

# **KWIKWETLEM FIRST NATION**

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## **CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021**

# **KWIKWETLEM FIRST NATION**

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## **CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021**

**Page**

### **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

### **INDEPENDENT AUDITORS' REPORT**

### **FINANCIAL STATEMENTS**

Consolidated Statement of Financial Position	1
Consolidated Statement of Change in Net Financial Assets	2
Consolidated Statement of Operations	3
Consolidated Statement of Accumulated Surplus	4
Consolidated Statement of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 24



# **KWIKWETLEM FIRST NATION**

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING** **March 31, 2021**

The accompanying consolidated financial statements of Kwikwetlem First Nation are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

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.

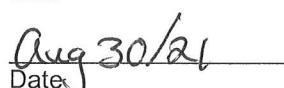
The external auditors, Reid Hurst Nagy Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Kwikwetlem First Nation and meet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

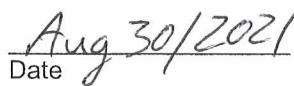
On behalf of Kwikwetlem First Nation:

Chief

  
Sean M. Chiffer  
Councillor

Date

  
Aug 30/21  
Date

  
Aug 30/2021  
Date

## Independent Auditors' Report

To the Members of  
**Kwikwetlem First Nation**

*Opinion*

We have audited the consolidated financial statements of Kwikwetlem First Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the 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 First Nation as at March 31, 2021, and the results of its consolidated operations, its changes in its consolidated net financial assets, 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 First Nation 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 First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation'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 First Nation'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 First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the First Nation 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

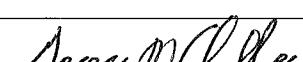
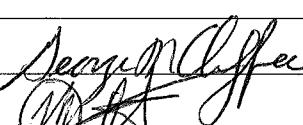
RICHMOND, B.C.  
AUGUST 30, 2021

# KWIKWETLEM FIRST NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,553,052	\$ 3,030,846
Restricted cash (Note 2)	21,277	21,237
Federal trust funds (Note 3)	347	33,092
Accounts receivable (Note 4)	758,631	644,293
Investments in First Nation controlled entities (Note 10)	928,181	-
Due from related parties (Note 5)	2,851,097	3,535,745
Investments (Note 7)	1,622,637	1,960,909
	<hr/> 7,735,222	<hr/> 9,226,122
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 8)	2,191,483	2,752,225
Deferred revenue (Note 9)	271,160	537,237
Investments in First Nation controlled entities (Note 10)	-	1,118,098
Callable debt (Note 11)	917,512	966,221
CMHC mortgage (Note 12)	558,743	592,513
Replacement Reserve (Note 13)	-	13,765
Damage deposits	2,478	2,578
	<hr/> 3,941,376	<hr/> 5,982,637
<b>NET FINANCIAL ASSETS</b>	<b>3,793,846</b>	<b>3,243,485</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 14)	7,007,070	6,499,016
Prepaid expenses	35,500	546
	<hr/> 7,042,570	<hr/> 6,499,562
<b>ACCUMULATED SURPLUS</b>	<b>\$ 10,836,416</b>	<b>\$ 9,743,047</b>

### APPROVED ON BEHALF OF THE KWIKWETLEM FIRST NATION

 , Chief  
 , Councillor  
 , Councillor

# KWIKWETLEM FIRST NATION

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended March 31	2021 Budget	2021 Actual	2020
<b>ANNUAL SURPLUS</b>	\$ (1,611,366)	\$ 1,093,369	\$ 485,615
Acquisition of tangible capital assets	-	(780,214)	(525,751)
Amortization of tangible capital assets	-	272,160	319,382
	-	(508,054)	(206,369)
Acquisition of prepaid asset	(34,954)	(35,500)	(546)
Use of prepaid asset	-	546	8,375
	(34,954)	(34,954)	7,829
<b>(DECREASE) INCREASE IN NET FINANCIAL ASSETS</b>	(1,646,320)	<b>550,361</b>	287,075
<b>NET FINANCIAL ASSETS AT BEGINNING OF YEAR</b>	-	<b>3,243,485</b>	2,956,410
<b>NET FINANCIAL ASSETS AT END OF YEAR</b>	\$ -	\$ 3,793,846	\$ 3,243,485

# KWIKWETLEM FIRST NATION

## CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31	2021 Budget	2021 Actual	2020 Actual
<b>REVENUE</b>			
Indigenous Services Canada	\$ 486,051	\$ 1,354,395	\$ 1,538,531
Province of British Columbia	35,000	352,350	2,644,208
Share of income (loss) from First nation controlled entities	-	2,046,279	561,230
Rent	109,500	138,125	146,925
Fraser Health Authority	-	450	138,378
FN Lands Management Resource Centre	295,000	112,050	123,250
First Nations Health Authority	42,142	209,938	113,720
BC First Nations Gaming Revenue Sharing Limited Partnership	278,600	278,600	259,031
Government of Canada	99,600	111,600	99,290
CMHC subsidies	2,298,947	36,787	47,004
Kinder Morgan Canada Inc.	-	-	40,500
Interest	-	6,597	31,230
BC Housing	-	-	5,000
Administration fee	60,000	45	3,926
BC Hydro	-	12,000	2,000
Other revenue	538,305	1,820,026	510,846
	4,243,145	6,479,242	6,265,069
<b>EXPENSES</b>			
Band Programs	2,143,929	2,931,172	2,055,409
Capital Program	2,989,879	528,944	457,770
Community Services	263,295	845,843	1,411,725
Economic Development	50,000	413,559	431,874
Education	80,512	233,956	137,808
Health	105,936	167,793	176,614
Social Services	125,806	188,954	150,910
Social Housing	95,154	104,088	133,711
Capital Fund	-	238,391	286,396
	5,854,511	5,652,700	5,242,217
<b>ANNUAL SURPLUS BEFORE OTHER</b>	(1,611,366)	<b>826,542</b>	1,022,852
<b>OTHER</b>			
Transfer to deferred revenue	-	266,827	(537,237)
<b>ANNUAL SURPLUS</b>	\$ (1,611,366)	<b>\$ 1,093,369</b>	<b>\$ 485,615</b>

# KWIKWETLEM FIRST NATION

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## CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS

<u>For the year ended March 31</u>	<u>2021</u>	<u>2020</u>
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	\$ 9,743,047	\$ 9,257,432
<u>ANNUAL SURPLUS</u>	<u>1,093,369</u>	<u>485,615</u>
<u>ACCUMULATED SURPLUS AT END OF YEAR</u>	<u>\$ 10,836,416</u>	<u>\$ 9,743,047</u>

# KWIKWETLEM FIRST NATION

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2021	2021	2020
<b>OPERATING ACTIVITIES</b>		
ANNUAL SURPLUS	\$ 1,093,369	\$ 485,615
Items not affecting cash		
Amortization	272,160	319,382
Share of income (loss) from First Nation controlled entities	(2,046,279)	(561,230)
	(680,750)	243,767
Change in non-cash operating working capital	(272,485)	1,849,188
	(953,235)	2,092,955
<b>FINANCING ACTIVITIES</b>		
Repayment of CMHC mortgage	(33,770)	(32,986)
Repayment of callable debt	(48,709)	(32,233)
	(82,479)	(65,219)
<b>INVESTING ACTIVITIES</b>		
Acquisition of tangible capital assets	(780,214)	(525,751)
Redemption (purchase) of investments	338,174	141,259
Contribution to BCFN Gaming Revenue Sharing LP	-	(100)
	(442,040)	(384,592)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	(1,477,754)	1,643,144
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>3,052,083</b>	<b>1,408,939</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,574,329</b>	<b>\$ 3,052,083</b>
<b>CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:</b>		
Cash	\$ 1,553,052	\$ 3,030,846
Restricted cash	21,277	21,237
	\$ 1,574,329	\$ 3,052,083

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 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) Fund Accounting

The Kwikwetlem First Nation maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the capital assets of the First Nation not included in other funds, together with their related activities.
- The Trust Fund which reports on the trust funds of the First Nation and held by third parties.
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

#### (b) Reporting Entity

The Kwikwetlem First Nation ("the First Nation") reporting entity includes the Kwikwetlem First Nation government and all related entities that are controlled by the First Nation.

#### (c) 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 Kwikwetlem First Nation'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 Kwikwetlem First Nation.

Organizations consolidated in Kwikwetlem First Nation's financial statements include:

1. Kwikwetlem First Nation Social Housing Program

Organizations accounted for on a modified equity basis include:

1. Choxw Holdings Corporation (bare trust company, 100% owned by Kwikwetlem First Nation)
2. KFN Enterprises Ltd. (100% owned by Kwikwetlem First Nation through the bare trustee company)
3. KFN Enterprises Limited Partnership (99% limited partner through the bare trustee company)

#### (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.

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (e) 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.

#### (f) Investments

Investments include guaranteed investment certificates, and accrued interest receivable. These investments are carried at cost.

#### (g) Replacement Reserve

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

#### (h) 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.

#### (i) Budget

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

#### (j) Segments

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

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (k) 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 Kwikwetlem First Nation's incremental cost of borrowing.

Amortization is provided for over their estimated useful lives as follows:

Buildings and building improvements	5% Declining balance
Vehicles	30% Declining balance
Computer equipment	30% Declining balance
Office and general equipment	20% Declining balance
Boats	30% Declining balance
Infrastructure	10years Straight line
Watermains	50 and 100% Declining balance
Roads	100% Declining balance
Canoes	20% Declining balance

Tangible capital assets are written down when conditions indicate that they no longer contribute to Kwikwetlem First Nation'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 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.

#### (l) 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. The estimates made in these financial statements includes: the useful life of the tangible capital assets, the collectibility of accounts receivable, accrued liabilities and related expenditures. Actual results could differ from those estimates.

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (m) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) First Nation is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made;

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at March 31, 2020 and March 31, 2021, no liability for contaminated sites has been recorded.

#### (n) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance 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 assets, prepaid expenses and inventory of supplies.

### 2. RESTRICTED CASH

Replacement Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

Operating Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income-listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

	2021	2020
Replacement Reserve Fund - restricted cash	\$ 21,277	\$ 21,237

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 3. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2021	2020
Capital funds held in trust	\$ -	\$ 17,483
Revenue funds held in trust	\$ 347	\$ 15,609
	<b>\$ 347</b>	<b>\$ 33,092</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.

### 4. ACCOUNTS RECEIVABLE

	2021	2020
Accounts receivable	\$ 125,587	\$ 83,915
Department of Fisheries	35,073	-
First Nation Health Authority	89,145	800
First Nation Steering Committee	18,971	-
First Nations Tax Commission	-	5,000
BC Hydro	2,250	2,580
Indigenous Advisory and Monitoring Committee	54,795	-
Indigenous Services Canada	100,613	68,788
Ministry of Environment	2,000	2,000
Ministry of Transport & Infrastructure	5,000	-
National Aboriginal Lands Managers	-	42,500
New Relationship Trust	-	4,732
Insurance claim receivable	-	102,481
Province of British Columbia	5,000	5,000
Member receivable	320,197	326,497
	<b>\$ 758,631</b>	<b>\$ 644,293</b>

### 5. DUE FROM RELATED PARTIES

	2021	2020
Saskay Land Development Corporation	\$ 107,352	\$ 106,587
Saskay Land Development Limited Partnership	1,472,023	2,352,882
KFN Enterprises Limited Partnership	1,067,562	1,053,511
Choxw Holdings Corp.	4,975	3,015
Kwikwetlem Land Management Inc	2,250	2,250
Kwikwetlem Land Management Limited Partnership	2,500	2,500
Kwikwetlem Holdings Inc.	3,000	2,250
Kwikwetlem Holdings Limited Partnership	181,935	2,500
Kwosel Land Development Ltd.	2,250	2,250
Kwosel Land Development Limited Partnership	2,500	2,500
Saskay Consulting Inc.	1,500	2,250
Saskay Consulting Limited Partnership	3,250	3,250
	<b>\$ 2,851,097</b>	<b>\$ 3,535,745</b>

Amounts due from related parties are non-interest bearing with no specific terms of repayment.

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 6. GOVERNMENT BUSINESS ENTERPRISES

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

- ◆ KFN Enterprises Limited Partnership
- ◆ KFN Enterprises Ltd.
- ◆ Choxw Holdings Corporation

	KFN Enterprises Limited Partnership	KFN Enterprises Ltd.	Choxw Holdings Corporation	2021 Total	2020 Total
Cash	\$ 2,655,585	\$ -	\$ -	\$ 2,655,585	\$ 845,341
Accounts receivable	89,653	-	-	89,653	75,506
Prepaid expenses	28,627	-	-	28,627	33,977
Due from related parties	5,900,117	-	-	5,900,117	5,051,462
Holdbacks receivable	85,079	-	-	85,079	-
Investments	1,355,941	94	-	1,356,035	1,887,033
Property, plant and equipment	-	-	-	-	512,624
<b>Total assets</b>	<b>\$ 10,115,002</b>	<b>\$ 94</b>	<b>\$ -</b>	<b>\$ 10,115,096</b>	<b>\$ 8,405,943</b>
Accounts payable	\$ 120,423	\$ 3,000	\$ 1,650	\$ 125,073	\$ 189,897
Due to related parties	1,090,490	12,820	4,974	1,108,284	1,089,835
Callable debt	7,960,198	-	-	7,960,198	8,250,158
Investments	-	-	-	-	111
<b>Total liabilities</b>	<b>9,171,111</b>	<b>15,820</b>	<b>6,624</b>	<b>9,193,555</b>	<b>9,530,001</b>
Share capital	11	10	1	22	11
Equity	943,880	(15,736)	(6,625)	921,519	(1,124,069)
<b>Total equity</b>	<b>943,891</b>	<b>(15,726)</b>	<b>(6,624)</b>	<b>921,541</b>	<b>(1,124,058)</b>
<b>Total liabilities and equity</b>	<b>\$ 10,115,002</b>	<b>\$ 94</b>	<b>\$ -</b>	<b>\$ 10,115,096</b>	<b>\$ 8,405,943</b>

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2021

### 6. GOVERNMENT BUSINESS ENTERPRISES, continued

	KFN Enterprises Limited Partnership	KFN Enterprises Ltd.	Choxw Holdings Corporation	2021 Total	2020 Total
Revenue	\$ 1,445,648	\$ -	\$ -	\$ 1,445,648	\$ 253,117
Direct costs	-	-	-	-	62,123
General and administrative expenses	1,208,696	2,969	1,650	1,213,315	2,318,939
Other	(1,812,297)	(205)	-	(1,812,502)	(2,685,741)
Total expenses (income)	(603,601)	2,764	1,650	(599,187)	(304,679)
Net income (loss)	\$ 2,049,249	\$ (2,764)	\$ (1,650)	\$ 2,044,835	\$ 557,796

### 7. INVESTMENTS

Investments are comprised of the following:

	2021	2020
Royal Bank Guaranteed Investment Certificates (GICs)	\$ 75,000	\$ 75,000
Royal Bank (GICs) held in trust for minor Band Members	1,546,821	1,885,093
Accrued interest receivable	816	816
	\$ 1,622,637	\$ 1,960,909

All the GICs are one-year long and renewed upon maturity, the interest rate is 1% per annum.

### 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payable - general	\$ 546,809	\$ 774,088
Accrued salaries and employee benefits payable	94,599	78,984
Government remittances payable	3,254	14,060
Guaranteed Investment Certificates payable in trust for young band members	1,546,821	1,885,093
	\$ 2,191,483	\$ 2,752,225

### 9. DEFERRED REVENUE

	March 31, 2020	Funding received, 2021	Revenue recognized, 2021	March 31, 2021
<b>Federal Government</b> Indigenous Services Canada	\$ 537,237	\$ 271,160	\$ (537,237)	\$ 271,160

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2021

### 10. INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES

	2021	2020
INVESTMENT IN NON-CONTROLLED ENTITIES		
Investment in BC First Nations Gaming Revenue Limited Partnership	\$ 110	\$ 110
KFN ENTERPRISES LTD.		
Shares unit, at cost	10	10
Accumulated deficit	(15,736)	(12,971)
	(15,726)	(12,961)
KFN ENTERPRISES LIMITED PARTNERSHIP		
Partnership units, at cost	9,999	9,999
Accumulated partner's contribution	5,000	5,000
Accumulated partner's deficit	928,798	(1,120,246)
	943,797	(1,105,247)
	<b>\$ 928,181</b>	<b>\$ (1,118,098)</b>

### 11. CALLABLE DEBT

	2021	2020
Two Bank of Montreal demand loans, each with payments of \$202 per month, due in February 2024. Both loans are payable on demand and have no specified terms of repayment or early repayment penalties.	\$ 55,094	\$ 58,134
RBC demand loan, payments of \$5,858 per month, due in October 2039. The loan is payable on demand and have no specified terms of repayment or early repayment penalties.	862,418	908,087
	<b>\$ 917,512</b>	<b>\$ 966,221</b>

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 12. CMHC MORTGAGE

	2021	2020
All Nations Trust Company loan, payments of \$1,382 per month including interest at 1.08% per annum, maturing August 1, 2030, secured by a Ministerial Guarantee from Indigenous Services Canada.	\$ 148,250	\$ 163,314
All Nations Trust Company loan, payments of \$2,308 per month including interest at 2.11% per annum, maturing December 1, 2038, secured by a Ministerial Guarantee from Indigenous Services Canada.	<u>410,493</u>	429,199
	<u><u>\$ 558,743</u></u>	\$ 592,513

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

2022	\$ 34,322
2023	34,853
2024	35,394
2025	35,946
2026 and thereafter	<u>418,228</u>
	<u><u>\$ 558,743</u></u>

### 13. REPLACEMENT RESERVE

The Replacement Reserve is established in accordance with the Operating Agreements with CMHC for on-reserve housing. Funds are required to be set aside annually and held for future replacements of capital items related to the homes.

	2021	2020
Balance, beginning of year	\$ 13,765	\$ 20,645
Current year appropriations	9,040	9,040
Interest income	40	109
Current year expenditures	<u>(22,845)</u>	(16,029)
Balance, end of the year	<u><u>\$ 13,765</u></u>	\$ 13,765

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 14. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization				2021 net book value
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year		
Land	\$ 1,455,000	\$ -	\$ 1,455,000	\$ -	\$ -	\$ -	\$ -	\$ 1,455,000
Buildings and building improvements	4,329,549	-	4,329,549	1,104,257	142,778	1,247,035		3,082,514
Vehicles	352,404	103,351	455,755	252,144	30,108	282,252		173,503
Computer equipment	116,621	107,819	224,440	75,768	15,011	90,779		133,661
Office and general equipment	335,491	10,622	346,113	204,888	27,092	231,980		114,133
Boats	325,305	-	325,305	246,075	23,769	269,844		55,461
Infrastructure	173,917	-	173,917	46,447	16,142	62,589		111,328
Watermains	336,212	-	336,212	85,204	6,724	91,928		244,284
Roads	605,117	-	605,117	30,134	6,051	36,185		568,932
Construction in progress	461,540	558,422	1,019,962	-	-	-		1,019,962
Canoes	89,709	-	89,709	36,932	4,485	41,417		48,292
	\$ 8,580,865	\$ 780,214	\$ 9,361,079	\$ 2,081,849	\$ 272,160	\$ 2,354,009	\$	\$ 7,007,070

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

	Cost				Accumulated amortization				2020 Net book value
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year			
Land	\$ 1,455,000	\$ -	\$ 1,455,000	\$ -	\$ -	\$ -			\$ 1,455,000
Buildings and building improvements	4,294,587	34,962	4,329,549	937,805	166,452	1,104,257			3,225,292
Vehicles	352,404	-	352,404	209,176	42,968	252,144			100,260
Computer equipment	99,692	16,929	116,621	63,409	12,359	75,768			40,853
Office and general equipment	325,979	9,512	335,491	173,266	31,622	204,888			130,603
Boats	322,497	2,808	325,305	212,640	33,435	246,075			79,230
Infrastructure	173,917	-	173,917	31,163	15,284	46,447			127,470
Watermains	336,212	-	336,212	78,480	6,724	85,204			251,008
Roads	605,117	-	605,117	24,083	6,051	30,134			574,983
Other capital assets #7	-	461,540	461,540	-	-	-			461,540
Canoes	89,709	-	89,709	32,445	4,487	36,932			52,777
	\$ 8,055,114	\$ 525,751	\$ 8,580,865	\$ 1,762,467	\$ 319,382	\$ 2,081,849			\$ 6,499,016

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### March 31, 2021

#### 15. ECONOMIC DEPENDENCE

The Kwikwetlem First Nation and controlled entities ("First Nation") are financially dependent on funding from government sources to operate programs and to complete capital projects. The First Nation's ability to operate certain programs depends on continuation of these sources of funding.

Contributions from Indigenous Services Canada ("ISC") are under terms of Financial Transfer Agreements ("FTA") and are provided on a block funding basis. Generally, FTA funding is provided on a multi-year basis and any unexpected balance is not repayable.

These financial statements do not reflect adjustments in the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position classifications used that would be necessary if the going-concern assumption were not appropriate.

#### 16. RELATED PARTY TRANSACTIONS

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

During the year, the First Nation entered into the following transactions with related parties:

- (a) Recognized \$2,049,044 share of income from KFN Enterprises Limited Partnership.
- (b) Recognized \$2,765 share of loss from KFN Enterprises Ltd.
- (c) Received \$42,000 in rent from KFN Enterprises Limited Partnership.

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2021

### 17. EXPENSES BY OBJECT

For the year ended March 31	2021 Budget	2021 Actual	2020 Actual
Administration fees	\$ 131,134	\$ 78,215	\$ 21,150
Advertising	8,400	3,220	1,942
Amortization	-	272,161	319,382
Appropriations to replacement reserve	-	9,040	9,040
Bad debts (recovery)	-	(13,353)	88,120
Band member profit sharing	-	-	1,120,000
Bank charges and interest	800	35,903	52,041
Basic needs	76,416	72,566	59,022
Capital assets acquisitions	2,298,947	-	-
Donations	-	-	100
Election expenses	-	30,335	-
Honorariums	11,500	14,958	1,200
Insurance	34,000	49,188	43,875
Living allowance	-	33,298	29,586
Meals and entertainment	33,250	73,302	187,158
Meeting expenses	24,700	855	12,451
Miscellaneous	100,344	198,144	68,908
Mortgage Payments	-	10,604	11,527
Office expenses	154,900	280,467	167,317
Professional fees	682,390	1,432,454	744,890
Program expenses	206,186	346,938	273,284
Rent	16,200	18,915	18,298
Repairs and maintenance	53,500	114,888	77,908
Special events	-	25,377	99,001
Sub-contracts	337,180	468,362	78,850
Supplies	-	17,913	-
Training	30,000	7,712	87,943
Travel	27,600	5,790	39,105
Tuition	24,754	15,793	15,971
Utilities and telephone	52,120	69,783	54,726
Vehicle	23,000	22,360	19,029
Wages and benefits	1,511,470	1,939,796	1,518,992
Waste collection	15,720	17,716	20,438
Youth programs	-	-	963
	\$ 5,854,511	\$ 5,652,700	\$ 5,242,217

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 18. SUBSEQUENT EVENTS

#### i) COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the organization's environment and in the global markets 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 travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the First Nation's operations.

The extend of the impact of the pandemic and related impact on the First Nation's operations cannot be reliably estimated at this time. In accordance with the provincial safety measures, the First Nation has developed a COVID-19 safety plan and the First Nation plans to continue operating under the new protocols beginning on March 11, 2020.

#### ii) Contingencies

The First Nation was named as defendant in one legal case. The outcome of the case is undeterminable at the date of the auditor's report. As such no provision for loss has been accrued on these financial statements.

# KWIKWETLEM FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 19. SEGMENTED INFORMATION

As previously discussed in note 1 (j) the First Nation conducts its business through reportable segments as follows:

The Band Programs department is responsible for administering projects the Band is involved in annually and on an on-going basis relating to the overall objectives of the First Nation and the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs, it also provides services for students at the elementary/secondary and post secondary level, including; instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

Social Services provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

The Health department oversees the delivery of health programs and initiatives for the betterment of the lives of the members of the First Nation.

Capital Projects manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nation's infrastructure.

Social Housing is responsible for the administration and management of Social Housing units.

Other operations include Capital Fund, Ottawa Trust Fund and Enterprise Fund transactions.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 19. SEGMENTED INFORMATION, continued

	Band Programs		Capital Program		Community Services				
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ 138,469	\$ 264,921	\$ 212,073	-	\$ 283,298	\$ 951,554	\$ 102,904	\$ 285,121	\$ 56,822
First Nations Health Authority	-	-	-	-	-	-	-	134,145	-
FN Lands Management Resource Centre	-	-	-	295,000	112,050	123,250	-	-	-
Province of British Columbia	-	10,630	10,429	-	-	-	-	216,000	33,914
Rent	-	38,500	2,850	-	-	-	63,900	60,450	56,475
CMHC subsidies	-	-	6,700	2,298,947	-	-	-	-	3,300
Health Canada	-	-	71,300	-	-	-	-	-	-
Other revenue	113,090	742,535	281,807	67,000	701,613	16,177	516,388	262,013	253,072
<b>Total revenue</b>	<b>251,559</b>	<b>1,056,586</b>	<b>585,159</b>	<b>2,660,947</b>	<b>1,096,961</b>	<b>1,090,981</b>	<b>683,192</b>	<b>957,729</b>	<b>403,583</b>
<b>Expenses</b>									
Bank charges and interest	800	35,856	5,238	-	-	-	-	-	5,791
Office expenses	135,100	103,155	(3,451)	13,600	13,364	9,520	6,200	65,513	15,910
Professional fees	475,890	1,281,791	558,132	175,000	67,024	67,425	30,000	58,956	5,972
Repairs and maintenance	30,000	35,215	30,694	-	-	-	14,500	44,887	15,995
Utilities	41,620	40,852	40,294	-	9,227	410	10,500	-	150
Sub-contracts	50,000	142,666	39,769	-	64,414	11,839	185,500	45,495	257
Program expenses	2,500	103,549	203,444	-	55	458	155,000	131,193	104,874
Wages and benefits	746,367	1,000,442	848,458	478,932	363,494	341,671	170,533	295,735	79,285
Other expenses	205,400	187,646	332,831	2,322,347	11,366	26,447	109,854	204,064	1,183,491
<b>Total expenses</b>	<b>1,687,677</b>	<b>2,931,172</b>	<b>2,055,409</b>	<b>2,989,879</b>	<b>528,944</b>	<b>457,770</b>	<b>682,087</b>	<b>845,843</b>	<b>1,411,725</b>
Other	(1,436,118)	(1,874,586)	(1,470,250)	(328,932)	568,017	633,211	1,105	111,886	(1,008,142)
<b>Annual surplus (deficit)</b>	<b>\$ (1,436,118)</b>	<b>\$ (1,908,910)</b>	<b>\$ (1,470,250)</b>	<b>\$ (328,932)</b>	<b>\$ 928,092</b>	<b>\$ 133,413</b>	<b>\$ 1,105</b>	<b>\$ 99,958</b>	<b>\$ (1,008,142)</b>

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 19. SEGMENTED INFORMATION, continued

	Economic Development			Education			Health		
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ 15,000	\$ 142,613	\$ 55,000	\$ 36,754	\$ 95,863	\$ 81,082	\$ 67,118	\$ 90,193	\$ 75,362
First Nations Health Authority	-	-	-	-	-	-	42,142	75,793	113,720
Province of British Columbia	35,000	35,000	2,512,376	-	-	-	-	30,000	30,000
Rent	-	3,500	42,000	-	-	-	-	-	-
Health Canada	-	-	-	-	-	-	-	450	67,078
Other revenue	278,600	487,329	364,897	-	34,953	33,162	1,427	-	1,427
<b>Total revenue</b>	<b>328,600</b>	<b>668,442</b>	<b>2,974,273</b>	<b>36,754</b>	<b>130,816</b>	<b>114,244</b>	<b>110,687</b>	<b>196,436</b>	<b>287,587</b>
<b>Expenses</b>									
Bank charges and interest	-	-	40,839	-	-	-	-	-	-
Office expenses	-	88,459	137,169	-	(405)	444	-	6,363	239
Professional fees	-	19,787	109,621	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	116	-	1,958	1,543
Utilities and telephone	-	-	-	-	-	-	-	19,704	13,872
Sub-contracts	-	163,228	-	-	-	5,377	101,680	35,644	17,731
Program expenses	-	29,462	4,000	36,754	66,581	57,362	4,256	44,295	19,143
Wages and benefits	50,000	47,134	23,684	43,758	157,689	60,779	-	26,302	77,437
Other expenses	-	65,489	116,561	-	10,091	13,730	37,460	33,527	46,649
<b>Total expenses</b>	<b>50,000</b>	<b>413,559</b>	<b>431,874</b>	<b>80,512</b>	<b>233,956</b>	<b>137,808</b>	<b>143,396</b>	<b>167,793</b>	<b>176,614</b>
<b>Other</b>	<b>278,600</b>	<b>254,883</b>	<b>2,542,399</b>	<b>(43,758)</b>	<b>(103,140)</b>	<b>(23,564)</b>	<b>(32,709)</b>	<b>28,643</b>	<b>110,973</b>
<b>Annual surplus (deficit)</b>	<b>\$ 278,600</b>	<b>\$ 254,883</b>	<b>\$ 2,542,399</b>	<b>(\$ 43,758)</b>	<b>(\$ 122,778)</b>	<b>(\$ 41,209)</b>	<b>(\$ 32,709)</b>	<b>\$ 24,981</b>	<b>\$ 110,973</b>

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 19. SEGMENTED INFORMATION, continued

	Social Services		2020 Actual	2021 Budget	Social Housing		2020 Actual	2021 Budget	Capital Fund	
	2021 Budget	2021 Actual			2021 Actual	2020 Actual			2021 Actual	2020 Actual
<b>Revenues</b>										
Indigenous Services Canada	\$ 125,806	\$ 192,386	\$ 106,638	-	\$ -	\$ -	\$ -	-	\$ -	\$ -
Province of British Columbia	-	60,720	57,489	-	-	-	-	-	-	-
Rent	-	-	-	45,600	35,675	45,600	-	-	-	-
CMHC subsidies	-	-	-	-	36,787	37,004	-	-	-	-
Other revenue	-	-	-	-	78	501	-	-	-	-
<b>Total revenue</b>	<b>125,806</b>	<b>253,106</b>	<b>164,127</b>	<b>45,600</b>	<b>72,540</b>	<b>83,105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>										
Bank charges and interest	-	-	-	-	47	173	-	-	-	-
Office expenses	-	4,018	5,397	-	-	1,154	-	-	-	-
Professional fees	-	-	-	1,500	4,896	3,740	-	-	-	-
Repairs and maintenance	-	-	1,070	9,000	32,828	29,779	-	-	-	-
Sub-contracts	-	16,915	3,877	-	-	-	-	-	-	-
Program expenses	32,430	46,269	29,526	-	-	-	-	-	-	-
Wages and benefits	16,960	49,000	49,806	4,920	-	-	-	-	-	-
Other expenses	76,416	72,752	61,234	79,734	66,317	98,865	-	238,391	286,396	
<b>Total expenses</b>	<b>125,806</b>	<b>188,954</b>	<b>150,910</b>	<b>95,154</b>	<b>104,088</b>	<b>133,711</b>	<b>-</b>	<b>238,391</b>	<b>286,396</b>	
Other	-	64,152	13,217	(49,554)	(31,548)	(50,606)	-	(238,391)	(286,396)	
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 40,456</b>	<b>\$ (6,577)</b>	<b>\$ (49,554)</b>	<b>\$ (31,548)</b>	<b>\$ (50,606)</b>	<b>-</b>	<b>\$ (238,391)</b>	<b>\$ (286,396)</b>	

# KWIKWETLEM FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 19. SEGMENTED INFORMATION, continued

	Ottawa Trust Funds			Enterprise Fund			Consolidated totals		
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 486,051	\$ 1,354,395	\$ 1,538,531
First Nations Health Authority	-	-	-	-	-	-	42,142	209,938	113,720
FN Lands Management Resource Centre	-	-	-	-	-	-	295,000	112,050	123,250
Province of British Columbia	-	-	-	-	-	-	35,000	352,350	2,644,208
Rent	-	-	-	-	-	-	109,500	138,125	146,925
CMHC subsidies	-	-	-	-	-	-	2,298,947	36,787	47,004
Health Canada	-	-	-	-	-	-	-	450	138,378
Investment gain/loss from subsidiaries	-	-	-	-	2,046,279	561,230	-	2,046,279	561,230
Other revenue	-	347	780	-	-	-	976,505	2,228,868	951,823
<b>Total revenue</b>	<b>-</b>	<b>347</b>	<b>780</b>	<b>-</b>	<b>2,046,279</b>	<b>561,230</b>	<b>4,243,145</b>	<b>6,479,242</b>	<b>6,265,069</b>
<b>Expenses</b>									
Bank charges and interest	-	-	-	-	-	-	800	35,903	52,041
Office expenses	-	-	-	-	-	-	154,900	280,467	166,382
Professional fees	-	-	-	-	-	-	682,390	1,432,454	744,890
Repairs and maintenance	-	-	-	-	-	-	53,500	114,888	79,197
Utilities and telephone	-	-	-	-	-	-	52,120	69,783	54,726
Sub-contracts	-	-	-	-	-	-	337,180	468,362	78,850
Program expenses	-	-	-	-	-	-	230,940	421,404	418,807
Wages and benefits	-	-	-	-	-	-	1,511,470	1,939,796	1,481,120
Other expenses	-	-	-	-	-	-	2,831,211	889,643	2,166,204
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,854,511</b>	<b>5,652,700</b>	<b>5,242,217</b>
<b>Other</b>	<b>-</b>	<b>347</b>	<b>780</b>	<b>-</b>	<b>2,046,279</b>	<b>561,230</b>	<b>(1,611,366)</b>	<b>826,542</b>	<b>1,022,852</b>
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 347</b>	<b>\$ 780</b>	<b>\$ -</b>	<b>\$ 2,046,279</b>	<b>\$ 561,230</b>	<b>\$ (1,611,366)</b>	<b>\$ 1,093,369</b>	<b>\$ 485,615</b>