

**Cayoose Creek Indian Band  
Consolidated Financial Statements**

*March 31, 2019*

# Cayoose Creek Indian Band

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*For the year ended March 31, 2019*

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## Management's Responsibility

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To the Members of Cayoose Creek Indian Band:

The accompanying consolidated financial statements of Cayoose Creek 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.

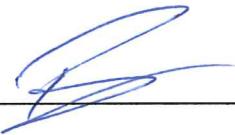
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial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

The Cayoose Creek 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 fulfils 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.



Chief



Councillor

## Independent Auditor's Report

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To the Members of Cayoose Creek Indian Band:

### Opinion

We have audited the consolidated financial statements of Cayoose Creek 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 related schedules and accumulated deficit, 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 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.

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 16, 2019

*MNP LLP*

Chartered Professional Accountants

**MNP**  
LLP

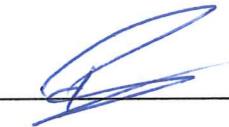
**Cayoose Creek Indian Band**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Financial assets</b>		
Cash and cash equivalents	842,132	478,203
Accounts receivable (Note 3)	176,673	242,098
Investments (Note 14)	188,299	188,299
Funds held in trust (Note 5)	97,731	95,094
Restricted cash (Note 4)	14,220	5,665
<b>Total financial assets</b>	<b>1,319,055</b>	1,009,359
<b>Liabilities</b>		
Accounts payable and accruals	447,797	79,355
Long-term debt (Note 6)	681,831	642,894
<b>Total financial liabilities</b>	<b>1,129,628</b>	722,249
<b>Net financial assets</b>	<b>189,427</b>	287,110
<b>Contingencies (Note 7)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	1,473,281	1,550,160
Prepaid expenses	11,295	4,015
<b>Total non-financial assets</b>	<b>1,484,576</b>	1,554,175
<b>Accumulated surplus (Note 9)</b>	<b>1,674,003</b>	1,841,285

Approved on behalf of Chief and Council



Chief



Councillor

**Cayoose Creek 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>
<b>Revenue</b>				
Indigenous Services Canada (Note 13)		1,367,231	1,053,982	1,367,956
Department of Fisheries and Oceans		-	-	3,000
Canada Mortgage and Housing Corporation		28,276	38,951	11,545
First Nations Health Authority		359,371	359,641	202,280
Other revenue		783,312	584,597	744,420
Taxation revenue		139,426	139,426	11,624
BC Hydro		-	108,262	45,431
Allocations from trust		1,150,000	1,531,174	930,535
ASETS		46,882	43,732	-
Rental income		86,234	96,137	112,877
Interest income		-	3,086	3,048
FNESC		-	60,871	3,783
Administration fees		-	51,583	61,986
Repayment of funding		-	(20,773)	-
RRF allocations		-	5,800	3,262
<b>Total revenue</b>		<b>3,960,732</b>	<b>4,056,469</b>	<b>3,501,747</b>
<b>Expenses</b>				
Band Support	3	897,980	865,657	725,325
Public Works	4	109,815	245,492	245,997
Capacity Building	5	1,077,776	775,279	537,230
First Nations Health Authority	6	310,521	204,977	238,085
Business Planning	7	1,529,596	1,634,087	1,400,425
Band Housing	8	81,793	58,857	56,096
Social Housing	9	62,640	60,954	98,781
Community Pillar Services	10	-	378,448	224,190
<b>Total expenses</b>		<b>4,070,121</b>	<b>4,223,751</b>	<b>3,526,129</b>
<b>Annual deficit</b>		<b>(109,389)</b>	<b>(167,282)</b>	<b>(24,382)</b>
<b>Accumulated surplus, beginning of year</b>		<b>1,841,285</b>	<b>1,841,285</b>	<b>1,865,667</b>
<b>Accumulated surplus, end of year</b>		<b>1,731,896</b>	<b>1,674,003</b>	<b>1,841,285</b>

**Cayoose Creek Indian Band**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 11)</b>	<b>2019</b>	<b>2018</b>
<b>Annual deficit</b>	<b>(109,389)</b>	<b>(167,282)</b>	<b>(24,382)</b>
Purchases of tangible capital assets	-	(79,209)	(681,399)
Amortization of tangible capital assets	-	156,088	121,738
Acquisition of prepaid expenses	-	(7,280)	(1,449)
<b>Decrease in net financial assets</b>	<b>(109,389)</b>	<b>(97,683)</b>	<b>(585,492)</b>
<b>Net financial assets, beginning of year</b>	<b>287,110</b>	<b>287,110</b>	<b>872,602</b>
<b>Net financial assets, end of year</b>	<b>177,721</b>	<b>189,427</b>	<b>287,110</b>

**Cayoose Creek Indian Band**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual deficit	(167,282)	(24,382)
Non-cash item		
Amortization	156,088	121,738
	(11,194)	97,356
Changes in working capital accounts		
Accounts receivable	65,425	122,421
Prepaid expenses	(7,280)	(1,449)
Accounts payable and accruals	368,442	(44,462)
Deferred revenue	-	(161,446)
	415,393	12,420
<b>Financing activities</b>		
Advances of new debt	65,064	649,608
Repayment of debt	(26,127)	(11,077)
	38,937	638,531
<b>Investing Activities</b>		
Purchases of tangible capital assets	(79,209)	(681,399)
Increase in restricted cash	(8,555)	(2,521)
Increase in funds held in trust	(2,637)	53,846
Reclassification of portfolio investment	-	188,300
	(90,401)	(441,774)
<b>Increase in cash resources</b>	363,929	209,177
<b>Cash resources, beginning of year</b>	666,502	457,325
<b>Cash resources, end of year</b>	1,030,431	666,502

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**1. Operations**

The Cayoose Creek Indian Band (the "Band") is located in the province of British Columbia, and provides various services to its members. Cayoose Creek 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
- Social Housing Fund
- Capital Fund

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

***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.

***Tangible capital assets***

Tangible capital assets are 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:

	<b>Method</b>	<b>Rate</b>
Buildings	straight-line	20 years
Housing units	straight-line	20 years
Equipment	straight-line	15 years
Infrastructure	straight-line	20 years

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

***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 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.

***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 First Nation 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 assets' service potential is reduced. Impairment is measured as the amount by which the assets' carrying amount exceeds its fair value. Any impairment is included in surplus for the year.

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.

***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.

***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.

***Net financial assets (net debt)***

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

***Revenue recognition***

***Tax Revenue***

The Band recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the Band evaluates the tax receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

*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 First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

*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.

*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.

*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.

*Own source and other revenue*

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

*Investment income*

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

***Measurement uncertainty (use of estimates)***

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 expenditures 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 (deficit) in the periods in which they become known.

***Segments***

The Band conducts its business through a number of reportable segments as described in Note 10. 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.

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

***Investments***

Long-term investments in entities that are not owned, controlled or influenced by the Band reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

**3. Accounts receivable**

	<b>2019</b>	<b>2018</b>
Accounts receivable	341,955	267,403
Rent receivable	4,029	5,583
Interest receivable	2,356	707
	<hr/>	<hr/>
	348,340	273,693
Less: Allowance for doubtful accounts	171,667	31,595
	<hr/>	<hr/>
	176,673	242,098
	<hr/>	<hr/>

**4. Restricted cash**

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited by an amount 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 under-funded by \$287,275 (2018 - \$290,030).

**5. Funds held in trust**

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

	<b>2019</b>	<b>2018</b>
<b>Capital Trust</b>		
Balance, beginning of year	21,911	21,911
Balance, end of year	21,911	21,911
	<hr/>	<hr/>
<b>Revenue Trust</b>		
Balance, beginning of year	73,183	70,663
Interest	2,637	2,520
Balance, end of year	75,820	73,183
	<hr/>	<hr/>
<b>97,731</b>	<b>95,094</b>	

**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.

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**6. Long-term debt**

	<b>2019</b>	<b>2018</b>
All Nations Trust Company loan, repayable in monthly blended payments of \$2,770, bearing interest at 2.06% per annum, secured by housing units with a net book value of \$643,085 (2018 - \$663,640) and maturing 2042.	622,339	642,894
Caterpillar Financial Services Ltd loan, repayable in blended monthly payments of \$1,279, bearing interest at 6.7% per annum, secured by equipment with a net book value of \$62,895 and maturing 2023.	59,492	-
	<b>681,831</b>	<b>642,894</b>

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:

	Principal
2020	32,321
2021	33,559
2022	34,862
2023	36,234
2024	29,897
	<b>166,873</b>

**7. 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.

**8. Economic dependence**

Cayoose Creek Indian Band receives a significant portion of its revenue from Indigenous Services Canada (ISC) 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.

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**9. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2019</b>	<b>2018</b>
Equity in Ottawa Trust Funds		
Balance, beginning of year	95,094	92,573
Operations	2,637	2,521
	<hr/>	<hr/>
	97,731	95,094
Equity in CMHC operating reserve		
Balance, beginning of year	(225,514)	(96,983)
Operations	19,912	(70,461)
Transfers	158,316	(58,070)
	<hr/>	<hr/>
	(47,286)	(225,514)
Equity in tangible capital assets		
Balance, beginning of year	907,267	986,137
Purchase tangible assets	79,209	681,399
Amortization	(156,088)	(121,738)
Proceeds of new debt	(65,064)	(649,608)
Principal payments on debt	26,127	11,077
	<hr/>	<hr/>
	791,451	907,267
Unrestricted surplus		
Balance, beginning of year	768,743	591,504
Transfers	134,962	58,070
Operations	(39,543)	162,037
Transfer to purchase tangible capital assets	(79,209)	(681,399)
Transfer of new debt	64,064	649,608
Transfer principal payments	(26,127)	(11,077)
	<hr/>	<hr/>
	822,890	768,743
Equity in replacement reserve		
Balance, beginning of year	295,695	292,433
Operations	5,800	3,262
Transfers	(293,278)	-
	<hr/>	<hr/>
	8,217	295,695
	<hr/>	<hr/>
	<b>1,673,003</b>	<b>1,841,285</b>

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**10. 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:

Band Support:

Includes revenue and expenses related to general administration, education and social services of the Band.

Public Works:

Includes revenue and expenses related to capital projects.

Capacity Building:

Includes revenue and expenses related to economic and capital endeavours of the Band.

First Nations Health Authority:

Includes revenue and expenses related to the health of the Band.

Business Planning:

Includes revenue and expenses related to commercial activities of the Band.

Band Housing:

Includes revenue and expenses related to band owned housing.

Social Housing:

Includes revenue and expenses related to CMHC supported housing.

Community Pillar Services:

Includes revenue and expenses related to Pillar Services.

**11. Budget information**

The disclosed budget information has been approved by the Chief and Council of the Cayoose Creek Indian Band on October 10, 2018.

Budget information was not prepared for the full scope of activities performed by the Band for the year ended March 31, 2019. Budget information was not prepared, available or approved for several departments.

**12. 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.

**Cayoose Creek Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**13. Indigenous Services Canada funding reconciliation**

	<b>2019</b>	<b>2018</b>
ISC revenue per confirmation	1,053,982	1,206,510
Inclusion of prior year deferred revenue	-	161,446
Revenue per statement of operations	<b>1,053,982</b>	<b>1,367,956</b>

**14. Portfolio investments**

	<b>2019</b>	<b>2018</b>
Measured at cost: Investment - Lillooet Salish Enterprises Ltd. - 50% ownership	188,299	188,299

**Cayooose Creek Indian Band**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2019*

	<i>Buildings</i>	<i>Housing Units</i>	<i>Infrastructure</i>	<i>Equipment</i>	<i>2019</i>	<i>2018</i>
<b>Cost</b>						
Balance, beginning of year	2,137,260	670,354	1,498,100	294,196	4,599,910	3,918,511
Acquisition of tangible capital assets	-	-	-	79,209	79,209	681,399
Balance, end of year	2,137,260	670,354	1,498,100	373,405	4,679,119	4,599,910
<b>Accumulated amortization</b>						
Balance, beginning of year	1,564,650	11,077	1,297,313	176,710	3,049,750	2,928,012
Annual amortization	78,757	20,554	44,514	12,263	156,088	121,738
Balance, end of year	1,643,407	31,631	1,341,827	188,973	3,205,838	3,049,750
<b>Net book value of tangible capital assets</b>	<b>493,853</b>	<b>638,723</b>	<b>156,273</b>	<b>184,432</b>	<b>1,473,281</b>	<b>1,550,160</b>
2018 Net book value of tangible capital assets	568,247	663,640	200,787	117,486	1,550,160	

**Cayoose Creek Indian Band**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2019*

	2019 Budget (Note 11)	2019	2018
<b>Consolidated expenses by object</b>			
Administration	212,745	41,018	17,354
Advertising	-	168	164
Amortization	20,236	156,088	121,738
Automotive	-	2,590	-
Bad debts	-	113,551	102,334
Bank charges and interest	2,971	5,544	2,912
Community donations	1,163,250	1,153,804	893,056
Community events	-	5,747	-
Consulting	-	134,108	-
Contracted services	510,858	286,595	647,266
Elders fees	-	18,599	17,467
Furniture and equipment	-	1,122	22,547
Honouraria	54,500	69,397	52,727
Insurance	37,261	33,470	35,236
Interest on long-term debt	13,000	12,723	5,467
Meeting	-	22,316	6,475
NNADAP	70,000	11,252	20,924
O&M - Community Buildings	9,382	24,011	47,610
O&M - Municipal Services	26,611	8,656	12,090
O&M - Roads and Bridges	32,121	13,743	10,585
O&M - Training and Fire Protection	2,760	-	25,720
O&M - Water	38,941	15,789	3,924
Office supplies	32,817	29,216	24,275
Postage	-	3,677	4,425
Prenatal	4,783	1,639	3,517
Professional fees	319,748	238,885	80,721
Program expense	233,338	495,506	203,839
Rent	-	9,384	32,080
Repairs and maintenance	107,318	74,056	4,507
Replacement reserve transfers	-	5,800	3,262
Salaries and benefits	640,209	790,197	667,834
Social assistance	179,396	120,568	131,684
Student expenses	186,152	84,767	78,369
Supplies	54,781	57,014	65,442
Telephone	20,328	21,469	19,856
Training	18,760	23,442	41,615
Transportation	-	24,811	18,256
Travel	55,043	76,042	45,208
Tuition	22,812	22,812	49,598
Property tax	-	1,755	-
Utilities	-	12,420	6,045
	<b>4,070,121</b>	<b>4,223,751</b>	<b>3,526,129</b>

**Cayoose Creek Indian Band  
Band Support**

**Schedule 3 - Consolidated Schedule of Revenue and Expenses and Accumulated Deficit**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 11)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	589,159	595,159	486,594
Interest income	-	2,636	2,521
<b>Total revenue</b>	<b>589,159</b>	<b>597,795</b>	<b>489,115</b>
 <b>Expenses</b>			
Administration	8,165	-	6,358
Advertising	-	168	164
Bad debts	-	113,551	-
Bank charges and interest	2,971	2,130	2,627
Community donations	-	-	8,688
Contracted services	-	-	1,243
Honouraria	49,500	61,597	49,427
Insurance	14,737	12,221	7,306
Office supplies	32,067	23,150	24,275
Postage	-	2,932	3,881
Professional fees	19,550	36,086	25,015
Program expense	-	148,907	-
Salaries and benefits	322,139	185,856	280,719
Social assistance	179,396	120,568	131,684
Student expenses	186,152	53,227	78,369
Supplies	-	3,468	3,303
Telephone	19,364	17,325	18,464
Travel	41,127	61,525	34,204
Tuition	22,812	22,812	49,598
Rent	-	134	-
 Total expenses	 897,980	 865,657	 725,325
 Annual deficit	 (308,821)	 (267,862)	 (236,210)
Accumulated surplus (deficit), beginning of year	-	(143,639)	92,188
 Transfer between departments	 -	 530,667	 383
 Accumulated surplus (deficit), end of year	 (308,821)	 119,166	 (143,639)

**Cayoose Creek Indian Band**

**Public Works**

**Schedule 4 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus  
(Deficit)**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 11)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	109,815	109,815	93,443
Other revenue	-	-	20,746
<b>Total revenue</b>	<b>109,815</b>	<b>109,815</b>	<b>114,189</b>
 <b>Expenses</b>			
Amortization	-	135,533	110,661
O&M - Community Buildings	9,382	24,011	47,610
O&M - Municipal Services	26,611	8,656	12,090
O&M - Roads and Bridges	32,121	13,643	10,585
O&M - Training and Fire Protection	2,760	-	25,720
O&M - Water	38,941	15,789	3,924
Salaries and benefits	-	47,800	35,407
Training	-	60	-
 Total expenses	 109,815	 245,492	 245,997
 <b>Annual deficit</b>	 -	 (135,677)	 (131,808)
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>854,329</b>	<b>986,137</b>
<b>Transfer between departments</b>	<b>-</b>	<b>53,082</b>	<b>-</b>
<b>Transfer of capital expenditures</b>	<b>-</b>	<b>79,209</b>	<b>-</b>
<b>Transfer of principal payments</b>	<b>-</b>	<b>4,572</b>	<b>-</b>
<b>Transfer of new debt</b>	<b>-</b>	<b>(64,064)</b>	<b>-</b>
 <b>Accumulated surplus, end of year</b>	 <b>-</b>	 <b>791,451</b>	 <b>854,329</b>

**Cayoose Creek Indian Band**  
**Capacity Building**

**Schedule 5 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 11)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	668,257	349,008	761,258
Department of Fisheries and Oceans	-	-	3,000
Allocations from trust	-	374,251	358,535
Other revenue	407,960	133,828	56,580
ASETS	46,882	10,413	-
FNESC	-	57,690	-
<b>Total revenue</b>	<b>1,123,099</b>	<b>925,190</b>	<b>1,179,373</b>
<b>Expenses</b>			
Administration	6,580	(75,835)	600
Community donations	13,250	-	24,400
Contracted services	437,585	223,563	348,924
Honouraria	-	-	2,400
Professional fees	296,458	195,171	7,136
Program expense	-	10,300	23,187
Rent	-	9,250	23,150
Salaries and benefits	238,812	203,282	101,491
Supplies	46,306	46,306	5,942
Consulting	-	134,108	-
Repairs and maintenance	11,175	1,175	-
Telephone	334	484	-
Training	18,760	18,759	-
Travel	8,516	8,716	-
<b>Total expenses</b>	<b>1,077,776</b>	<b>775,279</b>	<b>537,230</b>
<b>Annual surplus</b>	<b>45,323</b>	<b>149,911</b>	<b>642,143</b>
Accumulated surplus, beginning of year	-	483,693	70,163
Transfer between departments	-	(373,859)	(228,613)
<b>Accumulated surplus, end of year</b>	<b>45,323</b>	<b>259,745</b>	<b>483,693</b>

**Cayoose Creek Indian Band**  
**First Nations Health Authority**

**Schedule 6 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2019*

	2019	2019	2018
<b>Revenue</b>			
First Nations Health Authority	359,371	359,641	244,115
<b>Expenses</b>			
Contracted services	10,761	6,656	12,240
Office supplies	-	971	-
Program expense	202,025	76,239	98,499
Salaries and benefits	4,122	77,953	85,709
Telephone	-	1,350	-
Transportation	16,430	24,492	17,195
Travel	2,400	4,424	-
NNADAP	70,000	11,252	20,924
Prenatal	4,783	1,639	3,517
<b>Annual surplus</b>	48,850	154,665	6,031
<b>Accumulated surplus, beginning of year</b>	-	6,031	-
<b>Accumulated surplus, end of year</b>	48,850	160,696	6,031

**Cayoose Creek Indian Band**

**Business Planning**

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

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 11)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	-	-	26,661
Other revenue	293,854	399,974	664,464
Taxation revenue	139,426	139,426	11,624
BC Hydro	-	108,262	45,431
Allocations from trust	1,150,000	1,156,923	572,000
Rental income	18,255	28,158	33,754
Interest income	-	450	527
Administration fees	4,203	51,583	61,986
First Nations Health Authority	-	-	(41,835)
ASETS	-	33,319	-
FNESC	-	3,181	3,783
<b>Total revenue</b>	<b>1,605,738</b>	<b>1,921,276</b>	<b>1,378,395</b>
<b>Expenses</b>			
Administration	195,000	115,825	10,275
Automotive	-	2,590	-
Bank charges and interest	-	-	(3)
Community donations	1,150,000	1,150,000	857,804
Community events	-	600	-
Contracted services	65,545	35,239	235,795
Furniture and equipment	-	1,122	-
Honouraria	5,000	5,000	900
Insurance	16,438	7,884	7,163
Meeting	-	600	6,175
Office supplies	750	2,384	-
Postage	-	745	544
Professional fees	2,400	1,800	7,090
Program expense	-	164,341	38,192
Rent	-	-	7,050
Repairs and maintenance	6,500	22,291	-
Salaries and benefits	79,258	112,453	164,508
Supplies	7,475	7,164	47,405
Telephone	630	510	1,392
Transportation	-	319	1,061
Travel	600	600	9,543
Utilities	-	2,620	5,531
<b>Total expenses</b>	<b>1,529,596</b>	<b>1,634,087</b>	<b>1,400,425</b>
<b>Annual surplus (deficit)</b>	<b>76,142</b>	<b>287,189</b>	<b>(22,030)</b>
Accumulated surplus, beginning of year	-	432,077	396,419
Transfer between departments	-	(449,179)	57,688
Transfer of principal payments	-	(4,572)	-
Transfer of new debt	-	64,064	-
<b>Accumulated surplus, end of year</b>	<b>76,142</b>	<b>329,579</b>	<b>432,077</b>

**Cayoose Creek Indian Band**

**Band Housing**

**Schedule 8 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus  
(Deficit)**

*For the year ended March 31, 2019*

	<i>2019 Budget (Note 11)</i>	<i>2019</i>	<i>2018</i>
<b>Revenue</b>			
Other revenue	55,200	34,500	2,630
Rental income	42,359	42,359	62,347
<b>Total revenue</b>	<b>97,559</b>	<b>76,859</b>	<b>64,977</b>
 <b>Expenses</b>			
Bad debts	-	-	44,218
Contracted services	7,728	-	1,789
Insurance	4,465	4,465	4,849
Repairs and maintenance	67,200	44,348	4,493
Salaries and benefits	-	491	-
Supplies	-	75	747
Telephone	-	1,650	-
Travel	2,400	100	-
Utilities	-	7,728	-
<b>Total expenses</b>	<b>81,793</b>	<b>58,857</b>	<b>56,096</b>
 <b>Annual surplus (deficit)</b>			
Accumulated surplus, beginning of year	15,766	18,002	8,881
 <b>Accumulated surplus, end of year</b>	<b>15,766</b>	<b>26,883</b>	<b>8,881</b>

**Cayoose Creek Indian Band**  
**Social Housing**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
**(Deficit)**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 11)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Canada Mortgage and Housing Corporation	28,276	38,951	11,545
Rental income	25,620	25,620	16,775
Other revenue	22,095	16,295	-
RRF allocations	-	5,800	3,262
<b>Total revenue</b>	<b>75,991</b>	<b>86,666</b>	<b>31,582</b>
<b>Expenses</b>			
Administration	3,000	1,031	118
Amortization	20,236	20,555	11,077
Bad debts	-	-	58,116
Bank charges and interest	-	241	288
Contracted services	-	-	2,119
Insurance	1,621	1,621	15,918
Interest on long-term debt	13,000	12,723	5,467
Professional fees	1,340	1,340	-
Program expense	-	16,295	-
Rent	-	-	1,880
Repairs and maintenance	23,443	328	15
Replacement reserve transfers	-	5,800	3,262
Travel	-	-	7
Utilities	-	1,020	514
<b>Total expenses</b>	<b>62,640</b>	<b>60,954</b>	<b>98,781</b>
<b>Annual surplus (deficit)</b>	<b>13,351</b>	<b>25,712</b>	<b>(67,199)</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>70,181</b>	<b>195,450</b>
<b>Transfer between departments</b>	<b>-</b>	<b>(134,963)</b>	<b>(58,070)</b>
<b>Accumulated surplus (deficit), end of year</b>	<b>13,351</b>	<b>(39,070)</b>	<b>70,181</b>

**Cayoose Creek Indian Band**  
**Community Pillar Services**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses and Accumulated**  
**Surplus**

*For the year ended March 31, 2019*

	<b>2019</b> <i>Budget</i> <i>(Note 11)</i>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Repayment of funding	-	(20,773)	-
<b>Expenses</b>			
Community donations	-	3,804	2,164
Contracted services	-	21,138	45,156
Elders fees	-	18,599	17,467
Furniture and equipment	-	-	22,547
Honouraria	-	2,800	-
Insurance	-	7,279	-
Meeting	-	21,716	300
Office supplies	-	2,711	-
Professional fees	-	4,487	41,481
Program expense	-	79,424	43,960
Salaries and benefits	-	162,361	-
Supplies	-	-	8,045
Training	-	4,623	41,615
Travel	-	677	1,455
Bank charges and interest	-	3,172	-
Community events	-	5,147	-
O&M - Roads and Bridges	-	100	-
Repairs and maintenance	-	5,914	-
Student expenses	-	31,540	-
Telephone	-	150	-
Property tax	-	1,755	-
Utilities	-	1,051	-
<b>Total expenses</b>	<b>-</b>	<b>378,448</b>	<b>224,190</b>
<b>Annual deficit</b>	<b>-</b>	<b>(399,221)</b>	<b>(224,190)</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>129,733</b>	<b>125,310</b>
<b>Transfer between departments</b>	<b>-</b>	<b>374,251</b>	<b>228,613</b>
<b>Transfer of capital expenditures</b>	<b>-</b>	<b>(79,209)</b>	<b>-</b>
<b>Accumulated surplus, end of year</b>	<b>-</b>	<b>25,554</b>	<b>129,733</b>