

GITWANGAK BAND

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

GITWANGAK BAND

CONSOLIDATED FINANCIAL STATEMENTS **March 31, 2020**

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

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GITWANGAK BAND

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 31, 2020

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.

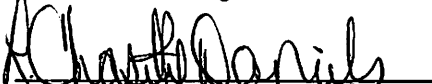
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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 Councilor

Feb. 10, 2021
Date


Councillor

Feb 10, 21
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, 2020, 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, 2020, 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 Canadian public sector accounting standards (PSAS).

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 PSAS, 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.
FEBRUARY 10, 2021

GITWANGAK BAND

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at March 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash (Note 2)	\$ 1,037,936	\$ 838,076
Restricted cash	-	9
Accounts receivable (Note 3)	703,706	1,288,842
Trust funds held by Federal Government (Note 4)	422,516	412,799
	2,164,158	2,539,726
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	453,657	733,226
Deferred revenue	555,662	-
Long-term debt (Note 6)	548,121	591,405
Replacement Reserve Fund	66,031	60,031
	1,623,471	1,384,662
NET FINANCIAL ASSETS	540,687	1,155,064
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 7)	10,568,437	9,737,127
Prepaid expenses	82,584	80,138
	10,651,021	9,817,265
ACCUMULATED SURPLUS	\$ 11,191,708	\$ 10,972,329

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, 2020

	2020 Budget	2020 Actual	2019 Actual
EXCESS OF REVENUE OVER EXPENDITURES	\$ 6,124	\$ 219,379	\$ 2,414,442
Acquisition of tangible capital assets	-	(1,293,123)	(1,571,891)
Amortization of tangible capital assets	-	461,813	337,458
	-	(831,310)	(1,234,433)
Acquisition of prepaid asset	(82,584)	(82,584)	(80,138)
Use of prepaid asset	80,138	80,138	102,876
	(2,446)	(2,446)	22,738
INCREASE IN NET FINANCIAL ASSETS	3,678	(614,377)	1,202,747
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	-	1,155,064	(47,683)
NET FINANCIAL ASSETS, END OF YEAR	\$ -	\$ 540,687	\$ 1,155,064

GITWANGAK BAND

CONSOLIDATED SUMMARY STATEMENT OF OPERATIONS

For the year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Indigenous Services Canada	\$ 1,865,492	\$ 4,804,022	\$ 7,822,799
Canada Mortgage and Housing Corporation	65,095	22,379	85,250
Administration fee	143,076	-	3,250
BC Aboriginal Childcare Society	-	-	8,655
First Nations Education Steering Committee	-	271,882	425,357
First Nations Health Authority	937,607	1,180,136	1,153,890
First People's Heritage Fund	-	165,382	100,156
New Relationship Trust	-	5,000	-
Northern Health	-	-	15,850
Province of BC	587	23,728	8,587
Rental revenue	195,000	50,641	67,668
Tricorp funding	-	73,095	80,418
Other revenue	173,823	832,172	250,800
	3,380,680	7,428,437	10,022,680
EXPENDITURES			
Band Administration	774,045	1,103,603	1,444,371
Community Infrastructure - Operations and Maintenance	293,657	627,257	512,616
Economic Development	244,737	335,344	146,590
Education	-	1,891,284	2,055,369
Health Centre	974,195	985,099	1,065,990
Social Development	1,004,026	1,052,194	955,990
Capital Projects	55,000	144,370	1,035,480
Social Housing	28,896	69,884	71,439
Capital Fund	-	444,361	320,392
	3,374,556	6,653,396	7,608,237
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER	6,124	775,041	123,975
OTHER			
Transfer to deferred revenue	-	(555,662)	-
EXCESS OF REVENUE OVER EXPENDITURES	\$ 6,124	\$ 219,379	\$ 2,414,442

The accompanying notes are an integral part of the financial statements

GITWANGAK BAND

CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS

For the year ended March 31, 2020

	2020	2019
EQUITY AT BEGINNING OF YEAR	\$ 10,972,329	\$ 8,557,887
<u>EXCESS OF REVENUE OVER EXPENDITURES</u>	<u>219,379</u>	<u>2,414,442</u>
<u>EQUITY AT END OF YEAR</u>	<u>\$ 11,191,708</u>	<u>\$ 10,972,329</u>

GITWANGAK BAND

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2020

	2020	2019
OPERATING ACTIVITIES		
EXCESS OF REVENUE OVER EXPENDITURES	\$ 219,379	\$ 2,414,442
Items not affecting cash		
Amortization of tangible capital assets	461,813	337,458
	681,192	2,751,900
Change in non-cash operating working capital		
Accounts receivable	585,136	(1,041,636)
Accounts payable and accrued liabilities	(279,567)	121,277
Deferred revenue	555,662	-
Trust funds held by federal government	(9,717)	(12,265)
Prepaid expenses	(2,446)	22,738
	1,530,260	1,842,014
CAPITAL ACTIVITIES		
Tangible capital asset additions	(1,293,674)	(1,571,891)
Loss on disposal of tangible capital asset	550	-
	(1,293,124)	(1,571,891)
FINANCING ACTIVITIES		
Principal reduction of long-term debt	(24,216)	(91,227)
Proceeds from long-term debt	63,040	-
Repayment of demand loan	(82,109)	(17,882)
Replacement Reserve Fund appropriations	6,000	6,000
	(37,285)	(103,109)
INCREASE IN CASH AND CASH EQUIVALENTS	199,851	167,014
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	838,085	671,071
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,037,936	\$ 838,085
CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:		
Cash	\$ 1,037,936	\$ 838,076
Restricted cash	-	9
	\$ 1,037,936	\$ 838,085

The accompanying notes are an integral part of the financial statements

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the 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.

(d) 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.

(e) 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, 2020

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 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
School Automotive	30% 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.

(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.

(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.

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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

(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.

(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, 2020.

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, 2020 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:

	2020	2019
Unrestricted		
Cash in banks	\$ 1,037,936	\$ 838,076
Restricted cash		
Social Housing program replacement reserve funds	-	9
	\$ 1,037,936	\$ 838,085

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

3. ACCOUNTS RECEIVABLE

	2020	2019
Indigenous Services Canada	\$ 668,834	\$ 1,180,777
Due from band members - Social Housing rents/Internet services	-	25,706
GST/HST recoverable	16,993	2,137
Trade and other receivable	10,379	71,417
CMHC subsidy receivable	7,500	8,805
	\$ 703,706	\$ 1,288,842

4. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	March 31, 2019	Additions, 2020	March 31, 2020
Revenue	\$ 402,626	\$ 9,717	\$ 412,343
Capital	10,173	-	10,173
	\$ 412,799	\$ 9,717	\$ 422,516

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

	2020	2019
Trade payable	\$ 321,562	\$ 589,632
Accrued salaries and employee benefits payable	101,045	112,945
Indigenous Services Canada - Recoveries	31,050	30,649
	\$ 453,657	\$ 733,226

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

6. LONG-TERM DEBT

	2020	2019
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.	\$ 213,820	\$ 295,929
CMHC Mortgage Corporation on-reserve non-profit housing program at \$1,900 per month, including interest at 1.86%, secured by property and a ministerial guarantee. Matures January 2023.	278,025	295,477
Royal Bank of Canada loan for purchase of passenger van at \$1,155 per month, including interest at 3.78% per annum for 60 payment terms.	56,276	-
	548,121	591,406
Current portion	102,582	99,305
	\$ 445,539	\$ 492,101

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

2021	\$ 102,582
2022	118,367
2023	71,873
2024	32,128
2025 and thereafter	223,171
	\$ 548,121

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

7. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization					
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2020 net book value
Land	\$ 504,535	\$ -	\$ -	\$ 504,535	\$ -	\$ -	\$ -	\$ -	\$ 504,535
School equipment	150,842	3,543	-	154,385	97,671	10,989	-	108,660	45,725
School building	1,153,612	-	-	1,153,612	573,332	23,212	-	596,544	557,068
Engineered structures	2,099,441	-	-	2,099,441	1,106,094	39,734	-	1,145,828	953,613
Health Centre	1,905,111	-	-	1,905,111	201,776	68,134	-	269,910	1,635,201
School automotive	181,042	63,040	(77,873)	166,209	87,640	26,513	(77,323)	36,830	129,379
Buildings	10,947,134	1,190,042	-	12,137,176	5,424,853	229,702	-	5,654,557	6,482,621
Mobile equipment	593,677	-	-	593,677	516,182	15,499	-	531,681	61,996
Capital Fund - Equipment	346,572	33,620	-	380,192	309,028	9,478	-	318,506	61,686
Health Centre - Equipment	194,878	3,428	-	198,306	62,788	26,658	-	89,446	108,860
Computer software	43,195	-	-	43,195	3,548	11,894	-	15,442	27,753
	\$ 18,120,039	\$ 1,293,673	\$ (77,873)	\$ 19,335,839	\$ 8,382,912	\$ 461,813	\$ (77,323)	\$ 8,767,404	\$ 10,568,437

	Cost			Accumulated amortization					
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	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

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

8. ACCUMULATED SURPLUS

	2020	2019
Unrestricted		
Band Administration	\$ 1,934,177	\$ 1,372,765
Community Infrastructure - Operations and Maintenance	43,068	(72,239)
Economic Development	(1,500,926)	(1,154,658)
Education	578,169	273,298
Health Centre	(257,788)	(425,375)
Social Development	(54,015)	(9,949)
	742,685	(16,158)
Restricted		
Capital Projects	6,191	1,390,886
Trust Fund	422,516	412,798
Social Housing	231,970	204,615
Capital Fund	9,788,346	8,980,188
	10,449,023	10,988,487
	\$ 11,191,708	\$ 10,972,329

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.

10. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential effects on the Band due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Band's operations.

The extent of the impact of this outbreak and related containment measures on the Band's operations cannot be reliably estimated at this time

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

11. SEGMENTED INFORMATION

	Band Administration			Community Infrastructure - Operations and Maintenance			Economic Development		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
Revenues									
Indigenous Services Canada	\$ 508,429	\$ 990,297	\$ 841,848	\$ 283,843	\$ 780,732	\$ 534,953	\$ 69,194	\$ 569,194	\$ 351,182
Prior year recovery	-	-	(14,150)	-	(118,000)	-	-	-	-
Rental revenue	45,000	9,167	27,096	-	-	-	135,000	11,875	8,958
Administration fee	143,076	-	-	-	-	-	-	-	-
Other revenue	90,000	685,115	140,367	-	79,831	30,505	59,542	-	2,716
Total revenue	786,505	1,684,579	995,161	283,843	742,563	565,458	263,736	581,069	362,856
Expenses									
Materials and supplies	21,000	27,243	25,488	18,500	7,879	5,797	5,380	439	-
Professional fees	300,000	337,515	507,539	-	-	-	26,929	-	30,000
Repairs and maintenance	18,000	8,313	158,232	10,352	8,292	17,693	11,600	722	4,755
Sub-contractors	30,500	35,852	104,055	27,500	221,968	138,385	5,000	223,856	28,572
Training	1,200	-	499	-	-	-	-	-	-
Travel	15,200	44,559	11,957	-	-	-	-	-	-
Utilities and telephone	44,000	46,327	61,586	33,088	69,248	57,466	-	-	-
Wages and benefits	178,245	218,564	245,673	78,424	157,338	145,497	55,337	40,000	35,006
Other expenses	165,900	385,230	329,343	125,793	162,532	147,778	140,491	70,327	48,257
Total expenses	774,045	1,103,603	1,444,372	293,657	627,257	512,616	244,737	335,344	146,590
Other items	12,460	580,976	(449,211)	(9,814)	115,306	52,842	18,999	245,725	216,266
Annual surplus (deficit)	\$ 12,460	\$ 580,976	\$(449,211)	\$(9,814)	\$ 115,306	\$ 52,842	\$ 18,999	\$(254,275)	\$ 216,266

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

11. SEGMENTED INFORMATION, continued

	2020 Budget	Education 2020 Actual	2019 Actual	2020 Budget	Health Centre 2020 Actual	2019 Actual	2020 Budget	Social Development 2020 Actual	2019 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ 1,566,564	\$ 1,553,726	\$ -	\$ -	\$ -	\$ 1,004,026	\$ 1,018,131	\$ 1,016,448
Prior year recovery	-	-	-	-	-	-	-	(2,896)	(43,897)
First Nations Health Authority	-	143,963	141,140	937,607	1,036,171	1,012,751	-	-	-
Rental revenue	-	200	2,214	-	-	-	-	-	-
Administration fee	-	-	3,250	-	-	-	-	-	-
Other revenue	-	558,366	654,852	21,868	38,230	38,464	-	-	-
Total revenue	-	2,269,093	2,355,182	959,475	1,074,401	1,051,215	1,004,026	1,015,235	972,551
Expenses									
Materials and supplies	-	105,118	106,749	106,409	68,279	65,640	40,600	40,505	38,581
Professional fees	-	19,233	19,454	-	-	-	-	-	-
Repairs and maintenance	-	57,462	44,481	22,574	17,102	12,873	-	-	-
Sub-contractors	-	-	-	42,337	94,900	162,156	-	387	-
Training	-	971	7,836	-	-	-	-	-	-
Travel	-	37,207	19,650	4,800	3,570	17,517	1,000	-	97
Utilities and telephone	-	50,066	48,349	37,827	30,913	31,381	-	-	-
Wages and benefits	-	968,803	920,578	330,019	291,702	261,606	91,091	88,360	83,424
Other expenses	-	652,424	888,272	430,229	478,633	514,817	871,335	922,942	833,888
Total expenses	-	1,891,284	2,055,369	974,195	985,099	1,065,990	1,004,026	1,052,194	955,990
Other items	-	377,809	299,813	(14,720)	89,302	(14,775)	-	(36,959)	16,561
Annual surplus (deficit)	\$ -	\$ 377,809	\$ 299,813	\$(14,720)	\$ 89,302	\$(14,775)	\$ -	\$(36,959)	\$ 16,561

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

11. SEGMENTED INFORMATION, continued

	2020 Budget	Capital Projects 2020 Actual	2019 Actual	2020 Budget	Social Housing 2020 Actual	2019 Actual	2020 Budget	Trust Fund 2020 Actual	2019 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ 3,597,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior year recovery	-	-	(14,651)	-	-	-	-	-	-
Canada Mortgage and Housing Corporation	50,000	7,380	70,155	15,095	14,999	15,095	-	-	-
Rental revenue	-	-	-	15,000	29,400	29,400	-	-	-
Other revenue	3,000	-	10,653	-	-	-	-	9,718	12,265
Total revenue	53,000	7,380	3,663,497	30,095	44,399	44,495	-	9,718	12,265
Expenses									
Materials and supplies	1,200	138	635	-	-	-	-	-	-
Professional fees	-	-	-	-	1,650	1,500	-	-	-
Repairs and maintenance	600	-	815,915	-	-	135	-	-	-
Sub-contractors	-	131,567	421,659	-	-	-	-	-	-
Travel	1,200	-	-	-	-	-	-	-	-
Wages and benefits	50,000	12,046	6,457	-	36,991	38,563	-	-	-
Other expenses	2,000	619	(209,186)	28,896	31,243	31,241	-	-	-
Total expenses	55,000	144,370	1,035,480	28,896	69,884	71,439	-	-	-
Other items	(2,000)	(136,990)	2,628,017	1,199	(25,485)	(26,944)	-	9,718	12,265
Annual surplus (deficit)	\$ (2,000)	\$ (192,652)	\$ 2,628,017	\$ 1,199	\$ (25,485)	\$ (26,944)	\$ -	\$ 9,718	\$ 12,265

GITWANGAK BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

11. SEGMENTED INFORMATION, continued

	2020 Budget	Capital Fund 2020 Actual	2019 Actual	2020 Budget	Consolidated totals 2020 Actual	2019 Actual
Revenues						
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 1,865,492	\$ 4,924,918	\$ 7,895,497
Prior year recovery	-	-	-	-	(120,896)	(72,698)
Canada Mortgage and Housing Corporation	-	-	-	65,095	22,379	85,250
First Nations Health Authority	-	-	-	937,607	1,180,134	1,153,891
Rental revenue	-	-	-	195,000	50,642	67,668
Administration fee	-	-	-	143,076	-	3,250
Other revenue	-	-	-	174,410	1,371,260	889,822
Total revenue	-	-	-	3,380,680	7,428,437	10,022,680
Expenses						
Materials and supplies	-	-	-	193,089	249,601	242,890
Professional fees	-	-	-	326,929	358,398	558,493
Repairs and maintenance	-	-	-	63,126	91,891	1,054,084
Sub-contractors	-	-	-	105,337	708,530	854,827
Training	-	-	-	1,200	971	8,335
Travel	-	-	-	22,200	85,336	49,221
Utilities and telephone	-	-	-	114,915	196,554	198,782
Wages and benefits	-	-	-	783,116	1,813,804	1,736,804
Other expenses	-	444,361	320,392	1,764,644	3,148,311	2,904,802
Total expenses	-	444,361	320,392	3,374,556	6,653,396	7,608,238
Other items	-	(444,361)	(320,392)	6,124	775,041	2,414,442
Annual surplus (deficit)	\$ -	\$ (444,361)	\$ (320,392)	\$ 6,124	\$ 219,379	\$ 2,414,442