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**AITCHELITZ FIRST NATION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
MARCH 31, 2019**

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**AITCHELITZ FIRST NATION**  
**PO BOX 2130**  
**Chilliwack, BC V2R 1A5**

**MANAGEMENT'S REPORT**

**Management's Responsibility for the Financial Statements**

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Council. The Council reviews internal financial statements on a monthly basis and external audited financial statements yearly. The Council also discusses any significant financial reporting or internal control matters prior to its approval of the financial statements.

The external auditors, Manning Elliott Accountants and Business Advisors, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to the financial management of the Aitchelitz First Nation and we meet when required. The accompanying Independent Auditors' Report re-iterates management's responsibility for the financial statements, outlines the auditors' responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of the Aitchelitz First Nation:

  
\_\_\_\_\_  
Name: Lisa Hall

Title: Finance

Date: July 25/19

\_\_\_\_\_  
Name:

Title:

Date:

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## INDEPENDENT AUDITORS' REPORT

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To the Members of:  
Aitchelitz First Nation

### *Opinion*

We have audited the accompanying consolidated financial statements of Aitchelitz First Nation (the "Band") which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material aspects, the financial position of the Band as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *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 *Auditor's Responsibilities for the Audit of the 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 Financial Statements*

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Band's ability to continue as a going concern, disclosing, as applicable, matters relating 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 Financial Statements*

Our objectives are to obtain reasonable assurance about whether the 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:

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## INDEPENDENT AUDITORS' REPORT

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- Identify and assess the risks of material misstatement of the 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. Management is responsible for the preparation and fair presentation of these 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.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate 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 identified during our audit.

*Manning Elliott LLP*

Chartered Professional Accountants

Abbotsford, British Columbia

July 30, 2019

**AITCHELITZ FIRST NATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2019**

	2019	2018
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 403,211	\$ 1,047,034
Accounts receivable (Note 3)	28,322	18,900
Funds held by federal government (Note 4)	771,403	771,544
Investment in government business enterprises (Note 5)	121,747	116,996
Investment in government business partnerships (Note 6)	2,738,171	2,585,616
	<b>\$ 4,062,854</b>	<b>\$ 4,540,090</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 21,138	\$ 252,797
Minors Trust Fund	22,577	22,358
Due to SAY Lands	2,059	8,160
Long-term debt (Note 7)	621,335	194,578
Deferred revenue (Note 8)	18,388	147,100
	<b>685,497</b>	<b>624,993</b>
<b>NET FINANCIAL ASSETS</b>	<b>3,377,357</b>	<b>3,915,097</b>
Property, plant and equipment (Note 9)	2,091,985	1,314,423
Prepaid expenses and deposits	9,865	5,324
	<b>2,101,850</b>	<b>1,319,747</b>
<b>NET ASSETS (Note 10)</b>	<b>\$ 5,479,207</b>	<b>\$ 5,234,844</b>

CONTINGENT ASSET (Note 11)

Approved on behalf of the Council:

<u>Quang Baulien</u>	Chief	<u>[Signature]</u>	Councilor
_____	Councilor	_____	Councilor

**AITCHELITZ FIRST NATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<b>2019</b>	<b>Budget (Note 12)</b>	<b>2018</b>
<b>REVENUE</b>			
Federal Government			
Indigenous Services Canada	\$ 358,744	\$ 103,058	\$ 1,244,873
Gain (loss) from government business enterprises	4,751	-	(17,496)
Income from government business partnerships	152,555	-	236,822
CMHC	-	-	94,080
Other	13,020	23,000	2,000
Property tax revenue	33,993	-	32,941
Interest income	20,619	-	20,869
Sto:lo Nation	5,008	5,000	4,816
Rental income	45,550	-	-
	<b>634,240</b>	<b>131,058</b>	<b>1,618,905</b>
<b>EXPENSES (Note 13)</b>			
Administration	182,030	193,000	155,371
Amortization	60,187	-	1,858
Community maintenance	4,895	-	4,350
Economic development	10,000	-	5,000
Housing & community planning	98,772	45,000	257,615
Property taxation	33,993	-	32,941
	<b>389,877</b>	<b>238,000</b>	<b>457,135</b>
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<b>244,363</b>	<b>(106,942)</b>	<b>1,161,770</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>5,234,844</b>	<b>5,234,844</b>	<b>4,073,074</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 5,479,207</b>	<b>\$ 5,127,902</b>	<b>\$ 5,234,844</b>



**AITCHELITZ FIRST NATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<b>2019</b>	<b>2018</b>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 244,363	\$ 1,161,770
Purchase of tangible capital assets	(837,749)	(1,089,456)
Amortization	60,187	1,858
	(777,562)	(1,087,598)
Acquisition of prepaid expenses	(4,541)	(5,277)
CHANGES IN NET FINANCIAL ASSETS	(537,740)	68,895
BALANCE, BEGINNING OF YEAR	3,915,097	3,846,202
BALANCE, END OF YEAR	\$ 3,377,357	\$ 3,915,097



**AITCHELITZ FIRST NATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	2019	2018
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 244,363	\$ 1,161,770
Items not involving cash:		
Amortization of tangible capital assets	60,187	1,858
(Gain) loss from government business enterprises	(4,751)	17,496
Income from government business partnerships	(152,555)	(236,822)
	147,244	944,302
Change in non-cash working capital items:		
Accounts receivable	(9,422)	(14,836)
Prepaid expenses and deposits	(4,541)	(5,279)
Accounts payable and accrued liabilities	(231,441)	63,263
Deferred revenue	(128,712)	(1,087,596)
	(226,872)	(100,146)
CAPITAL AND INVESTING TRANSACTIONS		
Purchase of tangible capital assets	(837,749)	(1,089,454)
Investments in trust funds held by federal government	141	(702)
Recovery from (advances to) related parties	(6,100)	14,570
	(843,708)	(1,075,586)
OTHER NON-FINANCIAL ASSETS		
Repayment of long-term debt	426,757	20,444
DECREASE IN CASH AND EQUIVALENTS DURING THE YEAR	(643,823)	(1,155,288)
CASH AND EQUIVALENTS, BEGINNING OF YEAR	1,047,034	2,202,322
CASH AND EQUIVALENTS, END OF YEAR	\$ 403,211	\$ 1,047,034





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**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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**NATURE OF OPERATIONS**

Aitchelitz First Nation (the "Band") is located in the province of British Columbia and provides various services to its members. The Aitchelitz First Nation reporting entity includes the Aitchelitz First Nation government and all related entities that are either owned or controlled by the Band.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Chartered Professional Accountants. Significant aspects of the accounting policies adopted by the Band are as follows:

a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, committees and departments accountable for the administration of their financial affairs and resources to the Band and which are owned or controlled by the Band.

b) 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 financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the 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 the Band.

Organizations accounted for on a modified equity basis include:

- Ch-Ihl-Kway-Uhk Tribe Society
- Ch-Ihl-Kway-Uhk Forestry Limited Partnership
- Ch-Ihl-Kway-Uhk Forest Ltd.
- Centre Creek Limited Partnership
- Centre Creek Management Ltd.
- Seven Generations Environmental Services Ltd.
- Ts'elxweyeqw Tribe Management Ltd.
- Ts'elxweyeqw Tribe Limited Partnership

c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.



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**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Tangible capital assets

Tangible capital assets are initially 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. The cost, less residual value, of the tangible capital assets are recognized at a nominal value. Infrastructure assets acquired prior to 1996 are the only assets where nominal values were assigned.

Certain assets which have historical or cultural values, 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 for productive use.

For all other assets, one-half of amortization is charged in the year of acquisition. No amortization is taken in the year of disposal.

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

Buildings	40 years
Equipment	10 years

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.

Investment and interest income earned are recognized in the period that the income is earned.

Contracting and grant revenues are recognized as they become receivable under the terms of applicable agreements.

Property tax revenues are recognized as earned over the property taxation year.

Revenues received which relate to a subsequent fiscal period are reflected as deferred revenue in the year of receipt and classified as such in the statement of financial position.

f) Use of estimates

In preparing the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts, 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 year. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the period in which they become known.



**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or financial 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 capital assets and prepaid expenses.

h) Net financial assets

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

i) Liability for contaminated site

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 expensed 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. Management has determined that no liability exists as at March 31, 2019.

2. CASH

	2019	2018
Administration	\$ 361,564	\$ 1,014,605
Minors Trust Fund	22,679	22,373
Taxation	18,968	10,056
Unrestricted funds	\$ 403,211	\$ 1,047,034

3. ACCOUNTS RECEIVABLE

	2019	2018
Due from members	\$ 14,540	\$ 15,940
Other receivables	13,782	2,960
	\$ 28,322	\$ 18,900



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**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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4. FUNDS HELD BY FEDERAL GOVERNMENT

	<b>2018</b>	<b>Additions</b>	<b>Withdrawals</b>	<b>2019</b>
Revenue	\$ 8,720	\$ 17,331	\$ 17,472	\$ 8,579
Capital	762,824	-	-	762,824
<b>Total</b>	<b>\$ 771,544</b>	<b>\$ 17,331</b>	<b>\$ 17,472</b>	<b>\$ 771,403</b>

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.



**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

**5. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES**

The Band holds an investment in the following government business enterprises:

			<b>2019</b>		<b>2018</b>
Ch-ihl-kway-uhk Tribe Society	1/9 ownership	\$	64,888	\$	60,790
Ts'elxweyeqw Tribe Management Ltd.	1/7 ownership		1		1
Ch-ihl-kway-uhk Forest Ltd.	1/9 ownership		10		10
Centre Creek Management Ltd.	1/8 ownership		10		10
Seven Generations Environmental Services Ltd.	1/6 ownership		56,838		56,185
		\$	121,747	\$	116,996

Ch-ihl-kway-uhk Tribe Society operates property rental and management activities.

Ts'elxweyeqw Tribe Management is the general partner for Ts'elxweyeqw Tribe Limited Partnership and Ts'elxweyeqw Forestry Limited Partnership. Its financial information is consolidated into the financial information for Ts'elxweyeqw Tribe Limited Partnership in Note 6.

Ch-ihl-kway-uhk Forest Ltd. is the general partner for Ch-ihl-kway-uhk Forestry Limited Partnership. Its financial information is consolidated into the financial information for Ch-ihl-kway-uhk Forestry Limited Partnership in Note 6.

Centre Creek Management Ltd. is the general partner for Centre Creek Limited Partnership. Its financial information is consolidated into the financial information for Centre Creek Limited Partnership in Note 6.

Seven Generations Environmental Services Ltd. (SGES Ltd.) is in the business of environmental monitoring.

The summary of the unaudited financial statements for the year ended March 31, 2019 is as follows:

	<b>Ch-ihl-kway-uhk Tribe Society</b>	<b>SGES Ltd.</b>	<b>2019</b>	<b>2018</b>
Current assets	\$ 362,991	\$ 365,293	\$ 728,284	\$ 900,619
Capital assets	77	25,098	25,175	32,504
Due from related party	273,997	-	273,997	128,897
<b>Total assets</b>	<b>637,065</b>	<b>390,391</b>	<b>1,027,456</b>	<b>1,062,020</b>
Current liabilities	53,072	49,366	102,438	177,806
Due to shareholders	-	353,258	353,258	353,258
<b>Total liabilities</b>	<b>53,072</b>	<b>402,624</b>	<b>455,696</b>	<b>531,064</b>
Equity	583,993	(12,233)	571,760	530,956
<b>Total liabilities and equity</b>	<b>\$ 637,065</b>	<b>\$ 390,391</b>	<b>\$ 1,027,456</b>	<b>\$ 1,062,020</b>
Revenues	\$ 68,687	\$ 645,870	\$ 714,557	\$ 396,820
Expenses	31,802	641,952	673,754	490,759
	-	-	-	-
<b>Net Income (loss)</b>	<b>\$ 36,885</b>	<b>\$ 3,918</b>	<b>\$ 40,803</b>	<b>\$ (93,939)</b>



**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

**6. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIPS**

Skowkale First Nation's investments in government business partnerships consist of the following:

			<b>2019</b>	<b>2018</b>
Ch-ihl-Kway-Uhk Forestry Limited Partnership	11/89 ownership	\$	89,326	\$ 91,865
Centre Creek Limited Partnership	11/100 ownership		163,858	179,453
Ts'elxweyeqx Tribe Limited Partnership	10/71 ownership		2,484,987	2,314,298
		\$	2,738,171	\$ 2,585,616

Ch-ihl-Kway-Uhk Forestry Limited Partnership is in the business of developing, operating and participating in various forestry operations and activities in and around Chilliwack, B.C.

Centre Creek Limited Partnership is in the business of purchasing or otherwise acquiring real and personal property of all kinds located in the Chilliwack River Valley. The partnership is also responsible for managing the acquired properties.

Ts'elxweyeqx Tribe Limited Partnership is in the business of managing the activities of Ts'elxweyeqx Forestry Limited Partnership to ensure the protection of the tribe's interests and heritage.

The summary of the unaudited financial statements for the year ended March 31, 2019 is as follows:

	<b>Ch-ihl-Kway-Uhk (consolidated)</b>	<b>Centre Creek (consolidated)</b>	<b>2019</b>	<b>2018</b>
Current assets	\$ 858,528	\$ 10,013	\$ 868,541	\$ 913,149
Capital assets	-	2,354,958	2,354,958	2,388,915
Due from related parties	51,969	-	51,969	-
<b>Total assets</b>	<b>910,497</b>	<b>2,364,971</b>	<b>3,275,468</b>	<b>3,302,064</b>
Current liabilities	91,852	276,497	368,349	120,535
Due to related parties	-	675,804	675,804	530,704
Other liabilities	-	-	-	-
Long-term debt	-	-	-	309,269
<b>Total liabilities</b>	<b>91,852</b>	<b>952,301</b>	<b>1,044,153</b>	<b>960,508</b>
Equity	818,645	1,412,670	2,231,315	2,341,556
<b>Total liabilities and equity</b>	<b>\$ 910,497</b>	<b>\$ 2,364,971</b>	<b>\$ 3,275,468</b>	<b>\$ 3,302,064</b>
Revenue	\$ 89,629	\$ 38,000	\$ 127,629	\$ 1,188,726
Expenses	110,400	179,778	290,178	806,749
Net income (loss)	\$ (20,771)	\$ (141,778)	\$ (162,549)	\$ 381,977



**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

6. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIPS (Continued)

	<b>Ts'elxweyeqx Tribe (consolidated)</b>	
	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Current assets	\$ 16,399,456	\$ 13,156,873
Capital assets	10,786	886
Due from related parties	1,298,883	2,812,759
<b>Total assets</b>	<b>17,709,125</b>	<b>15,970,518</b>
Current liabilities	939,533	172,688
Due to related parties	-	-
Other liabilities	-	-
Long-term debt	-	-
<b>Total liabilities</b>	<b>939,533</b>	<b>172,688</b>
Equity	16,769,592	15,797,830
<b>Total liabilities and equity</b>	<b>\$ 17,709,125</b>	<b>\$ 15,970,518</b>
Revenue	\$ 2,393,654	\$ 2,166,715
Expenses	1,150,340	788,842
<b>Net income</b>	<b>\$ 1,243,314</b>	<b>\$ 1,327,873</b>



**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

**7. LONG-TERM DEBT**

	<b>2019</b>	<b>2018</b>
Promissory Note - Indigenous Services Canada - IR 8 Claim repayable on the earlier of March 31, 2021 or the date of which the Specific Claim I.R. #8 is settled as determined by the terms and conditions of the Native Claims Loan Agreement. Note is non-interest bearing	\$ 174,134	\$ 174,134
Promissory Note - Indigenous Services Canada - IR 8 Claim repayable on the earlier of March 31, 2022 or the date of which the Specific Claim I.R. #8 is settled as determined by the terms and conditions of the Native Claims Loan Agreement. Note is non-interest bearing	20,444	20,444
Promissory Note - Indigenous Services Canada - IR 8 Claim repayable on the earlier of March 31, 2022 or the date of which the Specific Claim I.R. #8 is settled as determined by the terms and conditions of the Native Claims Loan Agreement. Note is non-interest bearing	35,650	-
All Nations Trust Company, construction loan to a maximum of \$781,524, repayments to be determined on the interest adjustment date, secured by a Ministerial Guarantee from Indigenous Service Canada	391,107	-
<b>Total long-term debt</b>	<b>\$ 621,335</b>	<b>\$ 194,578</b>

On February 6, 2018 the Band was approved for a loan authorized up to \$781,524 with CMHC to fund the construction of phase 1 of the social housing fund. As of March 31, 2019, \$391,107 of the funds have been advanced.

**8. DEFERRED REVENUE**

	<b>2019</b>	<b>2018</b>
ICMS #9-00126167 NTLB	\$ -	\$ 145,375
Other deferred revenue	3,388	1,725
ELCC funding for 2020	15,000	-
	<b>\$ 18,388</b>	<b>\$ 147,100</b>





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**AITCHELITZ FIRST NATION****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED MARCH 31, 2019**

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## 9. PROPERTY, PLANT AND EQUIPMENT

				<i>Accumulated</i>	<b>2019</b>
	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>amortization</i>	<i>Net book value</i>
Band housing	\$ 1,365,734	\$ 154,427	\$ -	\$ 112,408	\$ 1,407,753
Equipment	22,743	1,551	-	21,833	2,461
Assets under construction	-	681,771	-	-	681,771
	<b>\$ 1,388,477</b>	<b>\$ 837,749</b>	<b>\$ -</b>	<b>\$ 134,241</b>	<b>\$ 2,091,985</b>

				<i>Accumulated</i>	<b>2018</b>
	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>amortization</i>	<i>Net book value</i>
Band housing	\$ 65,735	\$ 133	\$ -	\$ 52,590	\$ 13,278
Equipment	22,743	-	-	21,464	1,279
Assets under construction	210,545	1,089,321	-	-	1,299,866
	<b>\$ 299,023</b>	<b>\$ 1,089,454</b>	<b>\$ -</b>	<b>\$ 74,054</b>	<b>\$ 1,314,423</b>

**AITCHELITZ FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

**10. NET ASSETS**

	<b>2019</b>	<b>2018</b>
Government Business Enterprises	\$ 2,859,918	\$ 2,702,611
Tangible Capital Asset Fund	2,081,384	1,314,425
Administration, Housing and Community Planning	537,905	1,217,808
	<b>\$ 5,479,207</b>	<b>\$ 5,234,844</b>

**11. CONTINGENT ASSET**

The Band is currently in negotiations with the Canadian government for compensation for failing to recognize the Bands interest in Indian Reserve #8. At March 31, 2019 the amount of the gain is unknown.

**12. BUDGETED FIGURES**

The unaudited budgets for the year April 1, 2018 to March 31, 2019 were approved by the Chief and Council. The operating budget is based on projected operating expenses to be incurred during the year on a program-by-program basis.

**13. EXPENSES BY OBJECT**

	<b>2019</b>	<b>Budget</b>	<b>2018</b>
Amortization	\$ 60,187	\$ -	\$ 1,858
Band functions	7,875	5,000	5,704
Brighter Futures	4,800	5,000	4,816
Distributions	16,350	12,000	16,625
Honoraria	55,878	38,950	41,473
Insurance	9,294	8,000	2,372
Interest and bank charges	1,549	1,600	736
Meetings and workshops	1,229	400	322
Office and administration	34,465	34,275	32,672
Professional fees	12,895	23,745	115,169
Projects	61,093	-	142,056
Repairs and maintenance	3,924	1,200	10,648
Service Agreements	15,693	-	15,063
Travel	65,488	78,500	40,981
Utilities	15,300	5,000	12,911
Wages and benefits	23,857	24,330	13,729
	<b>\$ 389,877</b>	<b>\$ 238,000</b>	<b>\$ 457,135</b>

