

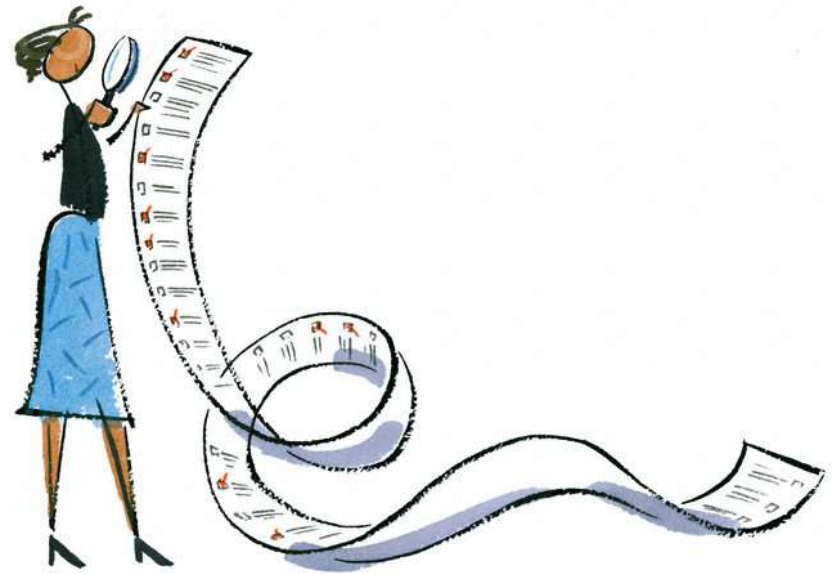
Lake Babine Nation



2023 Audit report

Agenda

- Audit Report
- Summary of revenues and expenditures
- Summary of assets and liabilities
- Indigenous Services Canada ratio's
- 7 year trend analysis



Audit report

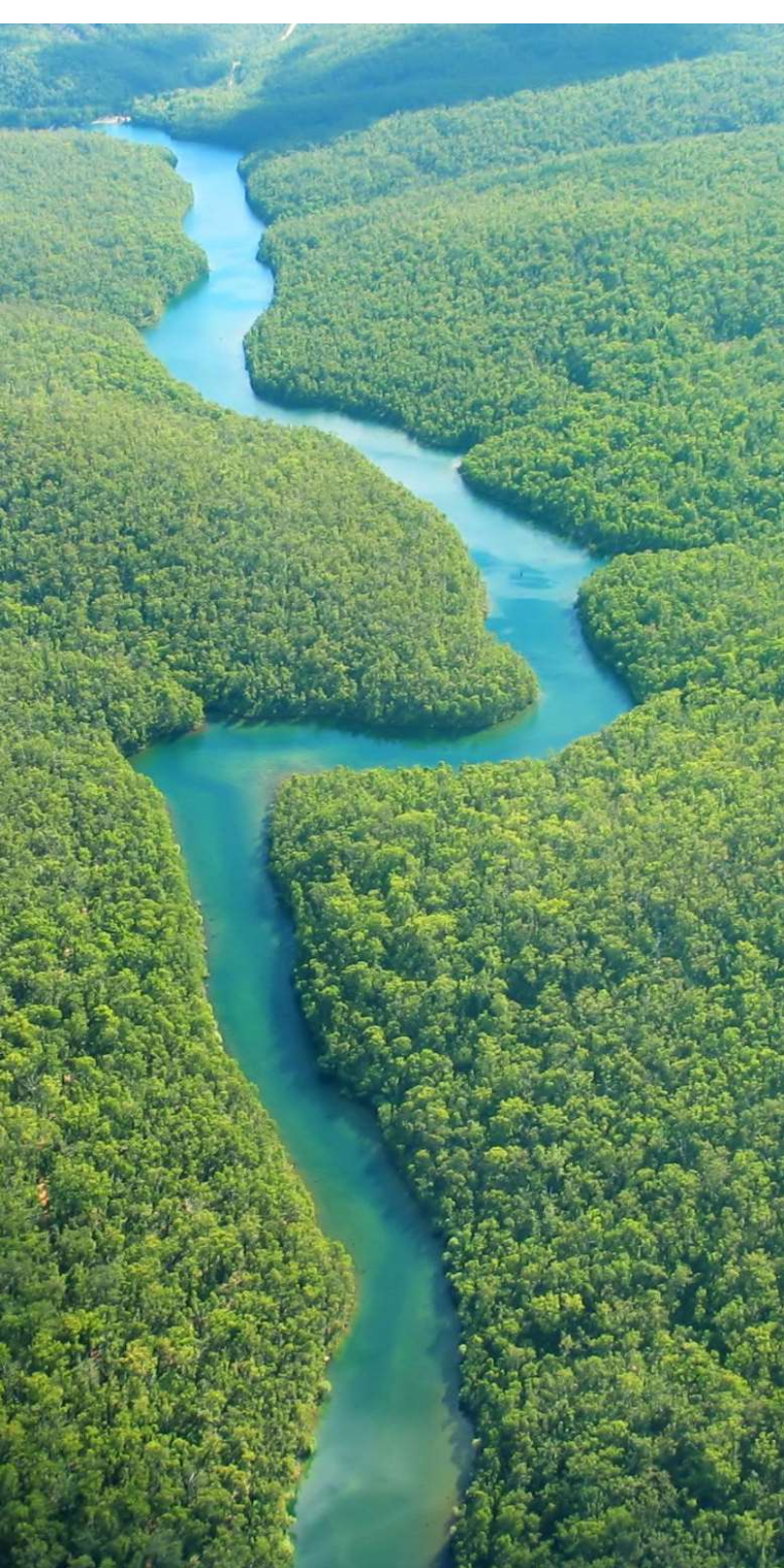
- We have audited the financial statements for Lake Babine Nation for the year ending March 31, 2023
- Chief and Council is responsible for the financial statements
- DMC Chartered Professional Accountants Inc. is responsible for expressing an **OPINION** on the financial statements
- We have given a qualified opinion which means that all areas of the financial statements present fairly except for the investment in Band owned entities



Audit report continued

- The reason for the qualified report is due to the uncertainty of the significant investment in:
 - Burns Lake Native Development Corporation (BLNDC)
 - Lake Babine Economic Development Society
 - Talok Fisheries Group (Talok)
 - LBN Forestry Group (LBNFS)
 - Woyenne Enterprises Ltd.
 - Lake Babine Nation Construction Ltd.
 - Lake Babine Nation Ventures Group.
 - Nedut'een Development Corp.
 - Fort Babine Lake Property Ltd.
 - 1203001 B.C. Ltd.



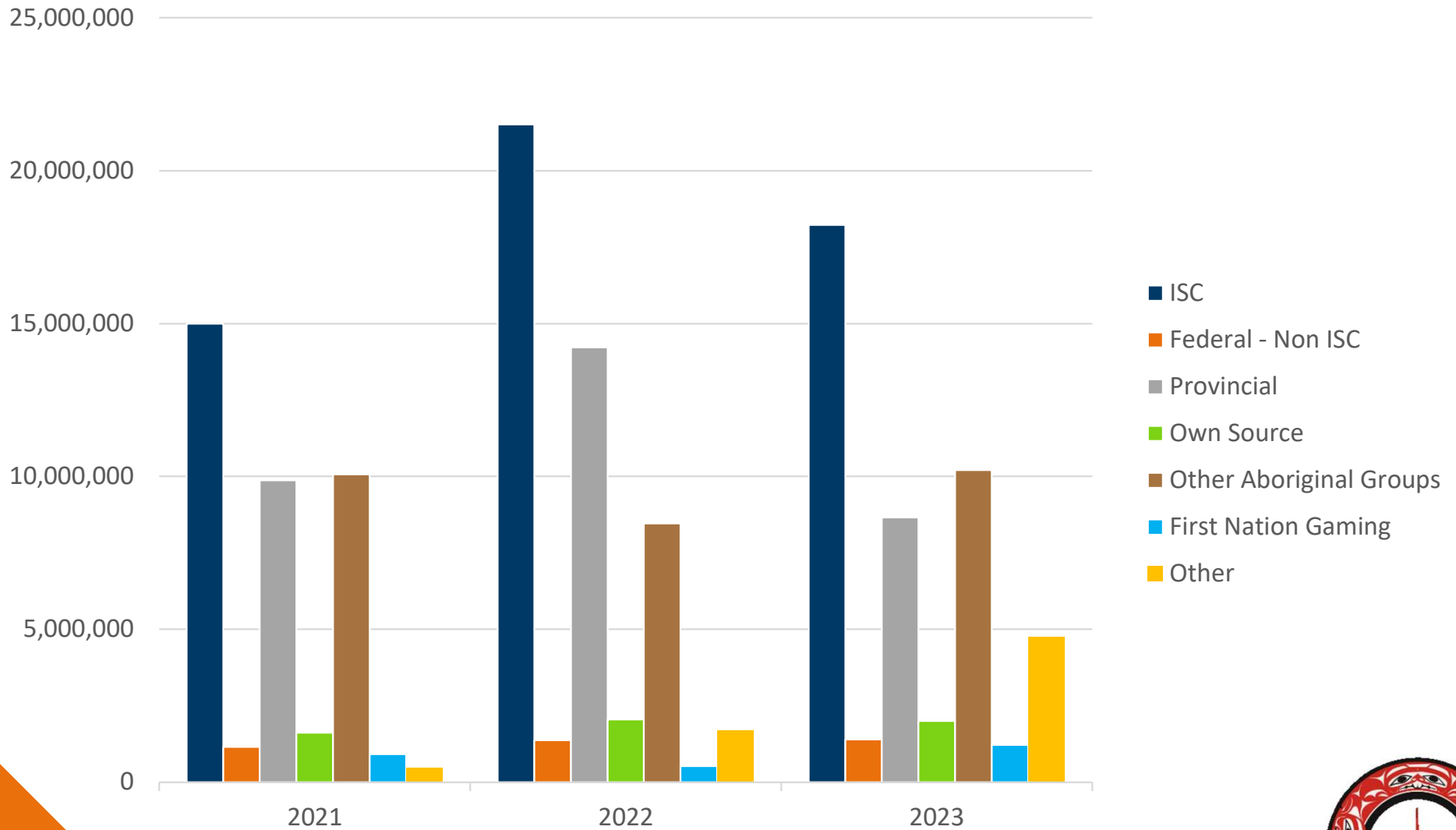


Audit report continued

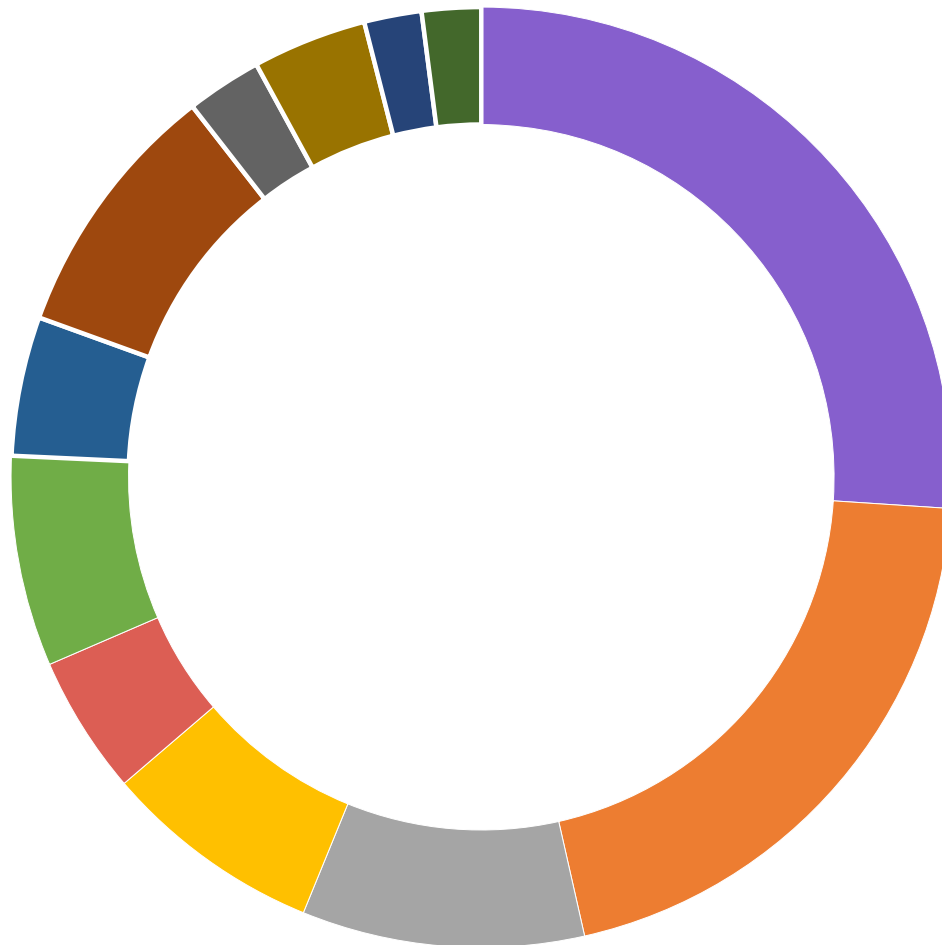
- BLNDC had not completed their June 30, 2019 audit at the time the LBN audited financial statements were issued
- Talok and 1203001 B.C. Ltd (Gas bars), financial data for the year ended March 31, 2023 was not available to us at the time the LBN audited financial statements were issued
- Other entities were noted to potentially no longer be in use and may require dissolution in the future
- As a result of the above we were unable to determine if any adjustments might be necessary to the Investment in in Band owned entities



Revenues by Type



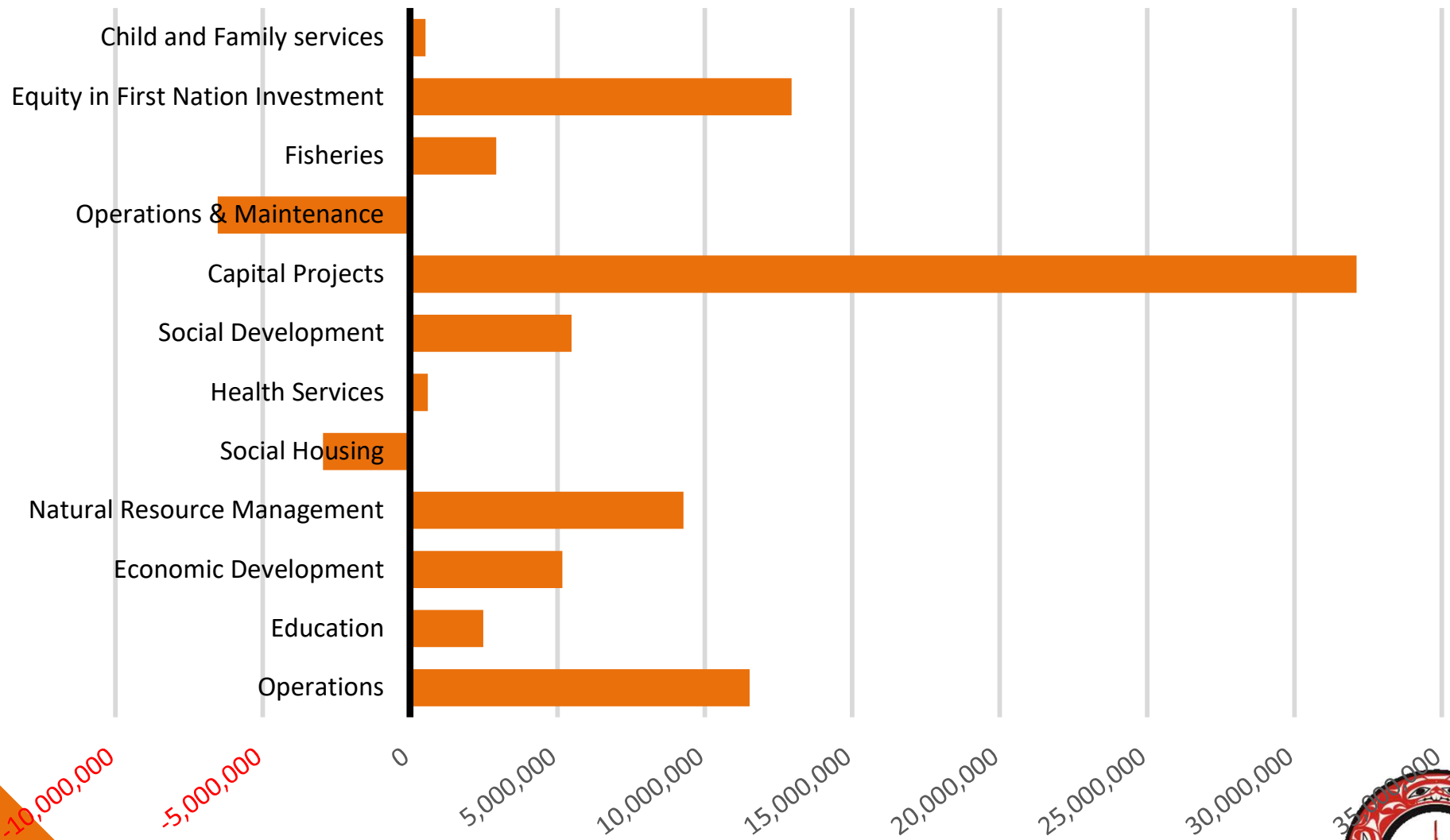
Major Expenditures by Type



- Wages and benefits - 26%
- Other expenses - 20%
- Capital purchases - 9%
- Tuitions and allowances - 8%
- Supplies - 5%
- Travel - 7%
- Amortization - 5%
- Social assistance and support - 9%
- Bad debts - 3%
- Professional fees - 4%
- Honorarium - 2%
- Repairs and maintenance - 2%



Accumulated Surplus (Deficit) by Department



Lake Babine Nation Assets

March 31	2023	2022
Cash	\$2,518,337	\$2,084,630
Restricted Cash	254,209	308,578
Short-term Deposits	50,470,275	42,274,488
Owed by Government/Funders	11,171,660	7,083,966
Investment in First Nation Entities	15,254,150	18,919,795
Trust Funds	1,740,000	1,682,303



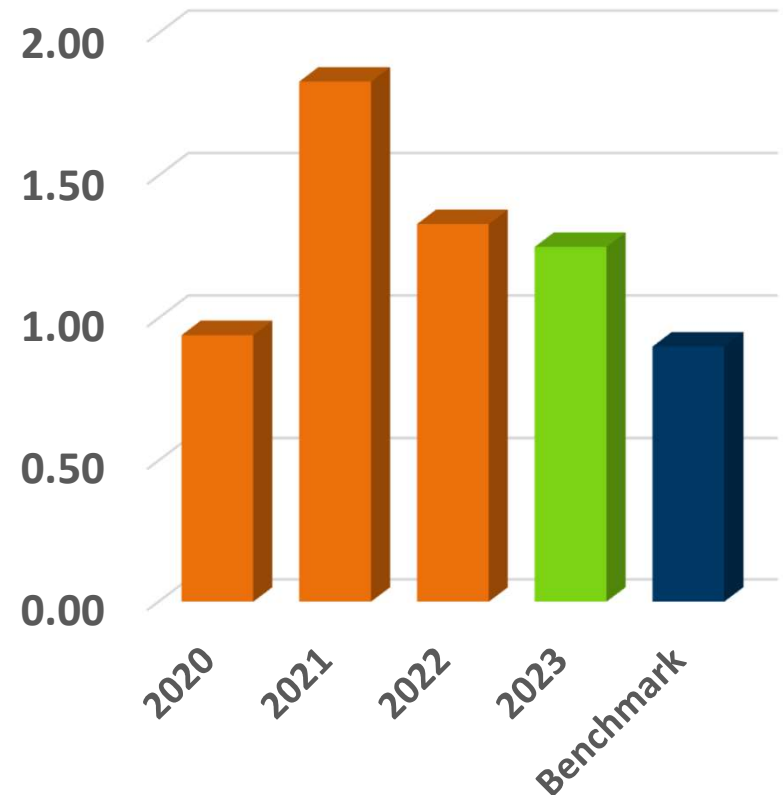
Lake Babine Nation Liabilities

March 31	2023	2022
Accounts Payable	2,175,855	1,686,143
Deferred revenue	40,931,792	32,608,980
Other long term debt	5,836,392	6,287,206



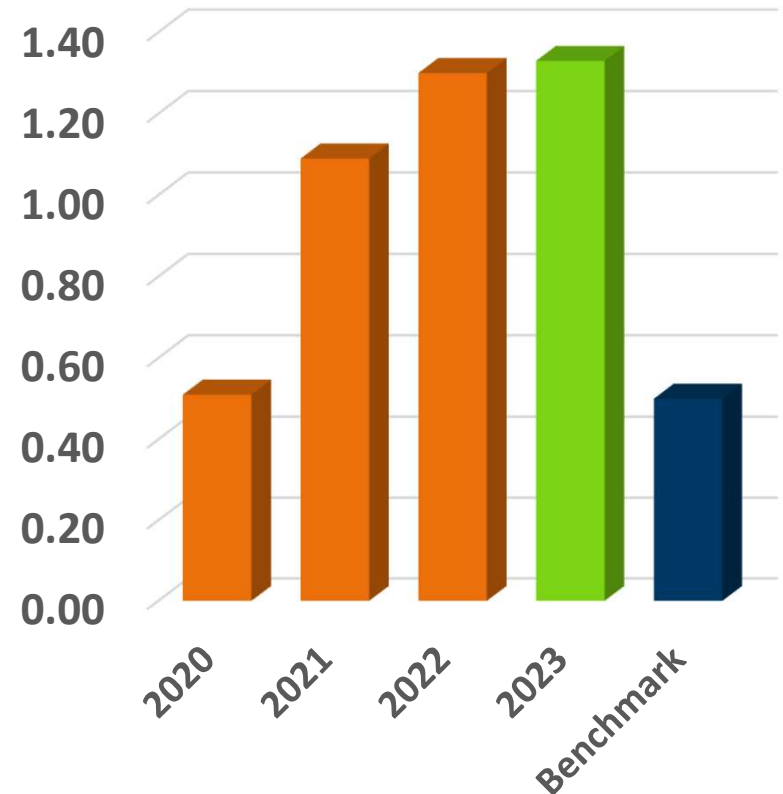
Adjusted Liquidity Ratio

- This ratio measures the Nation's ability to pay its current debt with its current assets
- Current assets consist of cash, owed by government funders
- Current debt consists of accounts payable, and deferred revenue

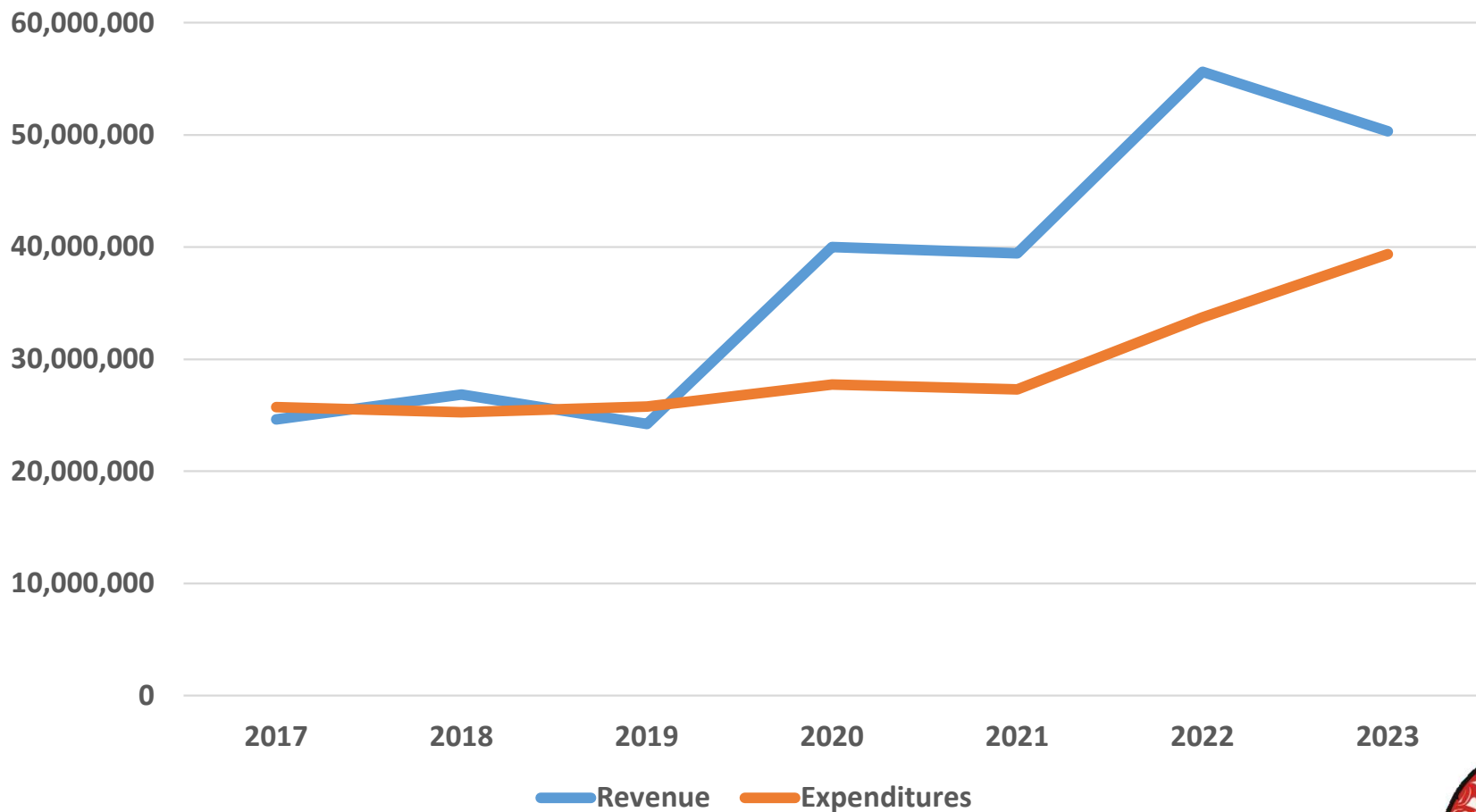


Adjusted Sustainability Ratio

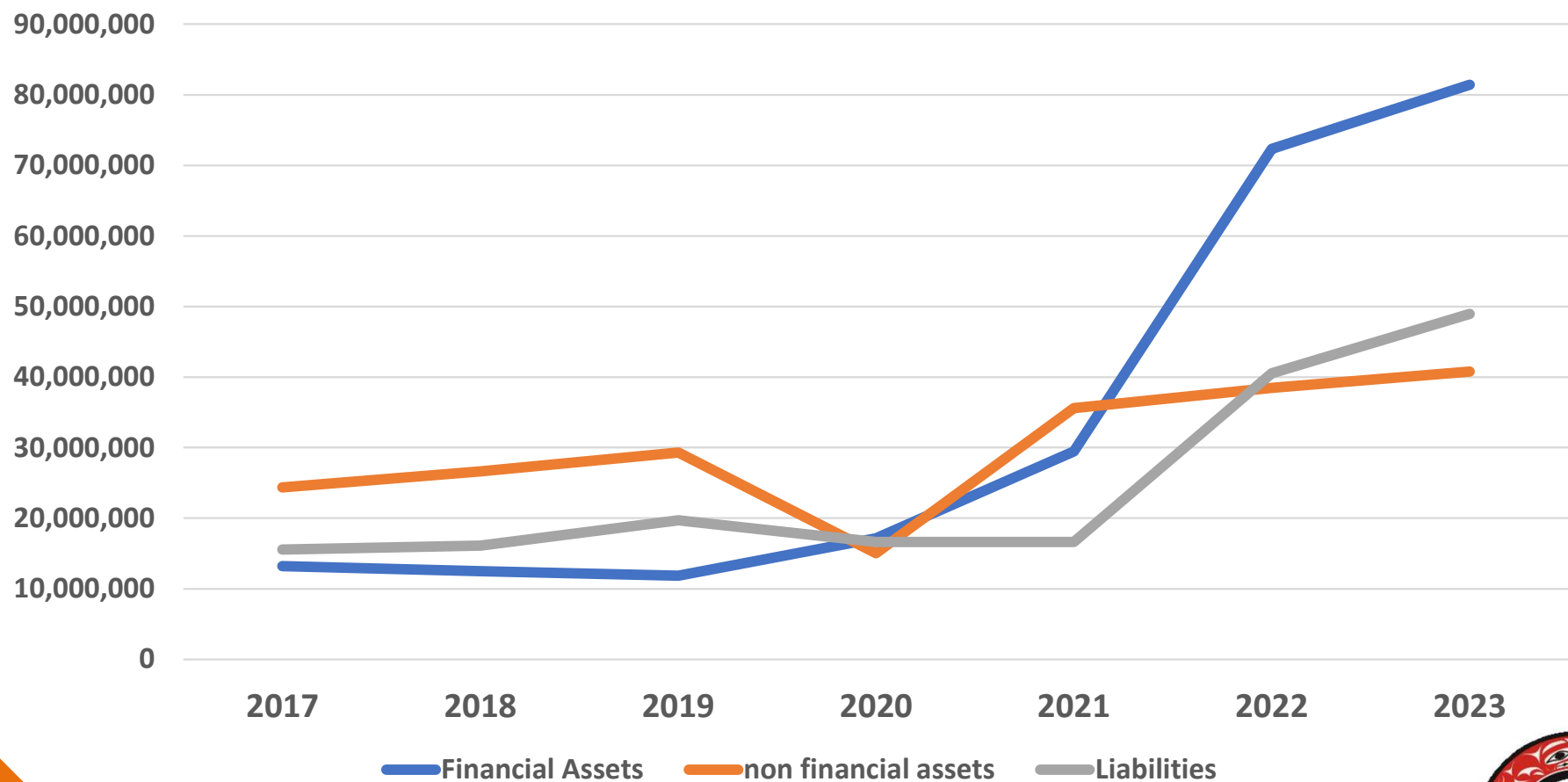
- This ratio shows how the Nation has performed over the year and whether it can continue to operate with the resources that it has available
- Over 2 times the benchmark!



Income and Expenditures Trend Analysis



Asset and Liability Trend Analysis



QUESTIONS?

PLEASE CONTACT WITH ANY QUESTIONS FROM TODAY'S PRESENTATION

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Thank you

DMC Chartered Professional Accountants Inc.

