	12,000	22,675	6,331
Wages and benefits	2,064,073	2,188,261	1,670,425	2,697,453	4,338,670	3,943,337	111,156	128,347	147,918
Other expenses	1,396,403	2,849,793	2,424,297	3,384,520	5,137,578	4,499,769	30,513	600,774	343,480
Total expenses	4,440,538	6,050,516	4,519,518	6,628,858	10,001,102	8,819,045	182,930	764,819	559,030
Recoveries	(3,605,543)	1,633,152	1,782,559	(374,322)	647,282	741,134	(27,860)	2,729,432	2,039,980
Other income (expenses)	-	-	(9,963)	-	-	(15,921)	-	-	(2,342)
Annual surplus (deficit)	\$ (3,605,543)	\$ 1,633,152	\$ 1,782,559	\$ (374,322)	\$ 647,282	\$ 741,134	\$ (27,860)	\$ 2,729,432	\$ 2,037,638

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION, continued

	Natural Resource Management			Social Housing Fund			Health Services Fund		
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 378,656	\$ 643,468	\$ 581,039	\$ -	\$ -	\$ -
Federal Government	-	-	-	-	28,755	9,359	-	-	-
Provincial Government	-	-	-	-	-	-	-	68,281	103,045
Other Aboriginal Groups	-	-	-	-	-	-	5,076,377	4,886,334	4,343,331
Band Generated	-	-	-	1,030,000	1,471,286	1,490,321	-	-	-
Interest income	-	-	-	-	425	74	-	-	-
Transfer from deferred revenue	-	-	-	-	-	-	-	7,735	165,183
Other revenue	413,288	11,347,034	5,108,440	-	-	-	-	174,867	(184,412)
Total revenue	413,288	11,347,034	5,108,440	1,408,656	2,143,934	2,080,793	5,076,377	5,137,217	4,427,147
Expenses									
Administration fees	-	-	-	-	-	-	328,663	-	(9,987)
Amortization	-	-	-	-	13,027	15,069	-	178,404	215,278
Capital purchases	-	-	-	2,000	-	-	209,926	-	-
Contracted services	-	-	-	-	-	-	86,392	24,725	52,593
Professional fees	-	-	-	-	15,994	13,445	142,710	10,500	9,500
Repairs and maintenance	-	-	-	719,400	310,686	571,078	209,770	99,667	228,184
Travel	-	-	-	19,000	9,575	6,056	798,064	1,687,860	1,371,211
Wages and benefits	-	-	-	400,700	283,001	309,555	2,302,839	1,687,835	2,203,260
Other expenses	551,771	3,971,017	3,097,422	265,320	1,269,460	1,279,636	1,166,776	1,226,858	1,356,823
Total expenses	551,771	3,971,017	3,097,422	1,406,420	1,901,743	2,194,839	5,245,140	4,915,849	5,426,862
Recoveries	(138,483)	7,376,017	2,011,018	2,236	242,191	(114,046)	(168,763)	221,368	(999,715)
Other income (expenses)	-	-	-	-	-	(5,088)	-	-	-
Annual surplus (deficit)	\$ (138,483)	\$ 7,376,017	\$ 2,011,018	\$ 2,236	\$ 399,090	\$ 25,974	\$ (168,763)	\$ 221,368	\$ (999,715)

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION, continued

	LBN Social Development			Capital Projects 500			Operations & Maintenance		
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ 2,994,314	\$ 3,703,011	\$ 3,640,820	\$ 967,200	\$ 1,245,951	\$ 1,332,814	\$ 790,824	\$ 1,015,686	\$ 1,473,691
Provincial Government	-	-	-	-	-	-	-	3,420	-
Band Generated	-	-	-	-	-	-	161,400	239,119	284,836
Interest income	-	-	-	-	2,263	480	-	-	-
Transfer from deferred revenue	-	-	-	-	1,736	25,035	-	-	-
Other revenue	-	-	4,816	-	2,379	(19,058)	-	-	-
Total revenue	2,994,314	3,703,011	3,645,636	967,200	1,252,329	1,339,271	952,224	1,258,225	1,758,527
Expenses									
Administration fees	301,322	-	-	94,644	-	-	-	-	-
Amortization	-	-	-	-	1,952,310	1,632,330	-	-	-
Capital purchases	6,000	-	2,666	-	-	-	-	-	2,666
Contracted services	-	-	-	699,504	285,222	285,282	-	770	2
Professional fees	-	-	-	8,160	342,247	25,644	-	-	-
Repairs and maintenance	1,000	1,314	220	-	400	-	163,200	280,926	209,710
Travel	27,600	22,316	18,005	19,200	5,934	9,228	5,400	27,490	4,696
Wages and benefits	431,286	285,516	283,242	129,492	71,716	67,192	477,680	523,156	492,552
Other expenses	1,991,764	2,416,083	2,024,190	16,200	24,465	94,588	736,489	839,244	739,143
Total expenses	2,758,972	2,725,229	2,328,323	967,200	2,682,294	2,114,264	1,382,769	1,671,586	1,448,769
Recoveries	235,342	977,782	1,317,313	-	(1,429,965)	(774,993)	(430,545)	(413,361)	309,758
Other income (expenses)	-	-	(36,609)	-	-	(7,632)	-	-	(10,390)
Annual surplus (deficit)	\$ 235,342	\$ 977,782	\$ 1,317,313	-	\$ (1,447,974)	\$ (774,993)	\$ (430,545)	\$ (413,361)	\$ 309,758

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION, continued

	Fisheries Fund			Natural Resources Department			Equity in First Nation Investments		
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 368,288	\$ 1,063,288	\$ 775,000	-	\$ -	\$ -
Federal Government	631,500	1,223,310	1,217,929	45,000	-	-	-	-	-
Provincial Government	-	-	-	-	4,288,954	3,996,194	-	-	-
Transfer from deferred revenue	-	-	-	-	833,241	863,926	-	-	-
Other revenue	-	85,966	93,577	(413,288)	(6,185,483)	(5,635,120)	-	-	-
Total revenue	631,500	1,309,276	1,311,506	-	-	-	-	-	-
Expenses									
Administration fees	34,983	-	25,034	41,891	-	25,495	-	-	-
Amortization	-	54,650	53,366	-	-	-	-	-	-
Capital purchases	37,556	34,998	-	-	-	-	-	-	-
Contracted services	-	-	-	-	7,970	13,444	-	-	-
Professional fees	27,914	115,892	109,625	60,732	1,136,425	1,049,704	-	-	-
Repairs and maintenance	-	5,718	-	-	1,420	5,293	-	-	-
Travel	17,400	41,516	50,445	97,295	364,223	94,531	-	-	-
Wages and benefits	430,133	435,473	562,467	304,232	1,645,221	1,467,423	-	-	-
Other expenses	84,159	200,088	306,028	(504,150)	(3,155,259)	(2,655,890)	-	2,003,937	-
Total expenses	632,145	888,335	1,106,965	-	-	-	-	2,003,937	-
Recoveries	(645)	420,941	204,541	-	-	-	-	(2,003,937)	-
Other income (expenses)	-	21,990	-	-	-	-	-	-	7,761,724
Annual surplus (deficit)	\$ (645)	\$ 442,931	\$ 204,541	\$ -	\$ -	\$ -	\$ -	\$ (2,003,937)	\$ 7,761,724

LAKE BABINE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

21. SEGMENTED INFORMATION, continued

	Lake Babine Child & Family Services			Consolidated totals		
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual
Revenues						
Indigenous Services Canada	\$ -	\$ 3,583,478	\$ 759,858	\$ 11,993,089	\$ 18,230,942	\$ 21,514,781
Federal Government	-	-	-	676,500	1,252,065	1,227,288
Provincial Government	-	57,484	117,431	-	8,803,946	7,371,367
Other Aboriginal Groups	-	1,295,852	1,475,686	5,748,671	10,208,650	8,459,670
Band Generated	-	-	-	1,294,900	2,006,978	2,050,806
Interest income	-	-	-	-	1,589,730	289,315
Administration fee	-	-	-	-	(81,880)	82,995
Transfer from deferred revenue	-	-	-	-	3,235,391	1,313,810
Other revenue	-	(2,581,281)	371,555	(25,000)	5,087,040	(1,452,916)
Total revenue	-	2,355,533	2,724,530	19,688,160	50,332,862	40,857,116
Expenses						
Administration fees	-	-	10,287	1,269,140	-	69,033
Amortization	-	-	-	-	2,198,391	1,916,043
Capital purchases	-	-	-	556,505	34,998	-
Contracted services	-	713	18,637	808,396	596,550	451,163
Professional fees	-	15,279	50,693	386,016	1,802,348	1,487,045
Repairs and maintenance	-	16,361	8,880	1,175,129	928,758	1,251,314
Travel	-	242,257	288,820	1,532,748	3,318,758	2,160,899
Wages and benefits	-	604,627	709,153	9,349,044	12,191,823	11,856,524
Other expenses	-	1,061,050	1,182,897	9,119,765	18,445,088	14,692,383
Total expenses	-	1,940,287	2,269,367	24,196,743	39,516,714	33,884,404
Recoveries	-	415,246	455,163	(4,508,583)	10,816,148	6,972,712
Other income (expenses)	-	-	-	-	-	(87,945)
Annual surplus (deficit)	\$ -	\$ 415,246	\$ 455,163	\$ (4,508,583)	\$ 10,977,028	\$ 14,872,114