

**Bridge River Indian Band
Consolidated Financial Statements**
March 31, 2019

Bridge River Indian Band

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For the year ended March 31, 2019

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Management's Responsibility

To the Members of Bridge River Indian Band

The accompanying consolidated financial statements of Bridge River Indian Band are the responsibility of management and have been approved by the Chief and Council.

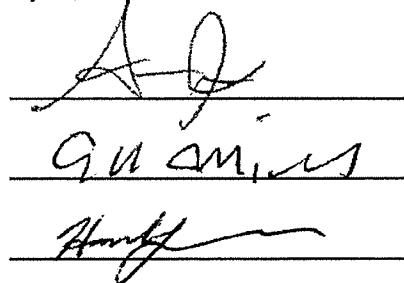
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Bridge River Indian Band Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Band's external auditors.

MNP LLP is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Council and management to discuss their audit findings.

July 30, 2019

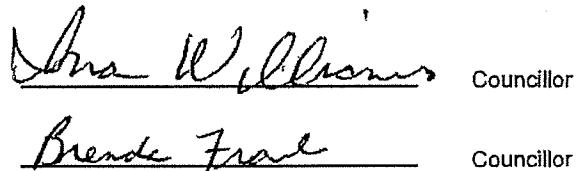


Guanis

Chief

Councillor

Councillor



Brenda Frail

Councillor

Councillor

Independent Auditor's Report

To the Chief and Council of Bridge River Indian Band:

Opinion

We have audited the consolidated financial statements of Bridge River Indian Band and its subsidiaries (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated operating surplus and related schedules, remeasurement gains, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Band as at March 31, 2019, and the results of its consolidated operations, its consolidated remeasurement gains and its consolidated 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 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 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.

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.

Auditor's 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 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 consolidated 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 Band 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.

Nanaimo, British Columbia

July 30, 2019

MNP LLP

Chartered Professional Accountants

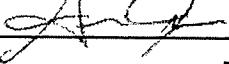
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Bridge River Indian Band
Consolidated Statement of Financial Position

As at March 31, 2019

	2019	2018
Financial assets		
Cash resources	1,084,192	844,398
Accounts receivable (Note 4)	731,600	517,622
Investments (Note 3)	3,636,313	3,496,734
Advances to related Band entities (Note 5)	419,374	494,141
Restricted cash (Note 6)	238,047	381,326
Funds held in trust (Note 7)	52,171	50,528
Investment in Band business entity (Note 8)	1	1
Total financial assets	6,161,698	5,784,750
Liabilities		
Accounts payable and accruals	399,803	188,536
Deferred revenue (Note 9)	40,021	40,021
Long-term debt (Note 10)	777,265	974,860
Total financial liabilities	1,217,089	1,203,417
Net financial assets	4,944,609	4,581,333
Contingencies (Note 12)		
Commitments (Note 13)		
Non-financial assets		
Tangible capital assets (Schedule 1)	7,815,934	8,089,267
Accumulated surplus	12,760,543	12,670,600
Accumulated surplus is comprised of:		
Accumulated operating surplus	12,410,447	12,432,171
Accumulated remeasurement gains	350,096	238,429
	12,760,543	12,670,600

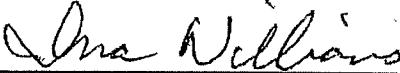
Approved on behalf of the Chief and Council


John Williams
G. Williams
Brandi Frane

Chief

Councillor

Councillor


John Williams

Councillor

Councillor

Bridge River Indian Band
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	<i>Schedules</i>	<i>2019 (Budget - Note 11)</i>	<i>2019</i>	<i>2018</i>
Revenue				
Indigenous Services Canada (Note 16)		558,507	1,443,245	2,255,398
Canada Mortgage and Housing Corporation		-	151,218	256,660
Additional government funding		-	149,949	-
Department of Fisheries and Oceans		-	23,990	14,334
First Nations Health Authority		351,906	547,603	475,232
Other revenue		230,143	1,349,752	1,019,924
Rental income		-	962,733	910,250
BC Hydro		-	356,923	347,201
Trust allocation		-	341,542	245,574
Investment income		-	36,604	208,416
Contributions		-	15,070	-
Total revenue		1,140,556	5,378,629	5,732,989
Program expenses				
Administration	3	424,382	743,868	569,933
Public Works	4	227,462	476,776	500,445
Housing	5	-	657,106	784,681
Community and Human Services	6	489,480	1,037,889	1,038,739
Education	7	-	289,234	157,459
Resources	8	-	745,098	437,215
Economic Development	9	-	1,450,382	1,237,363
Total expenses		1,141,324	5,400,353	4,725,835
Annual operating surplus (deficit)		(768)	(21,724)	1,007,154
Accumulated operating surplus, beginning of year		12,432,171	12,432,171	11,425,016
Accumulated operating surplus, end of year		12,431,403	12,410,447	12,432,171

Bridge River Indian Band
Consolidated Statement of Remeasurement Gains
For the year ended March 31, 2019

	2019	2018
Accumulated remeasurement gains, beginning of year	238,429	358,426
Unrealized gains (losses) attributable to:		
Portfolio investments	111,667	(119,997)
Accumulated remeasurement gains, end of year	350,096	238,429

Bridge River Indian Band
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2019

	2019 <i>(Budget - Note 11)</i>	2019	2018
Annual operating surplus (deficit)	(768)	(21,724)	1,007,154
Purchases of tangible capital assets	-	(111,903)	(1,109,780)
Amortization of tangible capital assets	-	385,236	421,204
	-	273,333	(688,576)
Change in remeasurement gains (losses) for the year	-	111,667	(119,995)
Increase (decrease) in net financial assets	(768)	363,276	198,583
Net financial assets, beginning of year	4,581,333	4,581,333	4,382,750
Net financial assets, end of year	4,580,565	4,944,609	4,581,333

Bridge River Indian Band
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Annual operating surplus (deficit)	(21,724)	1,007,154
Non-cash items		
Amortization	385,236	421,204
Earnings on investments	(27,914)	(206,235)
	335,598	1,222,123
Changes in working capital accounts		
Accounts receivable	(213,978)	9,189
Accounts payable and accruals	211,269	(1,277,516)
Deferred revenue	-	(851,294)
Funds held in trust	(1,643)	(2,144)
	331,246	(899,642)
Financing activities		
Repayment of long-term debt	(197,595)	(212,416)
Change in restricted cash	143,279	150,122
	(54,316)	(62,294)
Capital activities		
Purchases of tangible capital assets	(111,903)	(1,109,780)
Investing activities		
Proceeds on disposal of investments	-	500,000
Repayment of advances to related Band entities	74,767	-
	74,767	500,000
Increase in cash resources	239,794	(1,571,716)
Cash resources, beginning of year	844,398	2,416,114
Cash resources, end of year	1,084,192	844,398

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. Operations

The Bridge River Indian Band (the "Band") is located in the province of British Columbia, and provides various services to its members. Bridge River Indian Band includes the Band's members, government and all related entities that are accountable to the Band and are either owned or controlled by the Band.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the Band reporting entity, except for Band business entities.

The Band has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Operating Fund
- Trust Fund
- Social Housing Fund
- Capital Fund

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Bridge River Indian Band business entities, owned or controlled by the Band's Council but not dependent on the Band for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Band. Thus, the Band's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

Bridge River Development Corporation.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Band members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated operating surplus. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other Band tangible capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

2. Significant accounting policies (Continued from previous page)

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Net financial assets

The Band's financial statements are presented so as to highlight net financial assets as the measurement of consolidated financial position. The net financial assets of the Band is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated annual operating surplus (deficit).

Tangible capital assets

Tangible capital assets are initially recorded at cost less accumulated amortization. Contributed tangible assets are recorded at their fair value at the date of contribution.

All intangible assets and items inherited by the right of the Band, such as reserve land, forests, water and mineral resources, are not recognized in the Band's consolidated financial statements.

Amortization

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings and Housing Units	declining balance	5 %
Machinery and equipment	declining balance	20 %
Infrastructure	declining balance	4 %

Long-lived assets

Long-lived assets consist of tangible capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Band performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when asset's service potential is reduced. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Any impairment is included in surplus for the year. Prices for similar items are used to measure fair value of long-lived assets.

The Band does not perform impairment testing on its long-lived assets that are held for public administration and situated on its reserve land as it is not possible to determine their fair market value.

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 expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the Band reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Band continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2019, no liability for contaminated site exists.

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

i) **Government transfers**

The Band recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Band recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

ii) **First Nation Capital and Revenue Trust Funds**

The Band recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

iii) **Canada Mortgage and Housing Corporation ("CMHC")**

CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

iv) **Housing rental income**

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

v) **Own source and other revenue**

Own source and other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

vi) **Investment income**

Investment income is recognized by the Band when investment income is earned.

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management 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 reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are based on the best information available regarding potentially contaminated sites that the Band is responsible for.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the periods in which they become known.

Segments

The Band conducts its business through a number of reportable segments as described in Note 14. These operating segments are established by senior management to facilitate the achievement of the Band's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

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

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

2. Significant accounting policies (Continued from previous page)

Statement of Remeasurement Gains and Losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in government business entities are distinguished from revenues and expenses reported in the statement of operations. The statement of operations reports the extent to which revenues raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the statement of remeasurement gains and losses. Taken together, the two statements account for changes in a Band's net assets (liabilities) in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to all financial instruments are reported in the statement of operations.

Financial instruments

The Band recognizes its financial instruments when the Band becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Band may irrevocably elect to subsequently measure any financial instrument at fair value. The Band has made such an election during the year.

The Band subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by reference to published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers certain criteria, e.g. whether the investee has experienced continued losses for a period of years, etc. in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

3. Investments

	2019	2018
Measured at cost:		
Investment in Lillooet Salish Enterprises Ltd. - 50% ownership	205,625	205,625
Measured at fair value:		
Marketable securities	3,430,688	3,291,109
	<hr/> 3,636,313	<hr/> 3,496,734

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

4. Accounts receivable

	2019	2018
Accounts receivable	692,708	465,763
CMHC subsidy assistance receivable	8,999	12,343
Members	5,198	13,806
Rent receivable	66,457	67,472
Accrued interest receivable	8,432	8,432
	<hr/>	<hr/>
	781,794	567,816
Less: Allowance for doubtful accounts	50,194	50,194
	<hr/>	<hr/>
	731,600	517,622

5. Advances to related Band entities

	2019	2018
Bridge River Development Corporation, wholly owned corporation	242,349	317,116
Lillooet Salish Enterprises Ltd., company with 50% ownership	177,025	177,025
	<hr/>	<hr/>
	419,374	494,141

The advances are non-interest bearing, unsecured and without specific repayment terms. During the year, \$74,767 of advances were repaid by the wholly owned corporation. The transactions between related parties were conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Restricted cash

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were over-funded.

	2019	2018
Replacement reserve	203,131	278,554
Restricted cash	238,047	381,326

Replacement reserve is fully funded for both 2019 and 2018.

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

7. Funds held in trust

Capital and revenue trust monies are transferred to the Band on the authorization of the Minister of Indigenous Services Canada ("ISC"), with the consent of the Band's Chief and Council.

	2019	2018
Capital Trust		
Balance, beginning of year	2,305	2,305
Balance, end of year	2,305	2,305
Revenue Trust		
Balance, beginning of year	48,223	46,079
Interest	1,643	2,144
Balance, end of year	49,866	48,223
Combined balance, end of year	52,171	50,528

Ottawa Trust Funds

The Ottawa Trust accounts 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*.

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

8. Investments in Band business entity

The Band's investment in Bridge River Development Corporation ("BRDC") was established for the purposes of running the economic activities of various business endeavours for the Band. It owns investments in Bridge River Logging and Lillooet Disposal and Recycling Ltd.

	<i>Investment cost</i>	<i>2019 Total investment</i>
Wholly-owned Business:		
BRDC	1	1
		<i>2018 Total investment</i>
		<i>Investment cost</i>
Wholly-owned Business:		
BRDC	1	1

Summary financial information for Bridge River Development Corporation, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>As at March 31, 2019</i>
Assets	
Cash	241,764
Accounts receivable	106,691
Prepaid expenses	5,043
Property, plant and equipment	760,981
Goodwill	301,042
Total assets	1,415,521
Liabilities	
Accounts payable and accruals	52,564
Advances from related parties	242,349
Long-term debt	218,351
Total liabilities	513,264
Contributed surplus	1,129,570
Deficit	<u>(227,313)</u>
Total revenue	704,082
Total expenses	542,175
Net income	161,907

9. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major funding source:

	<i>Balance, beginning of year</i>	<i>Recognized as revenue</i>	<i>Balance, end of year</i>
ISC other	40,021	-	40,021

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Long-term debt

	2019	2018
CIBC loan, repaid during the year.	-	15,417
All Nations Trust Company ("ANTCO") loan, bearing interest at 2.39% per annum, repayable in monthly blended payments of \$3,041. The loan matures March 2038 and is secured by the guarantee of the Band and the Government of Canada.	557,481	580,421
ANTCO loan bearing interest at 1.43% per annum, repayable in monthly blended payments of \$1,641. The loan matures March 2024 and is secured by the guarantee of the Band and the Government of Canada.	94,962	113,155
ANTCO loan, bearing interest at 1.03% per annum, repayable in monthly blended payments of \$1,766. The loan matures September 2021 and is secured by the guarantee of the Band and the Government of Canada.	52,287	72,829
ANTCO loan bearing interest at 1.30% per annum, repayable in monthly blended payments of \$2,596. The loan matures October 2020 and is secured by the guarantee of the Band and the Government of Canada.	48,787	79,088
ANTCO loan bearing interest at 2.23% per annum, repayable in monthly blended payments of \$2,663. The loan matures December 2019 and is secured by the guarantee of the Band and the Government of Canada.	23,748	54,834
ANTCO loan, repaid during the year.	-	29,871
ANTCO loan, repaid during the year.	-	23,085
ANTCO loan, repaid during the year.	-	6,160
	777,265	974,860

Principal repayments on long-term debt in each of the next five years , assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2020	117,195
2021	81,823
2022	54,158
2023	44,498
2024	45,282
	<hr/>
	342,956

11. Budget information

The disclosed budget information has been approved by the Chief and Council of the Bridge River Indian Band May 29, 2018.

Budget information was not presented for the full scope of activities performed by the Band for the year ended March 31, 2019. For many proposal driven departments, budget information was prepared but not assembled for inclusion in these financial statements.

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Contingencies

The financial results of the CMHC Social Housing program are subject to review by CMHC. It is possible that adjustments could be made based on the results of their review.

The Band may be contingently liable with respect to Ministerial guarantees for On Reserve Housing Loans on behalf of members to various financial institutions in the amount of \$102,145. No amount has been included for these financial statements for these amounts.

13. Commitments

The Band has entered into a four year lease agreement for a logging truck with estimated minimum annual payments as follows over the next three years:

2020	42,891
2021	45,496
2022	44,077

14. Segments

The Band receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

Administration:

Includes general operations, support, and financial management of the Band.

Education:

Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Band.

Public Works:

Includes revenue and expenditures related to capital projects.

Community and Human Services:

Includes revenue and expenditures related to the social assistance and health services to the members of the Band.

Housing:

Includes revenue and expenses related to band owned and social housing of the members of the Band.

Resources:

Includes revenue and expenses related to conservation and stewardship of the Band's land and resources.

Economic Development

Includes revenue and expenses related to economic opportunities of the Band.

15. Economic dependence

Bridge River Indian Band receives a significant portion of its revenue from Indigenous Services Canada as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the *Indian Act*. The ability of the Band to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

Bridge River Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

16. Indigenous Services Canada funding reconciliation

	2019	2018
ISC revenue per confirmation	1,502,713	1,343,847
Prior year deferral recognized in revenue	-	911,551
Prior year recoveries	(59,468)	-
 Revenue per financial statements	 1,443,245	 2,255,398

17. Change in accounting policy

Effective April 1, 2018, the Band adopted the recommendations relating to *PS 3430 Restructuring Transactions* as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the change was applied prospectively, and prior periods have not been restated. The new section establishes disclosure standards on contingent assets. The main features of this standard are as follows:

A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.

Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.

There was no material impact on the consolidated financial statements of adopting the new section.

18. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Bridge River Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Infrastructure</i>	<i>Machinery and equipment</i>	<i>Housing Units</i>	<i>Buildings</i>	<i>Construction in Progress</i>	<i>2019</i>	<i>2018</i>
Cost							
Balance, beginning of year	1,040,907	1,811,411	5,531,769	3,815,559	3,106,719	15,306,365	14,196,583
Acquisition of tangible capital assets	-	-	-	-	111,903	111,903	1,109,782
Balance, end of year	1,040,907	1,811,411	5,531,769	3,815,559	3,218,622	15,418,268	15,306,365
Accumulated amortization							
Balance, beginning of year	554,944	1,502,781	3,837,174	1,322,199	-	7,217,098	6,795,894
Annual amortization	16,664	61,726	182,178	124,668	-	385,236	421,204
Balance, end of year	571,608	1,564,507	4,019,352	1,446,867	-	7,602,334	7,217,098
Net book value of tangible capital assets	469,299	246,904	1,512,417	2,368,692	3,218,622	7,815,934	8,089,267
Net book value of tangible capital assets	485,963	308,630	1,694,595	2,493,360	3,106,719	8,089,267	

Bridge River Indian Band
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2019

	2019 (Budget - Note 11)	2019	2018
Consolidated expenses by object			
Administration fee (recovery)	(77,723)	709	(65,805)
Advertising	-	4,405	7,721
Amortization	-	385,236	421,204
Bank charges and interest	7,200	9,513	8,679
Community buildings and infrastructure	-	179,950	133,812
Contracted services	-	224,524	223,690
Economic development	-	74,595	26,296
Furniture and equipment	-	164,441	147,624
Health	20,898	75,901	67,871
Honoraria	37,820	39,782	40,299
Insurance	37,350	84,654	69,245
Interest on long-term debt	-	20,706	23,948
National child benefit - projects	-	42,345	43,201
Office and miscellaneous	58,250	164,274	148,128
Professional fees	34,800	279,468	254,322
Renovations	-	43,218	159,480
Rent	64,200	21,546	22,991
Repairs and maintenance	114,082	722,509	492,628
Salaries and benefits	753,326	1,661,637	1,401,113
Social assistance	-	331,501	372,788
Student expenses	-	61,792	19,698
Subcontracts	-	-	86,541
Supplies	41,794	171,434	101,806
Telephone	18,948	21,976	15,671
Training	10,600	19,279	23,385
Transportation	-	24,058	33,803
Travel	19,779	61,331	64,618
Tuition	-	72,657	21,390
Utilities	-	93,561	78,871
Vehicle and equipment operations	-	343,351	280,816
	1,141,324	5,400,353	4,725,834

**Bridge River Indian Band
Administration**

Schedule 3 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2019

	2019 <i>(Budget - Note 11)</i>	2019	2018
Revenue			
Indigenous Services Canada	357,200	246,596	261,011
Other revenue	60,000	39,078	40,921
Trust allocation	-	341,542	245,574
BC Hydro	-	356,923	347,201
Investment income	-	29,564	208,378
Total revenue	417,200	1,013,703	1,103,085
Expenses			
Administration fee (recovery)	(107,391)	(102,299)	(158,053)
Bank charges and interest	7,200	9,400	8,556
Community buildings and infrastructure	-	106,931	55,421
Contracted services	22,692	41,479	42,001
Economic development	-	74,595	26,296
Furniture and equipment	-	13,362	20,466
Health	-	2,379	9,054
Honoraria	33,000	32,125	27,795
Insurance	8,000	7,320	7,941
Office and miscellaneous	16,200	57,261	49,700
Professional fees	34,800	31,641	69,693
Salaries and benefits	356,104	380,868	341,796
Social assistance	-	4,444	5,444
Supplies	19,200	7,139	3,825
Telephone	18,948	21,976	15,671
Training	3,600	9,027	10,899
Travel	12,029	24,094	25,239
Utilities	-	18,529	4,082
Vehicle and equipment operations	-	3,597	4,107
Total expenses	424,382	743,868	569,933
Annual surplus	(7,182)	269,835	533,152
Accumulated surplus, beginning of year	-	5,172,212	4,641,534
Transfer between departments	-	(11,579)	(2,474)
Accumulated surplus, end of year	(7,182)	5,430,468	5,172,212

Bridge River Indian Band
Public Works

Schedule 4 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2019

	2019 (Budget - Note 11)	2019	2018
Revenue			
Indigenous Services Canada	201,307	484,662	1,128,783
Other revenue	26,155	26,451	24,684
Rental income	-	28,287	26,878
Total revenue	227,462	539,400	1,180,345
Expenses			
Amortization	-	203,058	225,746
Contracted services	-	16,978	16,597
Community buildings and infrastructure	75,841	73,018	78,391
Furniture and equipment	-	-	368
Professional fees	-	-	3,604
Repairs and maintenance	-	3,734	7,797
Salaries and benefits	99,621	98,643	88,389
Supplies	-	6,280	10,047
Training	3,000	4,572	4,708
Utilities	30,000	51,678	49,947
Vehicle and equipment operations	19,000	18,815	14,851
Total expenses	227,462	476,776	500,445
Annual surplus	-	62,624	679,900
Accumulated surplus, beginning of year	-	6,861,244	6,160,287
Transfer between departments	-	(1)	4,099
Transfer of principal payments on long-term debt	-	15,417	16,958
Accumulated surplus, end of year	-	6,939,284	6,861,244

Bridge River Indian Band

Housing

Schedule 5 - Consolidated Schedule of Revenue and Expenses and Surplus

For the year ended March 31, 2019

	2019	2019	2018
Revenue			
Government funding			
Indigenous Services Canada	-	27,648	175,050
Canada Mortgage and Housing Corporation	-	151,218	256,660
Other revenue	-	11,016	13,477
Rental income	-	296,679	289,529
Investment income	-	7,039	38
Allocation to replacement reserve	-	39,072	43,290
	-	532,672	778,044
Expenses			
Administration fee (recovery)	-	21,175	32,246
Amortization	-	182,178	195,458
Bank charges and interest	-	114	123
Contracted services	-	552	-
Insurance	-	43,415	37,565
Interest on long-term debt	-	17,623	16,689
Office and miscellaneous	-	183	1,050
Professional fees	-	5,255	5,430
Renovations	-	43,218	159,480
Rent	-	1,071	2,192
Repairs and maintenance	-	278,993	166,746
Salaries and benefits	-	14,991	29,395
Supplies	-	1,165	776
Travel	-	861	-
Utilities	-	7,240	7,700
Replacement reserve transfers	-	39,072	43,290
Subcontracts	-	-	86,541
Accumulated surplus, beginning of year	-	503,409	517,629
Transfer between departments	-	191,628	(7,583)
Accumulated surplus, end of year	-	570,603	503,409

Bridge River Indian Band
Community and Human Services
Schedule 6 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2019

	2019 <i>(Budget - Note 11)</i>	2019	2018
Revenue			
Indigenous Services Canada	-	507,800	432,019
First Nations Health Authority	351,906	532,603	475,232
Other revenue	143,988	148,588	74,388
Total revenue	495,894	1,188,991	981,639
Expenses			
Administration fee (recovery)	29,668	48,318	29,043
Contracted services	-	500	-
Furniture and equipment	-	1,417	18,765
Health	20,898	73,522	58,817
Honoraria	4,820	3,512	8,870
Insurance	10,350	7,564	7,035
National child benefit - projects	-	42,345	43,201
Office and miscellaneous	42,050	41,843	57,285
Professional fees	-	23,287	31,766
Rent	34,200	20,475	20,799
Salaries and benefits	297,601	309,852	294,258
Social assistance	-	327,057	367,344
Supplies	38,143	83,734	35,963
Training	7,000	4,460	5,104
Transportation	-	24,058	33,803
Travel	4,750	12,169	9,933
Utilities	-	13,404	14,461
Vehicle and equipment operations	-	372	2,292
Total expenses	489,480	1,037,889	1,038,739
Annual surplus (deficit)	6,414	151,102	(57,100)
Accumulated surplus, beginning of year	-	42,293	99,393
Transfer between departments	-	14,369	-
Accumulated surplus, end of year	6,414	207,764	42,293

**Bridge River Indian Band
Education**

Schedule 7 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus

For the year ended March 31, 2019

	2019 <i>(Budget - Note 11)</i>	2019	2018
Revenue			
Indigenous Services Canada	-	173,299	174,855
Other revenue	-	69,292	62,077
Total revenue	-	242,591	236,932
 Expenses			
Administration fee (recovery)	-	22,790	27,156
Contracted services	-	75	-
Honoraria	-	3,320	600
Office and miscellaneous	-	21,129	20,585
Professional fees	-	42,826	2,280
Salaries and benefits	-	44,177	41,770
Student expenses	-	61,792	19,698
Supplies	-	17,784	15,228
Travel	-	2,684	8,752
Tuition	-	72,657	21,390
Total expenses	-	289,234	157,459
Annual surplus (deficit)	-	(46,643)	79,473
Accumulated surplus, beginning of year	-	410,330	323,383
Transfer between departments	-	5,008	7,474
Accumulated surplus, end of year	-	368,695	410,330

**Bridge River Indian Band
Resources**

Schedule 8 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus

For the year ended March 31, 2019

	2019 <i>(Budget - Note 11)</i>	2019	2018
Revenue			
Department of Fisheries and Oceans	-	23,990	14,334
Additional government funding	-	149,949	-
Other revenue	-	452,677	366,020
Contributions	-	15,070	-
Total revenue	-	641,686	380,354
Expenses			
Administration fee (recovery)	-	10,720	3,807
Contracted services	-	125,144	116,432
Honoraria	-	250	1,671
Office and miscellaneous	-	463	256
Professional fees	-	161,485	78,069
Repairs and maintenance	-	22,101	3,661
Salaries and benefits	-	343,869	191,943
Supplies	-	21,318	3,741
Training	-	-	2,524
Travel	-	10,124	11,312
Utilities	-	2,211	2,350
Vehicle and equipment operations	-	47,413	21,449
Total expenses	-	745,098	437,215
Annual deficit	-	(103,412)	(56,861)
Accumulated surplus, beginning of year	-	208,111	261,488
Transfer between departments	-	(2,797)	3,484
Accumulated surplus, end of year	-	101,902	208,111

Bridge River Indian Band
Economic Development

Schedule 9 - Consolidated Schedule of Revenue and Expenses and Accumulated Deficit
For the year ended March 31, 2019

	2019 (Budget - Note 11)	2019	2018
Revenue			
Indigenous Services Canada	-	23,447	83,680
Other revenue	-	563,578	395,067
Rental income	-	637,767	593,843
Total revenue	-	1,224,792	1,072,590
 Expenses			
Contracted services	-	39,795	48,660
Furniture and equipment	-	149,661	108,025
Honoraria	-	575	1,363
Insurance	-	26,354	16,705
Interest on long-term debt	-	3,083	7,259
Office and miscellaneous	-	43,395	19,252
Professional fees	-	14,975	63,480
Repairs and maintenance	-	378,613	271,134
Salaries and benefits	-	469,237	413,564
Supplies	-	34,015	32,226
Training	-	1,220	150
Travel	-	11,399	9,382
Utilities	-	500	330
Advertising	-	4,405	7,721
Vehicle and equipment operations	-	273,155	238,112
 Total expenses	-	1,450,382	1,237,363
 Annual deficit	-	(225,590)	(164,773)
Accumulated deficit, beginning of year	-	(765,426)	(578,695)
Transfer between departments	-	(196,628)	(5,000)
Transfer of principal payments on long-term debt	-	(15,417)	(16,958)
 Accumulated deficit, end of year	-	(1,203,061)	(765,426)

