

GITWANGAK BAND

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

GITWANGAK BAND

CONSOLIDATED FINANCIAL STATEMENTS **March 31, 2019**

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

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Gitwangak Band Administration

P.O. Box 400, Kitwanga, B.C. V0J 2A0
TELEPHONE 250-849-5591 • FAX 250-849-5353

GITWANGAK BAND

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING March 31, 2019

The accompanying consolidated financial statements of Gitwangak Band are the responsibility of management and have been approved by the Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain.

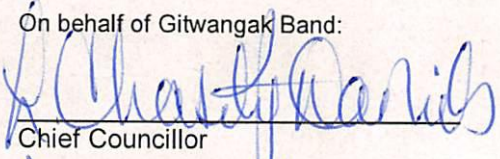
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

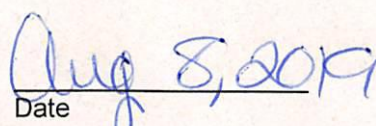
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

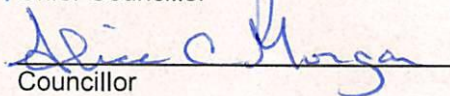
The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

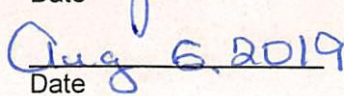
The external auditors, Reid Hurst Nagy Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Gitwangak Band and meet when required.

On behalf of Gitwangak Band:


Chief Councillor


Date


Councillor


Date

Independent Auditors' Report

To the Members of
Gitwangak Band

Opinion

We have audited the consolidated financial statements of Gitwangak Band, which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated consolidated statements of operations, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Band as at March 31, 2019, and the results of its consolidated operations, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with PSAB.

Basis for Opinion

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 Band 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 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 PSAB, 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 Band'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 Band or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Band's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Band'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 Band'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 Band 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.



REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS


RICHMOND, B.C.
AUGUST 8, 2019

GITWANGAK BAND

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash (Note 2)	\$ 838,076	\$ 670,406
Restricted cash	9	665
Accounts receivable (Note 3)	1,288,842	247,206
Trust funds held by Federal Government (Note 4)	412,799	400,534
	2,539,726	1,318,811
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	733,226	611,948
Current portion of long-term debt (Note 6)	17,373	17,043
Long-term debt (Note 6)	574,032	683,472
	1,324,631	1,312,463
NET FINANCIAL ASSETS	1,215,095	6,348
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 7)	9,737,127	8,502,694
Prepaid expenses	80,138	102,876
	9,817,265	8,605,570
ACCUMULATED SURPLUS	\$ 11,032,360	\$ 8,611,918

APPROVED ON BEHALF OF THE GITWANGAK BAND

 Chief Councillor

 Councillor

GITWANGAK BAND

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended March 31, 2019

	2019	2018
EXCESS OF REVENUE OVER EXPENDITURES	\$ 2,420,442	\$ 459,812
Acquisition of tangible capital assets	(1,571,891)	(228,053)
Amortization of tangible capital assets	337,458	310,919
	(1,234,433)	82,866
Acquisition of prepaid asset	(80,138)	(102,876)
Use of prepaid asset	102,876	117,780
	22,738	14,904
INCREASE IN NET FINANCIAL ASSETS	1,208,747	557,582
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	6,348	(551,234)
NET FINANCIAL ASSETS, END OF YEAR	\$ 1,215,095	\$ 6,348

GITWANGAK BAND

CONSOLIDATED SUMMARY STATEMENT OF OPERATIONS

For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
REVENUE			
Indigenous Services Canada	\$ 1,736,080	\$ 7,822,799	\$ 3,746,955
Canada Mortgage and Housing Corporation	65,095	85,250	76,999
Administration fee	114,848	3,250	54,668
BC Aboriginal Childcare Society	-	8,655	-
First Nations Education Steering Committee	-	425,357	268,765
First Nations Health Authority	855,490	1,153,890	1,168,869
First People's Heritage Fund	-	100,156	35,709
Interest	-	-	16
Other revenue	174,114	250,800	272,748
Northern Health	10,000	15,850	10,000
Province of BC	-	8,587	40,000
Rental revenue	135,000	67,668	122,438
Tricorp funding	-	80,418	91,572
Transfer from (to) deferred income	-	-	320,653
	3,090,627	10,022,680	6,209,392
EXPENDITURES			
Band Administration	788,603	1,550,917	1,167,158
Community Infrastructure - Operations and Maintenance	329,173	512,616	373,074
Economic Development	216,387	244,401	271,946
Education	-	2,187,454	1,818,214
Health Centre	903,604	1,089,889	934,432
Social Development	892,620	955,990	942,684
Capital Projects	55,000	2,321,191	186,781
Social Housing	30,095	82,505	84,503
Capital Fund	-	320,392	306,625
	3,215,482	9,265,355	6,085,417
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER	(124,855)	757,324	123,975
OTHER			
Tangible capital asset additions	-	1,571,891	319,094
Principal reduction of long-term debt	-	91,227	16,743
	-	1,663,118	335,837
EXCESS OF REVENUE OVER EXPENDITURES	\$ (124,855)	\$ 2,420,442	\$ 459,812

The accompanying notes are an integral part of the financial statements

GITWANGAK BAND

CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS

For the year ended March 31, 2019

	2019	2018
EQUITY AT BEGINNING OF YEAR	\$ 8,611,918	\$ 7,581,622
<u>EXCESS OF REVENUE OVER EXPENDITURES</u>	<u>2,420,442</u>	<u>459,812</u>
<u>EQUITY AT END OF YEAR</u>	<u>\$ 11,032,360</u>	<u>\$ 8,611,918</u>

GITWANGAK BAND

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2019

	2019	2018
OPERATING ACTIVITIES		
EXCESS OF REVENUE OVER EXPENDITURES	\$ 2,420,442	\$ 459,812
Items not affecting cash		
Amortization of tangible capital assets	337,458	323,368
	2,757,900	783,180
Change in non-cash operating working capital		
Accounts receivable	(1,041,636)	(193,149)
Accounts payable and accrued liabilities	121,277	43,277
Deferred revenue	-	(320,653)
Trust funds held by federal government	(12,265)	(11,732)
Prepaid expenses	22,738	14,904
	1,848,014	315,827
CAPITAL ACTIVITIES		
Tangible capital asset additions	(1,571,891)	(319,094)
FINANCING ACTIVITIES		
Principal reduction of long-term debt	(91,227)	(16,743)
Repayment of demand loan	(17,882)	(21,393)
	(109,109)	(38,136)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	167,014	(41,403)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	671,071	712,474
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 838,085	\$ 671,071
CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:		
Cash	\$ 838,076	\$ 670,406
Restricted cash	9	665
	\$ 838,085	\$ 671,071

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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 CPA Canada.

(a) Reporting Entity

Gitwangak Band reporting entity includes the Gitwangak Band government and all related entities which are accountable to the Band and are either owned or controlled by the Band.

(b) Fund Accounting

Gitwangak Band maintains the following funds as part of its operations:

- The Operating Fund which reports the general activities of the Band's administration, the operating fund includes Administration Department, Community Infrastructure Department, Economic Development Department, Education Department, Health Centre, Social Development Department and Capital Project Department.
- The Capital Fund which reports the tangible capital assets of the Band not included in other funds, together with their related activities.
- The Trust Fund which reports on the trust funds of the Band and held by third parties.

(c) Cash

Cash and cash equivalents include 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.

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Tangible Capital Assets

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

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the 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 Gitwangak Band's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	4% Declining balance
Social Housing infrastructure	20 years Straight line
Furniture and equipment	20% Declining balance
School equipment	20% Declining balance
Mobile equipment	20% Declining balance
Sewer infrastructure	4% Declining balance
Computer software	30% Declining balance

Tangible capital assets are written down when conditions indicate that they no longer contribute to Gitwangak Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(e) 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.

(f) Use of Estimates

The preparation of consolidated financial statements 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Segments

The Band conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the Band'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.

(h) Replacement Reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

(i) Budget

The budget reported in the financial statements was provided by management and is unaudited.

(j) 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.

(k) Measurement Uncertainty

In preparing the consolidated financial statements for the Band, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of allowance for doubtful accounts receivable and amortization of tangible capital assets.

(l) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Gitwangak Band's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Gitwangak Band.

The organizations that fully consolidated in Gitwangak Band's financial statements are:

1. Gitwangak Education Society

There are currently no organizations accounted for on a modified equity basis.

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Liability for Contaminated Sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Band is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the Band reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Band continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

As of March 31, 2019 the band does not recognize any liability for contaminated sites.

2. CASH

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Band must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Apartment Replacement and Subsidy Fund. Cash and cash equivalents is comprised of the following:

	2019	2018
Unrestricted		
Cash on hand	\$ -	\$ 7,815
Cash in banks	838,076	662,591
	838,076	670,406
Restricted cash		
Social Housing program replacement reserve funds	9	9
Social Housing program operating reserve funds	-	656
	9	665
	\$ 838,085	\$ 671,071

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

3. ACCOUNTS RECEIVABLE

	2019	2018
Indigenous Services Canada	\$ 1,180,777	\$ 118,000
Due from band members - Social Housing rents/Internet services	25,706	-
GST/HST recoverable	2,137	16,105
Trade and other receivable	71,417	104,296
CMHC subsidy receivable	8,805	8,805
	\$ 1,288,842	\$ 247,206

4. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	March 31, 2018	Additions, 2019	March 31, 2019
Revenue	\$ 390,361	\$ 12,265	\$ 402,626
Capital	10,173	-	10,173
	\$ 400,534	\$ 12,265	\$ 412,799

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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
Trade payable	\$ 589,632	\$ 428,819
Accrued salaries and employee benefits payable	112,945	103,729
Indigenous Services Canada - Recoveries	30,649	79,400
	\$ 733,226	\$ 611,948

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

6. LONG-TERM DEBT

	2019	2018
Royal Bank of Canada loan bearing interest at prime plus 2.25% per annum, repayable in monthly blended payments of \$1,912, secured by general security agreement and amortgage over real property with a carrying value of \$133,352. Matured October 2017.	\$ -	\$ 17,882
Royal Bank of Canada mortgage for on-reserve non-profit housing program at \$7,591 per month, including interest at 3.03% per annum, secured by property and a ministerial guarantee. Matured February 2019. Subsequent to the year end, this loan was renewed at \$7,589 per month, including interest at 3.53% per annum. Matures August 2022.	295,929	370,091
CMHC Mortgage Corporation on-reserve non-profit housing program at \$1,908 per month, including interest at 1.92%, secured by property and a ministerial guarantee. Matures April 2019.	278,103	295,499
	574,032	683,472
Callable portion	295,929	387,973
Current portion	17,373	17,043
	\$ 260,730	\$ 278,456
Principal portion of long-term debt due within the next five years:		
2020	\$ 313,302	
2021	17,710	
2022	18,053	
2023	18,403	
2024 and thereafter	206,564	
	\$ 574,032	

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

7. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2019 net book value
Land	\$ 504,535	\$ -	\$ 504,535	\$ -	\$ -	\$ -	\$ 504,535
School equipment	121,926	28,916	150,842	87,993	9,678	97,671	53,171
School building	1,153,612	-	1,153,612	549,154	24,178	573,332	580,280
Engineered structures	2,099,441	-	2,099,441	1,064,704	41,390	1,106,094	993,347
Health Centre	1,899,511	5,600	1,905,111	130,921	70,855	201,776	1,703,335
School automotive	77,873	103,169	181,042	77,185	10,455	87,640	93,402
Buildings	9,580,023	1,367,111	10,947,134	5,306,294	118,559	5,424,853	5,522,281
Mobile equipment	593,677	-	593,677	496,809	19,373	516,182	77,495
Capital Fund - Equipment	346,572	-	346,572	299,642	9,386	309,028	37,544
Health Centre - Equipment	170,979	23,899	194,878	32,753	30,035	62,788	132,090
Computer software	-	43,195	43,195	-	3,548	3,548	39,647
	\$ 16,548,149	\$ 1,571,890	\$ 18,120,039	\$ 8,045,455	\$ 337,457	\$ 8,382,912	\$ 9,737,127

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2018 Net book value
Land	\$ 504,535	\$ -	\$ 504,535	\$ -	\$ -	\$ -	\$ 504,535
School equipment	97,773	24,153	121,926	82,529	5,464	87,993	33,933
School building	1,153,612	-	1,153,612	523,968	25,186	549,154	604,458
Engineered structures	2,099,441	-	2,099,441	1,021,590	43,114	1,064,704	1,034,737
Health Centre	1,781,752	117,759	1,899,511	62,136	68,785	130,921	1,768,590
School automotive	77,873	-	77,873	77,013	172	77,185	688
Buildings	9,580,023	-	9,580,023	5,183,828	122,466	5,306,294	4,273,729
Mobile equipment	593,677	-	593,677	472,592	24,217	496,809	96,868
Capital Fund - Equipment	346,572	-	346,572	287,909	11,733	299,642	46,930
Health Centre - Equipment	72,388	98,591	170,979	10,521	22,232	32,753	138,226
	\$ 16,307,646	\$ 240,503	\$ 16,548,149	\$ 7,722,086	\$ 323,369	\$ 8,045,455	\$ 8,502,694

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

8. ACCUMULATED SURPLUS

	2019	2018
Unrestricted		
Band Administration	\$ 1,372,764	\$ 1,756,256
Community Infrastructure - Operations and Maintenance	(72,239)	(125,081)
Economic Development	(1,154,658)	(1,265,848)
Education	273,299	194,036
Health Centre	(425,375)	(316,587)
Social Development	(9,949)	(7,207)
	(16,158)	235,569
Restricted		
Capital Projects	1,390,886	50,580
Trust Fund	412,798	400,533
Social Housing	264,646	288,590
Capital Fund	8,980,188	7,636,646
	11,048,518	8,376,349
	\$ 11,032,360	\$ 8,611,918

9. ECONOMIC DEPENDENCE

Gitwangak Band receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by the Gitwangak Band and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The Band also receives major funding pursuant to an arrangement with the First Nations Health Authority and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. SEGMENTED INFORMATION

	Band Administration			Community Infrastructure - Operations and Maintenance			Economic Development		
	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
Revenues									
Indigenous Services Canada	\$ 416,563	\$ 841,848	\$ 709,634	\$ 311,232	\$ 534,953	\$ 434,820	\$ 115,665	\$ 351,182	\$ 116,140
Prior year recovery	-	(14,150)	(26,749)	-	-	-	-	-	-
Rental revenue	45,000	27,096	41,099	-	-	-	75,000	8,958	49,476
Administration fee	114,848	-	-	-	-	-	-	-	-
Transfer from (to) deferred income	-	-	177,824	-	-	-	-	-	137,630
Other revenue	133,000	140,367	142,386	-	30,505	16,996	-	2,716	-
Total revenue	709,411	995,161	1,044,194	311,232	565,458	451,816	190,665	362,856	303,246
Expenses									
Materials and supplies	21,000	25,488	22,827	18,500	5,797	5,089	900	-	686
Professional fees	300,000	507,539	465,535	-	-	-	30,380	30,000	10,021
Repairs and maintenance	18,000	245,232	17,699	10,090	17,693	7,292	8,600	4,755	3,979
Sub-contractors	59,000	104,055	83,044	27,500	138,385	12,631	5,000	52,222	112,316
Training	1,200	499	747	-	-	140	-	-	-
Travel	1,200	11,957	10,466	-	-	2,465	-	-	-
Utilities and telephone	44,000	61,586	52,495	33,088	57,466	70,638	-	-	-
Wages and benefits	175,803	245,673	241,035	114,202	145,497	147,113	39,935	35,006	30,000
Other expenses	168,400	348,889	273,311	125,793	147,778	127,706	131,572	122,418	114,944
Total expenses	788,603	1,550,918	1,167,159	329,173	512,616	373,074	216,387	244,401	271,946
Annual surplus (deficit)	\$ (79,192)\$	(555,757)\$	(122,965)\$	(17,941)\$	52,842 \$	78,742 \$	(25,722)\$	118,455 \$	31,300

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. SEGMENTED INFORMATION, continued

	2019 Budget	Education 2019 Actual	2018 Actual	2019 Budget	Health Centre 2019 Actual	2018 Actual	2019 Budget	Social Development 2019 Actual	2018 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ 1,553,726	\$ 1,398,698	\$ -	\$ -	\$ -	\$ 892,620	\$ 1,016,448	\$ 894,412
Prior year recovery	-	-	-	-	-	-	-	(43,897)	-
First Nations Health Authority	-	141,140	141,140	855,490	1,012,751	1,027,729	-	-	-
Rental revenue	-	2,214	2,463	-	-	-	-	-	-
Administration fee	-	3,250	-	-	-	-	-	-	-
Transfer from (to) deferred income	-	-	-	-	-	5,199	-	-	-
Other revenue	-	654,852	497,303	48,114	38,464	59,403	-	-	-
Total revenue	-	2,355,182	2,039,604	903,604	1,051,215	1,092,331	892,620	972,551	894,412
Expenses									
Materials and supplies	-	106,749	129,633	109,413	65,640	35,587	40,600	39,226	40,307
Professional fees	-	19,454	48,152	-	-	25,578	-	-	-
Repairs and maintenance	-	44,481	42,923	16,046	12,873	6,932	-	-	-
Sub-contractors	-	-	-	65,494	162,156	119,130	-	-	1,735
Training	-	7,836	-	-	-	163	-	-	-
Travel	-	19,650	24,352	6,434	17,517	14,889	3,247	97	65
Utilities and telephone	-	48,349	51,224	18,006	31,381	23,901	-	-	-
Wages and benefits	-	920,578	813,504	274,583	261,606	161,081	89,674	83,424	75,881
Other expenses	-	1,020,357	708,426	413,628	538,716	547,171	759,099	833,243	824,696
Total expenses	-	2,187,454	1,818,214	903,604	1,089,889	934,432	892,620	955,990	942,684
Annual surplus (deficit)	\$ -	\$ 167,728	\$ 221,390	\$ -	\$ (38,674)	\$ 157,899	\$ -	\$ 16,561	\$ (48,272)

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. SEGMENTED INFORMATION, continued

	2019 Budget	Capital Projects 2019 Actual	2018 Actual	2019 Budget	Social Housing 2019 Actual	2018 Actual	2019 Budget	Trust Fund 2019 Actual	2018 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ 3,597,340	\$ 220,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior year recovery	-	(14,651)	-	-	-	-	-	-	-
Canada Mortgage and Housing Corporation	50,000	70,155	61,904	15,095	15,095	15,095	-	-	-
Rental revenue	-	-	-	15,000	29,400	29,400	-	-	-
Other revenue	3,000	10,653	45,659	-	-	-	-	12,265	11,731
Total revenue	53,000	3,663,497	327,563	30,095	44,495	44,495	-	12,265	11,731
Expenses									
Materials and supplies	1,200	635	-	-	-	-	-	-	-
Professional fees	-	-	-	-	1,500	1,500	-	-	-
Repairs and maintenance	600	815,915	55,404	2,771	135	435	-	-	-
Sub-contractors	-	421,659	144	-	-	-	-	-	-
Travel	1,200	-	618	-	-	-	-	-	-
Wages and benefits	50,000	6,457	6,681	-	38,563	38,563	-	-	-
Other expenses	2,000	1,076,525	123,934	27,324	42,307	44,005	-	-	-
Total expenses	55,000	2,321,191	186,781	30,095	82,505	84,503	-	-	-
Other income	(2,000)	1,342,306	140,782	-	(38,010)	(40,008)	-	12,265	11,731
	-	-	-	-	17,066	16,743	-	-	-
Annual surplus (deficit)	\$ (2,000)	\$ 1,342,306	\$ 140,782	\$ -	\$ (20,944)	\$ (23,265)	\$ -	\$ 12,265	\$ 11,731

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. SEGMENTED INFORMATION, continued

	2019 Budget	Capital Fund 2019 Actual	2018 Actual	2019 Budget	Consolidated totals 2019 Actual	2018 Actual
Revenues						
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 1,736,080	\$ 7,895,497	\$ 3,773,704
Prior year recovery	-	-	-	-	(72,698)	(26,749)
Canada Mortgage and Housing Corporation	-	-	-	65,095	85,250	76,999
First Nations Health Authority	-	-	-	855,490	1,153,891	1,168,869
Rental revenue	-	-	-	135,000	67,668	122,438
Administration fee	-	-	-	114,848	3,250	-
Transfer from (to) deferred income	-	-	-	-	-	320,653
Other revenue	-	-	-	184,114	889,822	773,478
Total revenue	-	-	-	3,090,627	10,022,680	6,209,392
Expenses						
Materials and supplies	-	-	-	191,613	243,535	172,182
Professional fees	-	-	-	330,380	558,493	549,701
Repairs and maintenance	-	-	-	56,107	1,141,084	134,664
Sub-contractors	-	-	-	156,994	878,477	329,000
Training	-	-	-	1,200	8,335	1,050
Travel	-	-	-	12,081	49,221	52,753
Utilities and telephone	-	-	-	95,094	198,782	198,258
Wages and benefits	-	-	-	744,197	1,736,804	1,384,069
Other expenses	-	320,392	306,625	1,627,816	4,450,625	3,070,818
Total expenses	-	320,392	306,625	3,215,482	9,265,356	6,085,418
Other income	-	(320,392)	(306,625)	(124,855)	757,324	123,974
	-	1,646,052	319,094	-	1,663,118	335,837
Annual surplus (deficit)	\$ -	\$ 1,325,660	\$ 12,469	\$ (124,855)	\$ 2,420,442	\$ 459,812