



SADDLE LAKE CREE

NATION

EXTERNAL AUDITOR

PRESENTATION

Presented by:

Rob Picton, CPA, CA & Paulina Cruz, CPA

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**KRP** | KINGSTON  
ROSS  
PASNAK<sup>LLP</sup>

# Purpose of an Audit

To obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



# Audit Opinions

- **Unqualified Report**

- Also known as a clean report, an unqualified audit opinion indicates that the audited financial statements have been presented fairly, in all material respects.

- **Qualified Report**

- A qualified report is one in which most matters in the audit have been adequately dealt with, with the exception of one or more issues. With the exception of the issue(s) noted, the auditor can still conclude that the financial statements are presented fairly, in all material aspects.

# 2019 SLCN Audit Opinion

- Qualified Report

- Government business enterprises & Long-term investments
  - Many of the Nation's long-term investments and government business enterprises are not audited
  - We are not able to rely on the financial statements of the investments to provide reasonable assurance that they are not materially misstated

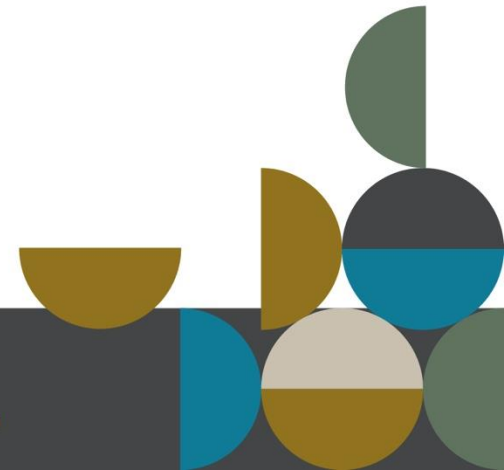


# ISC Audit Requirements

- **Financial Reporting Framework**
  - ISC requires that the financial statements of the Nation be prepared using Public Sector Accounting Standards (PSAS)
- **Consolidation**
  - The audited financial statements must show the consolidated financial position of the Nation
  - This includes all Saddle Lake Band operated programs as well as the Nation's long-term investments
- **Audited Financial Statement Deadline**
  - Audited financial statement submission deadline: July 31, 2019
  - Since appointment as the auditors of the Nation in 2015, we have submitted each audit to ISC on time.

# Current Assets

	2019	2018
Cash	\$11,635,380	\$17,121,551
Accounts Receivable	\$ 4,251,043	\$ 2,722,027
<b>Total Current Assets</b>	<b>\$15,886,423</b>	<b>\$19,843,578</b>



# Liabilities

	2019	2018
<b>Total Liabilities</b>	<b>\$11,782,820</b>	<b>\$16,126,711</b>



# Revenue

	2019	2018
ISC	\$47,186,580	\$43,112,677
FNIHB	\$ 9,673,571	\$ 9,534,536
AHRD	\$ 1,710,588	\$ 1,884,978
FNDF	\$ 1,356,929	\$ 1,366,881
CMHC	\$ 239,360	\$ 300,797
Other Revenue	\$ 9,263,713	\$10,329,608
Contributions CFWD	\$ 4,769,766	(\$ 932,702)
<b>Revenue</b>	<b>\$74,200,507</b>	<b>\$65,596,775</b>



# Expenses

	2019	2018
Wages and Benefits	\$19,422,330	\$17,506,383
Child Welfare Operations	\$ 9,499,452	\$ 9,697,044
Direct Social Assistance	\$ 6,447,831	\$ 6,270,935
Travel, Meeting, Workshops	\$ 5,121,204	\$ 5,070,029
Contracted and Program Services	\$ 5,137,499	\$ 4,727,802
Post-Secondary Allowances	\$ 3,206,492	\$ 3,213,090
Repairs and Maintenance	\$ 3,673,975	\$ 3,129,791
Materials, Goods and Utilities	\$ 3,778,639	\$ 2,616,611
Other Expenses	\$ 7,075,490	\$ 5,943,143
<b>Total Expenses</b>	<b>\$ 63,362,912</b>	<b>\$58,174,828</b>

# Surplus of Revenues over Expenses

	2019	2018
Surplus from Operations	\$ 10,837,595	\$ 7,421,947
O – Business Trust	-	-
Investments	\$ 278,172	(\$ 88,143)
<b>Surplus</b>	<b>\$ 11,115,767</b>	<b>\$ 7,333,804</b>

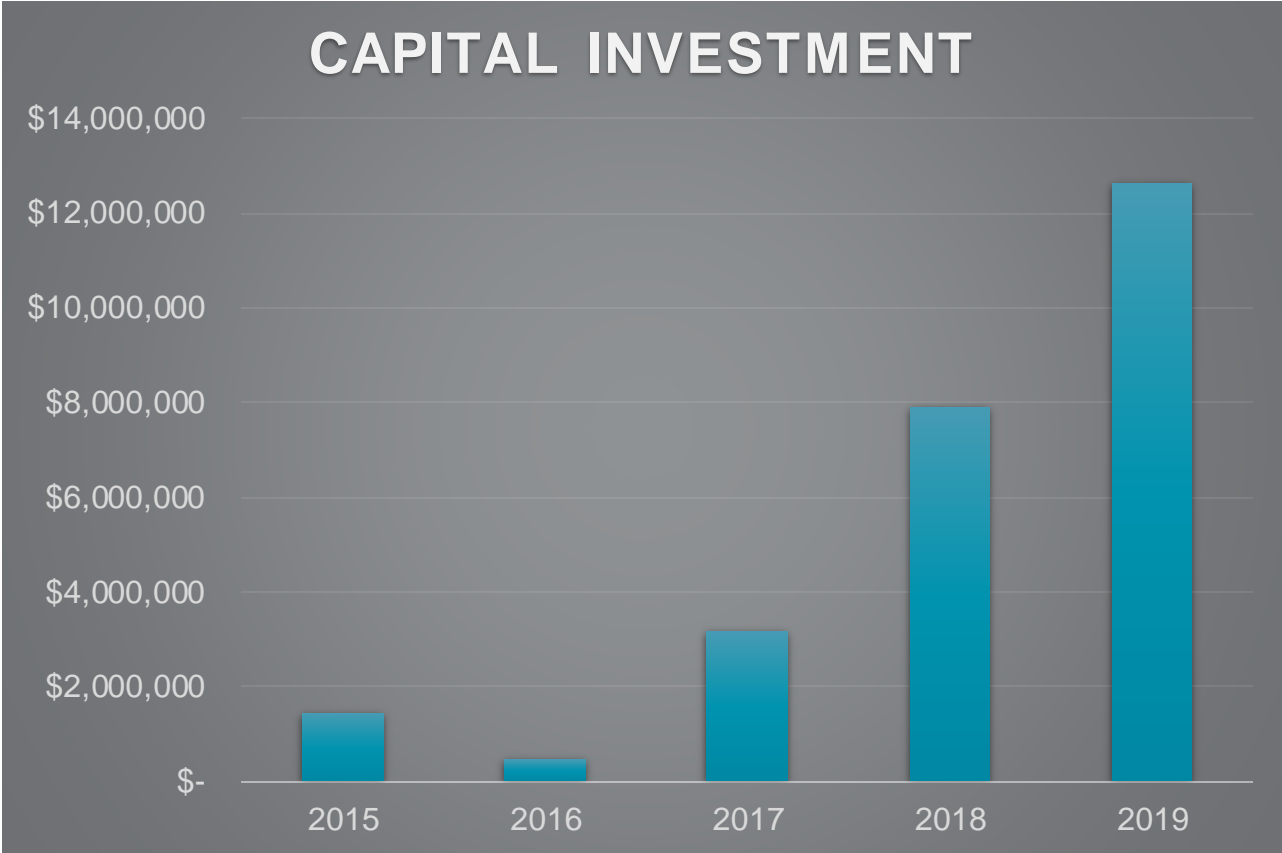
# Surplus Reinvestment

	2019
Surplus	\$ 11,115,767
Capital Asset purchases	(\$ 12,630,671)
<b>Deficit</b>	<b>(\$ 1,514,904)</b>

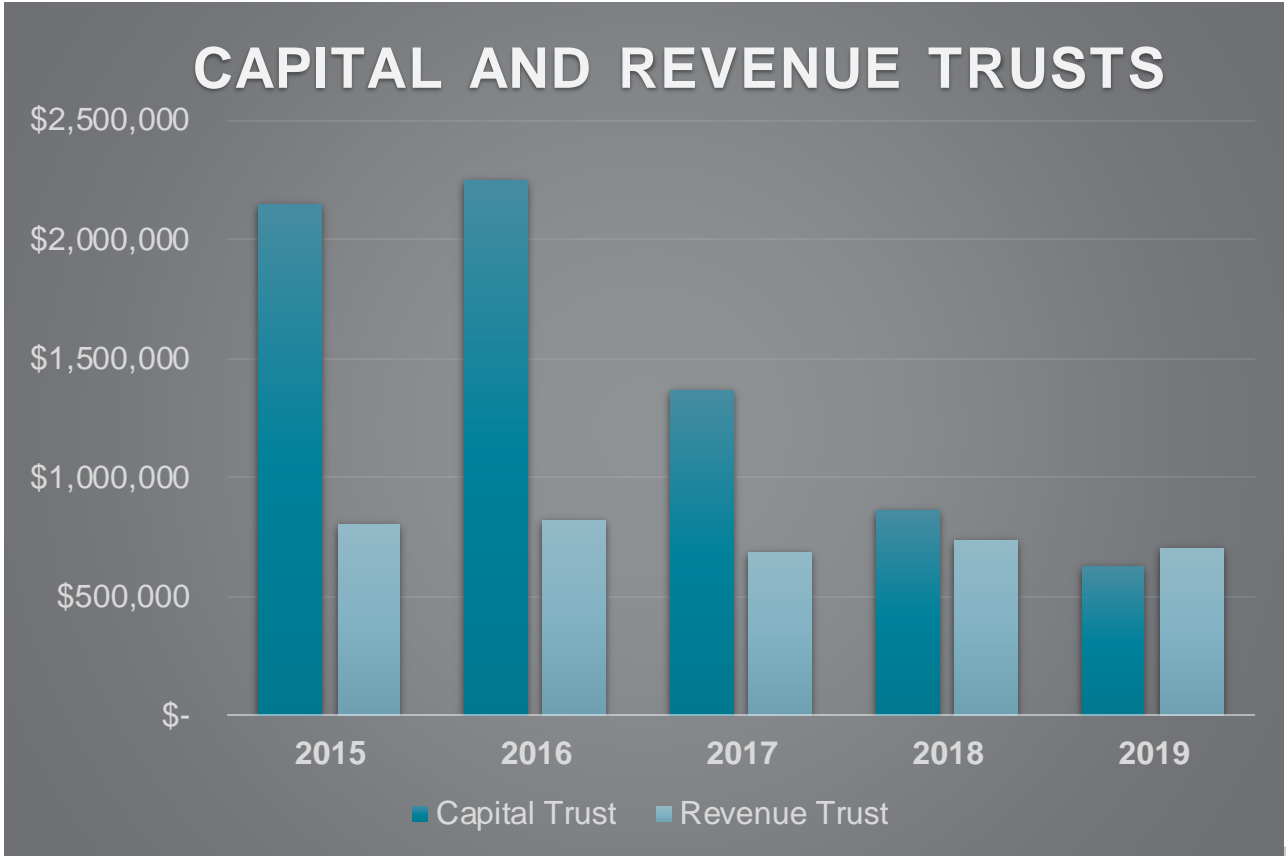
# 2019 Capital Asset Purchases

	2019
Health Centre expansion	\$ 4,677,092
Band building renovations	\$ 2,391,408
Road Upgrades	\$ 1,213,140
School renovations	\$ 861,296
Lagoon Work	\$ 748,875
Water Treatment Plant	\$ 328,937
Fire Truck	\$ 155,428
New Vehicles	\$ 144,025
Computer equipment	\$ 29,884
<b>Total Capital Asset Purchases</b>	<b>\$10,550,085</b>

# Saddle Lake Cree Nation



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# Public Works and Housing

	2019	2018
ISC Funding	\$ 8,669,257	\$ 5,997,106
CMHC Funding	\$ 239,360	\$ 300,797
Other Revenue	\$ 3,041,472	\$ 5,015,107
Contributions CFWD	\$ 2,482,927	\$ 2,665,710
<b>Revenue</b>	<b>\$ 14,433,016</b>	<b>\$13,978,720</b>
<b>Expenses</b>	<b>(\$ 10,485,120)</b>	<b>(\$ 8,374,942)</b>
<b>Surplus</b>	<b>\$ 3,947,896</b>	<b>\$ 5,603,778</b>

# Human Resources Development

	2019	2018
ISC Funding	-	-
AHRD/HRDC Funding	\$ 1,304,576	\$ 1,449,100
Other Revenue	\$ 503,574	\$ 209,750
Contributions CFWD	(\$ 276,649)	\$ 191,252
<b>Revenue</b>	<b>\$ 1,531,501</b>	<b>\$ 1,850,102</b>
<b>Expenses</b>	<b>(\$ 1,680,204)</b>	<b>(\$ 1,676,553)</b>
<b>Surplus/(Deficit)</b>	<b>(\$ 148,703)</b>	<b>\$ 173,549</b>



# Education Authority

	2019	2018
ISC Funding	\$ 8,846,427	\$ 8,639,252
AHRD/HRDC Funding	\$ 406,012	\$ 435,879
Other Revenue	\$ 424,401	\$ 773,816
Contributions CFWD	\$ 843,552	(\$ 1,053,569)
<b>Revenue</b>	<b>\$10,520,392</b>	<b>\$ 8,795,378</b>
<b>Expenses</b>	<b>(\$ 9,697,800)</b>	<b>(\$ 8,729,678)</b>
<b>Surplus</b>	<b>\$ 822,592</b>	<b>\$ 65,700</b>

# Post-Secondary Education

	2019	2018
ISC Funding	\$ 3,686,590	\$ 3,618,052
Other Revenue	-	-
Contributions CFWD	(\$ 81,389)	(\$ 182,323)
<b>Revenue</b>	<b>\$ 3,605,201</b>	<b>\$ 3,435,729</b>
<b>Expenses</b>	<b>(\$ 3,605,201)</b>	<b>(\$ 3,435,729)</b>
<b>Surplus</b>	<b>-</b>	<b>-</b>

# Social Assistance

	2019	2018
ISC Funding	\$10,485,767	\$10,485,767
Other Revenue	\$ 33,600	\$ 33,600
Contributions CFWD	\$ 513,136	\$ 513,136
<b>Revenue</b>	<b>\$10,631,608</b>	<b>\$ 11,032,503</b>
<b>Expenses</b>	<b>(\$10,631,608)</b>	<b>(\$ 9,760,251)</b>
<b>Surplus</b>	<b>-</b>	<b>-</b>

# Social Services

	2019	2018
ISC Funding	\$ 232,512	\$ 269,689
Other Revenue	\$ 1,439,615	\$ 1,399,935
Contributions CFWD	(\$ 54,502)	\$ 126,500
<b>Revenue</b>	<b>\$ 1,617,625</b>	<b>\$ 1,796,124</b>
<b>Expenses</b>	<b>(\$ 1,617,625)</b>	<b>(\$ 1,763,879)</b>
<b>Surplus</b>	<b>-</b>	<b>\$ 32,245</b>

# Child Welfare

	2019	2018
ISC Funding	\$11,780,048	\$10,776,833
Province of Alberta	\$ 2,225,368	\$ 2,505,968
Other Revenue	\$ 859,128	\$ 545,771
Contributions CFWD	(\$ 729,547)	\$ 68,936
<b>Revenue</b>	<b>\$14,134,997</b>	<b>\$13,897,508</b>
<b>Expenses</b>	<b>(\$13,828,110)</b>	<b>(\$13,415,389)</b>
<b>Surplus</b>	<b>\$ 306,887</b>	<b>\$ 482,119</b>

# Tribal Administration

	2019	2018
ISC Funding	\$ 2,638,849	\$ 2,773,757
FNDF Funding	\$ 1,356,929	\$ 1,366,881
Other Revenue	\$ 5,264,902	\$ 4,274,922
Contributions CFWD	\$ 895,626	(\$ 198,695)
<b>Revenue</b>	<b>\$ 10,156,306</b>	<b>\$ 8,216,865</b>
<b>Expenses</b>	<b>(\$ 9,068,622)</b>	<b>(\$ 8,004,048)</b>
<b>Surplus</b>	<b>\$ 1,087,684</b>	<b>\$ 212,817</b>

# Health Services

	2019	2018
ISC Funding	\$ 562,685	\$ 552,222
FNIHB Funding	\$ 9,673,571	\$ 9,534,536
Other Revenue	\$ 192,350	\$ 36,455
Lapsed Funding	-	-
Contributions CFWD	\$ 1,552,075	(\$ 3,063,648)
<b>Revenue</b>	<b>\$11,980,681</b>	<b>\$ 7,059,565</b>
<b>Expenses</b>	<b>(\$ 7,165,822)</b>	<b>(\$ 6,124,949)</b>
<b>Surplus</b>	<b>\$ 4,814,859</b>	<b>\$ 934,616</b>

# Saddle Lake Smoke Eaters LP

	2019	2018
Revenue	\$ 2,255,590	\$ 1,960,001
Cost of Sales	(\$ 1,742,985)	(\$ 1,524,736)
Other Expenses	(\$ 561,982)	(\$ 546,651)
<b>Net Loss</b>	<b>(\$ 49,377)</b>	<b>(\$ 111,386)</b>



# Peyasew Oilfield Services LP

	2019	2018
Revenue	\$ 866,784	\$ 655,412
Wage Expense	(\$ 539,764)	(\$ 458,948)
Other Expenses	(\$ 558,969)	(\$ 784,132)
<b>Net (Loss) Income</b>	<b>(\$ 231,949)</b>	<b>(\$ 587,668)</b>

# Bison Auto Stop Ltd.

	2019*	2018
Revenue		\$ 5,826,257
Cost of Sales		(\$ 4,975,558)
Wage Expense		(\$ 472,109)
Other Expenses		(\$ 598,679)
<b>Net Income</b>		<b>(\$ 220,089)</b>

\* 2019 financial statements are in progress.

# Saddle Lake Cree Nation Linear Property Taxation

	2018	2017
<b>Revenues</b>	<b>\$ 474,432</b>	\$ 353,755
Roads & Streets	(\$ 300,000)	(\$ 350,000)
Recreation	(\$ 18,000)	(\$ 86,637)
Economic Dev. Program	(\$ 50,088)	(\$ 28,311)
Assessment	(\$ 18,050)	(\$ 18)
Contingency Amounts	(\$ 10,600)	(\$ 12,066)
Executive & Legislative	(\$ 1,401)	(\$ 935)
<b>Net Surplus (Deficiency)</b>	<b>\$ 76,293</b>	(\$ 124,212)

# ISC Transfers

	2019
Economic Development	\$ 482,300
Income Assistance	\$ 10,614,862

# Loan Guarantees

	2019
Bison Auto Stop Ltd.	\$ 2,540,000
SL Smoke Eaters LP	\$ 200,000

# User Fees

	2019	2018
<b>Revenue</b>	<b>\$ 137,953</b>	\$ 136,822
State of Emergency	(\$ 299,311)	\$ 2,093
Repairs and Maintenance	(\$ 458,474)	(\$ 386,791)
<b>Net Loss</b>	<b>(\$ 619,832)</b>	(\$ 247,876)

Any Questions?



# Chief & Council: Remuneration and Expenses

	Salary	Other Remuneration	Expenses Reimbursed
Chief Eddy Makokis	\$ 75,000	\$ 33,281	\$ 40,126
The Late Herb Cardinal	\$ 61,250	\$ 8,800	\$ 29,853
Terry Cardinal	\$ 65,000	\$ 12,700	\$ 45,864
John Large	\$ 65,000	\$ 4,447	\$ 38,884
Sam Cardinal	\$ 65,000	\$ 11,200	\$ 77,815
Robbie Moosewah	\$ 65,000	\$ 2,700	\$ 59,706
Darrell Quinney	\$ 65,000	\$ 3,900	\$ 91,405
Pauline Hunter	\$ 65,000	\$ 5,838	\$ 45,093
Leslie Steinhauer	\$ 65,000	\$ 14,400	\$ 95,687
<b>Total Remunerations and Expenses</b>	<b>\$ 591,250</b>	<b>\$ 97,266</b>	<b>\$ 524,433</b>