

T'it'q'et Administration
Consolidated Financial Statements
March 31, 2020

T'it'q'et Administration
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For the year ended March 31, 2020

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Management's Responsibility

To the Members of T'it'q'et Administration:

The accompanying consolidated financial statements of T'it'q'et Administration (the "T'it'q'et") 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 T'it'q'et Administration 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 T'it'q'et's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, 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 27, 2020



Chief



Councillor

Independent Auditor's Report

To the Members of T'it'q'et Administration:

Opinion

We have audited the consolidated financial statements of T'it'q'et Administration (the "T'it'q'et"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, remeasurement gains, changes in net debt 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 T'it'q'et as at March 31, 2020, and the results of its consolidated operations, changes in its consolidated remeasurement gains, changes in its consolidated net debt, 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 T'it'q'et 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 T'it'q'et'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 T'it'q'et or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the T'it'q'et'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 T'it'q'et'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 T'it'q'et'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 T'it'q'et 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 T'it'q'et 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.

Kelowna, British Columbia

July 27, 2020

MNP LLP

Chartered Professional Accountants

T'it'q'et Administration
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Cash and cash equivalents	2,437,840	1,601,666
Restricted cash (Note 3)	996,993	941,891
Accounts receivable (Note 4)	1,151,211	1,098,226
Funds held in trust (Note 5)	64,314	61,633
Portfolio investments (Note 6)	1,124,942	1,212,874
Investment in T'it'q'et business entities (Note 7)	953,053	991,514
Total financial assets	6,728,353	5,907,804
Liabilities		
Accounts payable and accruals	277,444	546,960
Deferred revenue (Note 8)	20,000	20,000
Long-term debt (Note 9)	8,633,967	9,000,829
Total financial liabilities	8,931,411	9,567,789
Net debt	(2,203,058)	(3,659,985)
Contingencies (Note 10)		
Significant event (Note 11)		
Non-financial assets		
Tangible capital assets (Schedule 1)	13,368,041	13,826,275
Prepaid expenses	16,679	52,917
Total non-financial assets	13,384,720	13,879,192
Accumulated surplus	11,181,662	10,219,207
Accumulated surplus is comprised of:		
Accumulated surplus (Note 12)	11,147,022	10,068,902
Accumulated remeasurement gains	34,640	150,305
	11,181,662	10,219,207

Approved on behalf of the Council



Chief



Councillor

T'it'q'et Administration
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2020

	<i>Schedules</i>	<i>2020 Budget (Note 14)</i>	<i>2020 Actual</i>	<i>2019</i>
Revenue				
Indigenous Services Canada (Note 13)		2,983,581	3,497,533	2,394,953
Department of Fisheries and Oceans Canada		-	17,500	17,500
Canada Mortgage and Housing Corporation				
Non-profit on-reserve housing		12,000	184,545	234,606
Home adaptations for seniors independence program		-	2,896	(7,934)
First Nations Health Authority		579,900	676,497	1,031,715
Other revenue		1,951,601	1,197,843	1,447,426
Rental income		290,487	647,678	671,287
Trust allocation		-	391,073	374,959
BC FN Gaming Revenue		-	340,207	-
Province of British Columbia		-	319,000	19,000
Taxation		78,500	222,118	237,045
BC Hydro		-	133,818	121,001
Investment income		47,073	112,482	99,135
ASETS		14,506	56,036	18,695
Allocation to replacement reserve		-	54,549	43,791
ISETS		-	19,175	39,459
GST and sales tax rebates		-	9,592	10,116
WOP		6,453	7,113	5,629
Total revenue		5,964,101	7,889,655	6,758,383
Program expenses				
Administration	3	1,613,151	1,398,385	1,736,285
Public Works	4	1,742,731	1,571,595	1,418,191
Housing	5	122,287	888,155	713,260
Community and Human Services	6	1,580,339	1,660,805	1,401,491
Education	7	678,410	559,747	486,553
Resources	8	641,107	555,751	382,119
Taxation	9	-	177,097	134,107
Total expenses		6,378,025	6,811,535	6,272,006
Annual surplus (deficit)		(413,924)	1,078,120	486,377
Accumulated surplus, beginning of year		10,068,902	10,068,902	9,582,525
Accumulated surplus, end of year		9,654,978	11,147,022	10,068,902

The accompanying notes are an integral part of these financial statements

T'it'q'et Administration
Consolidated Statement of Remeasurement Gains
For the year ended March 31, 2020

	2020	2019
Accumulated remeasurement gains, beginning of year	150,305	144,631
Unrealized gains (losses) attributable to:		
Portfolio investments	(115,665)	5,674
Accumulated remeasurement gains, end of year	34,640	150,305

T'it'q'et Administration
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Annual surplus	(413,924)	1,078,120	486,377
Purchases of tangible capital assets	-	(212,532)	(919,490)
Amortization of tangible capital assets	-	670,766	704,533
Acquisition of prepaid expenses	-	-	(52,608)
Use of prepaid expenses	-	36,238	-
Change in remeasurement gains (losses) for the year	-	(115,665)	5,674
Decrease in net debt	(413,924)	1,456,927	224,486
Net debt, beginning of year	(3,659,985)	(3,659,985)	(3,884,471)
Net debt, end of year	(4,073,909)	(2,203,058)	(3,659,985)

The accompanying notes are an integral part of these financial statements

T'it'q'et Administration
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	1,078,120	486,377
Non-cash items		
Amortization	670,766	704,533
Increase in funds held in trust	(2,681)	(1,688)
Change in remeasurement gains (losses)	(115,665)	5,674
	1,630,540	1,194,896
Changes in working capital accounts		
Accounts receivable	(52,985)	501,352
Accounts payable and accruals	(269,516)	264,234
Prepaid expenses	36,238	(52,608)
	1,344,277	1,907,874
Financing activities		
Advances of long-term debt	-	741,758
Repayment of long-term debt	(366,862)	(743,895)
	(366,862)	(2,137)
Capital activities		
Purchases of tangible capital assets	(212,532)	(919,490)
Investing activities		
Increase in restricted cash	(55,102)	(96,941)
Portfolio investments (net)	87,932	(18,152)
Advances to (repayments from) related T'it'q'et entities	38,461	(244,078)
	71,291	(359,171)
Increase in cash resources	836,174	627,076
Cash resources, beginning of year	1,601,666	974,590
Cash resources, end of year	2,437,840	1,601,666

1. Operations

The T'it'q'et Administration (the "T'it'q'et") is located in the province of British Columbia, and provides various services to its members. T'it'q'et Administration includes T'it'q'et's members, government and all related entities that are accountable to T'it'q'et and are either owned or controlled by T'it'q'et.

2. Significant accounting policies

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

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the T'it'q'et reporting entity, except for T'it'q'et business entities.

The T'it'q'et 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.

T'it'q'et Administration business entities, owned or controlled by the T'it'q'et's Council but not dependent on the T'it'q'et for their continuing operations, are included in the 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 T'it'q'et. Thus, the T'it'q'et'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:

- T'it'q'et Economic Development Authority
- 1050033 B.C. Ltd.
- Rancherie Enterprises Ltd.

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 initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

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

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

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	declining balance	5 %
Equipment	declining balance	20 %
Infrastructure	declining balance	5 %
Motor vehicles	declining balance	30 %

Portfolio investments

Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Changes in fair value are recorded in the consolidated statement of remeasurement gains.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of T'it'q'et members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on land or other T'it'q'et 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.

T'it'q'et 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.

T'it'q'et 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 T'it'q'et is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2020.

At each financial reporting date, the T'it'q'et 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 T'it'q'et 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, 2020, no liability for contaminated site exists.

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

Net debt

The T'it'q'et's consolidated financial statements are presented so as to highlight net debt as the measurement of consolidated financial position. The net debt of the T'it'q'et is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprise a second indicator of consolidated financial position, accumulated surplus.

Revenue recognition

i) Government Funding

T'it'q'et 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, T'it'q'et recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

ii) T'it'q'et Capital and Revenue Trust Funds

T'it'q'et recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed to 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 T'it'q'et when 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 T'it'q'et is responsible for.

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

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

Segments

The T'it'q'et conducts its business through a number of reportable segments as described in Note 17. These operating segments are established by senior management to facilitate the achievement of the T'it'q'et'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 as disclosed in Note 2.

Financial instruments

The T'it'q'et recognizes its financial instruments when the T'it'q'et becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the T'it'q'et may irrevocably elect to subsequently measure any financial instrument at fair value. The T'it'q'et has made such an election during the year.

The T'it'q'et 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 published market values at year-end. 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. Interest income is recognized in the statement of operations. 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 surplus. 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 whether the investee has experienced continued losses for a period of years 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. Restricted cash

Restricted cash is comprised of the following:

	2020	2019
CMHC operating reserve	500,535	470,309
CMHC replacement reserve	244,541	229,715
First Nation Finance Authority debt reserve fund	251,917	241,867
	996,993	941,891

Replacement reserves

Under the terms of the agreement with 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 adequately funded.

T'tit'q'et Administration
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

3. Restricted cash (Continued from previous page)

Operating reserve

Under the terms of the agreements with CMHC, excess federal assistance payments may be retained in an Operating Reserve. 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. For the Post 1996 phases, the funds may be used to offset future deficits. Withdrawals are credits to interest first and then principal. At year-end, the operating reserve was underfunded by \$97,263 (2019 - adequately funded).

First Nation Finance Authority debt reserve fund

T'tit'q'et was issued a debt instrument through the First Nation Finance Authority ("FNFA"). As a condition of this borrowing, a portion of the debenture proceeds are withheld by the FNFA as a debt reserve fund.

4. Accounts receivable

	2020	2019
Other accounts receivable	734,290	640,218
Loans receivable	370,241	380,821
Rent receivable	48,405	44,738
CMHC subsidy assistance receivable	15,141	49,315
	1,168,077	1,115,092
Less: Allowance for doubtful accounts	16,866	16,866
	1,151,211	1,098,226

5. Funds held in trust

Capital and revenue trust monies are transferred to the T'tit'q'et on the authorization of the Minister of Indigenous Services Canada, with the consent of the T'tit'q'et's Council.

	2020	2019
Capital Trust		
Balance, beginning of year	18,900	18,900
Balance, end of year	18,900	18,900
Revenue Trust		
Balance, beginning of year	42,733	41,045
Interest	2,681	1,688
Balance, end of year	45,414	42,733
Combined total	64,314	61,633

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*.

T'it'q'et Administration
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

6. Portfolio investments

	2020	2019
Measured at cost:		
Investment - Municipal Finance Authority of BC	104,845	102,998
Measured at fair value:		
Marketable securities	1,020,097	1,109,876
	1,124,942	1,212,874

7. Investments in T'it'q'et business entities

T'it'q'et has investments in the following entities:

	<i>Investment cost</i>	<i>Advances</i>	<i>2020 Total investment</i>
Not for Profit:			
T'it'q'et Economic Development Authority	-	399,330	399,330
Wholly-owned Businesses:			
Rancherie Enterprises Ltd.	100	236,326	236,426
1050033 B.C. Ltd.	3	317,294	317,297
	103	553,620	553,723
	103	952,950	953,053

	<i>Investment cost</i>	<i>Advances</i>	<i>2019 Total investment</i>
Not for Profit:			
T'it'q'et Economic Development Authority	-	399,157	399,157
Wholly-owned Businesses:			
Rancherie Enterprises Ltd.	100	274,960	275,060
1050033 B.C. Ltd.	3	317,294	317,297
	103	592,254	592,357
	103	991,411	991,514

8. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Allocated to revenue</i>	<i>Balance, end of year</i>
New On Reserve Housing Approach	20,000	-	-	20,000

T'it'q'et Administration
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

9. Long-term debt

	2020	2019
First Nations Finance Authority loan bearing interest at 2.9% per annum, repayable in blended monthly payments of \$18,757, maturing June 2024 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	4,130,124	4,232,729
Bank of Montreal loan bearing at 4.38% per annum, repayable in blended monthly payments of \$15,130, maturing October 2037 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	2,212,757	2,294,990
All Nations Trust Company ("ANTC") loan bearing interest at 2.22% per annum, repayable in blended monthly payments of \$3,220, maturing January 2044 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	715,610	738,131
ANTC loan bearing interest at 1.97% per annum, repayable in blended monthly payments of \$2,324, maturing December 2037 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	417,687	437,150
ANTC loan bearing interest at 1.39% per annum, repayable in blended monthly payments of \$1,967, maturing June 2040 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	416,589	434,275
ANTC loan bearing interest at 1.73% per annum, repayable in blended monthly payments of \$2,263, maturing August 2034 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	346,416	367,305
ANTC loan bearing interest at 2.50% per annum, repayable in blended monthly payments of \$1,751, maturing April 2033 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	234,412	249,373
ANTC loan bearing interest at 1.31% per annum, repayable in blended monthly payments of \$2,376, maturing December 2022 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	76,982	104,295
ANTC loan bearing interest at 1.92% per annum, repayable in blended monthly payments of \$1,556, maturing March 2022 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	36,601	54,380
ANTC loan bearing interest at 1.31% per annum, repayable in blended monthly payments of \$942, maturing December 2022 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	30,523	41,353
ANTC loan bearing interest at 1.01% per annum, repayable in blended monthly payments of \$1,634, maturing January 2021 and secured by the guarantee of T'it'q'et and Ministerial guarantee from Indigenous Services Canada	16,266	35,609
ANTC loan, repaid in full during the year	-	8,921
ANTC loan, repaid in full during the year	-	2,318
	8,633,967	9,000,829

T'it'q'et Administration
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

9. Long-term debt *(Continued from previous page)*

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:

2021	351,193
2022	341,524
2023	319,578
2024	296,255
2025	302,722

10. Contingencies

T'it'q'et may be contingently liable with respect to Ministerial guarantees for "On Reserve Housing Loans" to various financial institutions in the amount of \$294,372 (2019 - \$294,372). These loan guarantees are in addition to CMHC mortgages.

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.

T'it'q'et is subject to funding reviews according to their agreements with federal government agencies. It is possible that adjustments could be made based on the results of these reviews by the federal government agencies. Recoveries are recorded in the year of adjustment.

11. Significant event

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations and businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on T'it'q'et as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

12. Accumulated surplus

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2020	2019
Equity in Ottawa Trust Funds	64,314	61,633
Equity in CMHC reserves	812,543	658,102
Equity in tangible capital assets	4,734,070	4,825,442
Restricted surplus	251,917	241,867
Unrestricted surplus	5,284,178	4,281,858
	11,147,022	10,068,902

T'it'q'et Administration
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

13. Indigenous Services Canada funding reconciliation

	2020	2019
Direct Funding		
ISC revenue per confirmation	3,596,727	2,536,457
ISC recoveries during the year	(99,194)	(141,504)
	3,497,533	2,394,953

14. Budget information

Canadian public sector accounting standards require the disclosure of budget information for comparison to T'it'q'et's actual revenues and expenses based on the original approved budget. The disclosed budget information has been approved by the Chief and Council of the T'it'q'et Administration. The original budget was approved by Chief and Council on February 22, 2019. Budget information was not prepared for the full scope of activities performed by T'it'q'et for the year ended March 31, 2020. Budget information was not prepared, available or approved for several departments.

15. Financial Instruments

T'it'q'et as part of its operations carries a number of financial instruments. It is management's opinion that the T'it'q'et is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Financial instruments that potentially subject T'it'q'et to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable, related party balances and portfolio investments. The maximum credit risk exposure is \$6,663,939 (2019 - \$5,846,071). T'it'q'et manages its credit risk by holding cash and cash equivalents with a chartered financial institution or government agency and holding portfolio investments in well diversified portfolios. T'it'q'et believes that there is a minimal risk associated with accounts receivable as the majority of receivables are either from government agencies or from members. The maximum credit risk exposure has increased from 2019.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. T'it'q'et is exposed to interest rate risk primarily relating to its portfolio investments and long-term debt. There have been no change to the risk exposure from 2019.

16. Economic dependence

T'it'q'et Administration receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of funding agreements entered into with the Government of Canada. These agreements are administered by ISC under the terms and conditions of the *Indian Act*. The ability of T'it'q'et to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

17. Segments

T'it'q'et 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 T'it'q'et.
- Education: Includes revenue and expenses related to primary, secondary and post secondary education of the members of T'it'q'et.
- 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 T'it'q'et.
- Housing: Includes revenue and expenses related to T'it'q'et owned and social housing programs of T'it'q'et.
- Resources: Includes revenue and expenses related to conservation and stewardship of T'it'q'et's land and resources.
- Taxation: Includes revenue and expenses related to T'it'q'et Taxation Authority.

18. Comparative figures

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

T'it'q'et Administration
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Land and improvements</i>	<i>Buildings</i>	<i>Infrastructure</i>	<i>Equipment</i>	<i>Motor Vehicles</i>	<i>2020</i>	<i>2019</i>
Cost							
Balance, beginning of year	824,118	19,048,351	3,727,547	608,112	352,583	24,560,711	23,641,221
Acquisition of tangible capital assets	-	-	-	-	-	-	919,490
Construction-in-progress	-	-	212,532	-	-	212,532	-
Balance, end of year	824,118	19,048,351	3,940,079	608,112	352,583	24,773,243	24,560,711
Accumulated amortization							
Balance, beginning of year	-	7,558,069	2,269,803	580,679	325,885	10,734,436	10,029,903
Annual amortization	-	584,383	72,888	5,486	8,009	670,766	704,533
Balance, end of year	-	8,142,452	2,342,691	586,165	333,894	11,405,202	10,734,436
Net book value of tangible capital assets	824,118	10,905,899	1,597,388	21,947	18,689	13,368,041	13,826,275
2019 Net book value of tangible capital assets	824,118	11,490,282	1,457,744	27,433	26,698	13,826,275	

T'it'q'et Administration
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Consolidated expenses by object			
Administration	217,102	14,967	17,885
Allocation to replacement reserve	13,000	42,102	43,791
Amortization	-	670,766	704,533
Bad debts	-	-	6,077
Bank charges and interest	-	8,846	5,337
Community donations	-	136,195	109,903
Contracted services	244,726	591,864	516,644
Elders fees	-	-	2,843
GST and Sales tax	-	4,170	2,428
Health	-	6,393	10,179
Honoraria	209,482	104,257	100,058
Insurance	61,680	92,257	85,452
Interest on long-term debt	434,247	267,008	282,884
Materials	-	178,111	119,055
National child benefit - projects	91,601	33,686	31,353
Office supplies and expenses	550,581	171,087	142,061
Professional fees	292,866	145,430	85,102
Program education	12,150	15,738	24,553
Program expense	184,032	222,471	165,534
Rental	145,549	159,618	165,176
Repairs and maintenance	791,356	820,177	667,067
Salaries and benefits	1,704,695	1,617,177	1,667,420
Social assistance	618,616	552,275	435,473
Student expenses	-	58,837	48,203
Telephone and internet	54,471	51,226	43,730
Training	176,531	157,934	106,284
Travel	191,743	254,956	269,574
Tuition	221,351	178,648	162,904
Utilities	162,246	169,953	165,145
Vehicle and fuel	-	85,386	77,326
	6,378,025	6,811,535	6,263,974

T'tit'q'et Administration
Administration

Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Revenue			
Indigenous Services Canada	382,018	427,755	550,121
Trust allocation	-	391,073	374,959
Rental income	138,314	347,680	327,623
BC FN Gaming	-	340,207	-
Other revenue	489,220	209,283	645,454
BC Hydro	-	133,818	121,001
Investment income	47,073	100,489	89,119
ASETS	14,506	56,036	18,695
Taxation	15,000	20,000	20,800
ISETS	-	19,175	39,459
Province of British Columbia	-	19,000	19,000
GST and sales tax rebates	-	9,592	10,116
WOP	6,453	7,113	5,629
First Nations Health Authority	-	5,377	-
	1,092,584	2,086,598	2,221,976
Expenses			
Administration fee (recovery)	26,340	(192,596)	(154,732)
Bank charges and interest	-	5,592	4,856
Contracted services	46,750	153,899	259,251
GST and Sales tax	-	4,170	2,428
Health	-	2,392	2,396
Honoraria	100,557	61,613	52,742
Insurance	30,446	33,190	34,857
Interest on long-term debt	232,747	122,482	130,500
Materials	-	62,979	30,597
Office supplies and expenses	225,635	138,421	98,460
Professional fees	90,803	67,591	64,494
Program expense	77,095	69,482	46,114
Rental	89,851	61,918	79,366
Repairs and maintenance	78,249	61,099	85,261
Salaries and benefits	436,346	529,177	784,651
Telephone and internet	29,243	20,163	27,063
Training	76,639	94,781	56,030
Travel	72,450	76,675	104,057
Utilities	-	15,767	13,881
Vehicle and fuel	-	9,590	14,013
	1,613,151	1,398,385	1,736,285
Surplus (deficit)	(520,567)	688,213	485,691
Accumulated surplus, beginning of year	-	3,364,890	3,377,945
Transfer between departments	-	(414,985)	(393,514)
Principal payments on long-term debt	-	(102,605)	(105,232)
Accumulated surplus (deficit), end of year	(520,567)	3,535,513	3,364,890

T'it'q'et Administration
Public Works

Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Revenue			
Indigenous Services Canada	964,619	964,619	464,939
Province of British Columbia	-	100,000	-
Rental income	91,933	97,726	82,342
Other revenue	556,159	75,000	4,722
Taxation	63,500	63,500	57,700
	1,676,211	1,300,845	609,703
Expenses			
Administration fee (recovery)	22,759	16,158	(6,468)
Amortization	-	488,742	518,555
Bank charges and interest	-	3,254	266
Contracted services	60,100	194,324	104,994
Honoraria	10,000	550	-
Insurance	20,200	18,853	23,463
Interest on long-term debt	201,500	99,059	114,087
Materials	-	25,690	19,434
Office supplies and expenses	66,990	8,207	2,247
Professional fees	157,963	5,222	-
Program expense	106,937	27,737	26,134
Rental	-	12,976	11,443
Repairs and maintenance	601,378	220,048	194,738
Salaries and benefits	290,344	200,607	204,152
Telephone and internet	7,400	18,628	6,841
Training	7,900	3,712	1,943
Travel	27,016	13,570	2,333
Utilities	162,244	143,412	138,774
Vehicle and fuel	-	70,846	55,255
	1,742,731	1,571,595	1,418,191
Deficit	(66,520)	(270,750)	(808,488)
Accumulated surplus, beginning of year	-	4,966,182	4,750,269
Transfer between departments	-	378,693	376,435
Acquisition of tangible capital assets	-	-	919,492
Principal payments on long-term debt	-	102,605	470,232
New debt issuance	-	-	(741,758)
Accumulated surplus (deficit), end of year	(66,520)	5,176,730	4,966,182

T'it'q'et Administration
Housing

Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Revenue			
Indigenous Services Canada	76,050	596,942	354,165
Canada Mortgage and Housing Corporation			
Non-profit on-reserve housing	-	184,545	234,606
Home adaptations for seniors independence program	-	2,896	(7,934)
Rental income	60,240	202,272	261,322
Other revenue	-	84,211	260,025
Allocation to replacement reserve	-	54,549	43,791
Investment income	-	11,462	9,610
	136,290	1,136,877	1,155,585
Expenses			
Administration	11,535	28,566	30,341
Amortization	-	182,024	185,978
Allocation to replacement reserve	13,000	42,102	43,791
Bad debts	-	-	6,077
Bank charges and interest	-	-	215
Contracted services	-	14,500	7,469
Insurance	6,602	35,673	24,541
Interest on long-term debt	-	45,467	38,298
Professional fees	-	9,645	9,927
Repairs and maintenance	91,150	522,107	356,262
Salaries and benefits	-	-	147
Training	-	-	53
Utilities	-	8,071	10,161
	122,287	888,155	713,260
Surplus	14,003	248,722	442,325
Accumulated surplus, beginning of year	-	1,142,239	878,723
Transfer between departments	-	32,000	(1,075)
Acquisition of tangible capital assets	-	-	(919,492)
New debt issuance	-	-	741,758
Accumulated surplus, end of year	14,003	1,422,961	1,142,239

T'it'q'et Administration
Community and Human Services
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	<i>2020 Budget (Note 14)</i>	<i>2020 Actual</i>	<i>2019</i>
Revenue			
Indigenous Services Canada	1,084,925	765,979	612,867
First Nations Health Authority	579,900	671,120	1,031,715
Other revenue	220,128	209,913	53,599
Taxation	-	5,000	5,000
	1,884,953	1,652,012	1,703,181
Expenses			
Administration	86,301	88,311	82,274
Community donations	-	1,000	1,800
Contracted services	40,382	106,254	103,585
Elders fees	-	-	2,843
Health	-	4,002	7,783
Honoraria	20,800	-	675
Insurance	2,128	2,236	1,498
Materials	-	58,489	25,478
National child benefit - projects	91,601	33,686	31,353
Office supplies and expenses	101,050	3,918	10,805
Professional fees	3,100	-	4,328
Program expense	-	103,457	88,555
Rental	14,080	53,724	52,252
Repairs and maintenance	3,000	5,148	12,742
Salaries and benefits	472,403	458,382	354,409
Social assistance	618,616	552,275	435,473
Telephone and internet	4,729	5,286	6,372
Training	53,992	42,715	30,881
Travel	68,157	138,096	143,115
Utilities	-	1,357	1,242
Vehicle and fuel	-	2,469	4,028
	1,580,339	1,660,805	1,401,491
Surplus (deficit)	304,614	(8,793)	301,690
Accumulated surplus, beginning of year	-	150,386	240,583
Transfer between departments	-	(16,739)	(26,887)
Principal payments on long-term debt	-	-	(365,000)
Accumulated surplus, end of year	304,614	124,854	150,386

T'it'q'et Administration
Education

Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Revenue			
Indigenous Services Canada	470,081	475,944	398,731
Other revenue	56,019	136,132	101,920
Taxation	-	-	2,000
	526,100	612,076	502,651
Expenses			
Administration	24,614	24,614	18,279
Contracted services	46,494	48,011	36,395
Honoraria	7,000	1,711	5,241
Insurance	1,705	1,705	1,092
Office supplies and expenses	10,700	1,627	2,053
Program education	12,150	15,738	24,553
Program expense	-	21,794	4,731
Rental	20,618	10,000	7,115
Repairs and maintenance	13,280	2,405	2,019
Materials	75,200	24,111	37,386
Salaries and benefits	203,298	149,327	118,416
Student expenses	-	58,837	48,203
Telephone and internet	9,500	5,855	2,404
Training	28,000	10,964	10,547
Travel	4,500	584	100
Tuition	221,351	178,648	162,904
Utilities	-	1,347	1,087
Vehicle and fuel	-	2,469	4,028
	678,410	559,747	486,553
Surplus (deficit)	(152,310)	52,329	16,098
Accumulated surplus, beginning of year	-	180,120	140,447
Transfer between departments	-	17,143	23,575
Accumulated surplus (deficit), end of year	(152,310)	249,592	180,120

T'it'q'et Administration
Resources

Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Revenue			
Government funding			
Indigenous Services Canada	5,888	266,294	14,130
Department of Fisheries and Oceans Canada	-	17,500	17,500
Other revenue	642,076	476,696	381,706
Province of British Columbia	-	200,000	-
Taxation	-	2,000	-
	647,964	962,490	413,336
Expenses			
Administration	32,853	45,109	43,228
Contracted services	51,000	74,875	4,952
Honoraria	71,125	40,383	41,400
Insurance	600	600	-
Office supplies and expenses	83,706	17,315	22,496
Professional fees	41,000	34,458	6,352
Rental	21,000	21,000	15,000
Repairs and maintenance	4,300	8,820	14,445
Materials	-	6,842	6,161
Salaries and benefits	302,303	273,684	204,946
Telephone and internet	3,600	1,294	1,049
Training	10,000	5,762	2,979
Travel	19,620	25,596	19,111
Vehicle and fuel	-	13	-
	641,107	555,751	382,119
Surplus	6,857	406,739	31,217
Accumulated surplus, beginning of year	-	226,742	174,059
Transfer between departments	-	3,889	21,466
Accumulated surplus, end of year	6,857	637,370	226,742

T'it'q'et Administration
Taxation

Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019
Revenue			
Taxation	-	131,618	151,545
Other revenue	-	6,608	-
Investment income	-	530	405
	-	138,756	151,950
Expenses			
Administration	-	4,807	12,995
Community donations	-	135,195	108,103
Office supplies and expenses	-	1,598	6,000
Professional fees	-	28,514	-
Repairs and maintenance	-	550	1,600
Salaries and benefits	-	6,000	700
Training	-	-	3,851
Travel	-	433	858
	-	177,097	134,107
Surplus (deficit)	-	(38,341)	17,843
Accumulated surplus, beginning of year	-	38,341	20,498
Accumulated surplus (deficit), end of year	-	-	38,341