

Consolidated Financial Statements of

**AQAM**

Year ended March 31, 2020

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of aqam and all the information in this report are the responsibility of management and have been approved by Chief and Council.



The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects, including the consolidated financial position of aqam and the results of its consolidated operations and its consolidated cash flows.

aqam maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and aqam's assets are appropriately accounted for and adequately safeguarded.

Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The elections for the positions of Chief and Council occur every two years. Individuals are elected for a term of four years, with elections staggered every two years.

Chief and Council review aqam's consolidated financial statements and recommend their approval. Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditors' report. Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. In addition, Chief and Council also consider the engagement of aqam's external auditors.

The consolidated financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. KPMG LLP have full access to Chief and Council.

  
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Chief  
\_\_\_\_\_  
Chair of Finance and Audit Committee  
\_\_\_\_\_  
Director of Finance

June 4, 2020



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## INDEPENDENT AUDITORS' REPORT

To Chief and Council and Members of aqam

### ***Opinion***

We have audited the consolidated financial statements of aqam, which comprise:

- the consolidated statement of financial position as at March 31, 2020
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of aqam as at March 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of aqam in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. KPMG Canada provides services to KPMG LLP.

***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing aqam'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 or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing aqam's financial reporting process.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 aqam'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 a significant doubt on aqam's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause aqam to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink, appearing to read 'KPMG LLP'.

Chartered Professional Accountants

Kelowna, Canada

June 4, 2020

# AQAM

## Consolidated Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
<b>Financial Assets</b>		
Cash and cash equivalents (note 2)	\$ 1,755,395	\$ 390,177
Restricted cash and cash equivalents (note 2)	12,203,870	8,604,091
Accounts receivable (note 3)	570,640	1,218,995
Investments (note 4)	500,115	5
Investment in business enterprises (note 5)	3,212,766	2,408,000
	18,242,786	12,621,268
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,092,112	553,145
Deferred revenue (note 6)	1,567,398	1,165,847
Term debt (note 7)	32,575	75,630
Replacement reserve (note 8)	33,523	30,150
	2,725,608	1,824,772
<b>Net financial assets</b>	<b>15,517,178</b>	<b>10,796,496</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (note 9)	13,572,851	10,350,803
Prepaid expenses and deposits	240,573	142,962
	13,813,424	10,493,765
<b>Accumulated surplus (note 10)</b>	<b>\$ 29,330,602</b>	<b>\$ 21,290,261</b>

Commitments and contingencies (note 14)

Trust funds (note 15)

See accompanying notes to consolidated financial statements.

On behalf of the Chief and Council:



Chief



Chair of Finance and Audit Committee



Director of Finance

# AQAM

## Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2020, with comparative information for 2019

	2020 Budget (note 1(h))	2020	2019
Revenue:			
Transfers from other governments:			
Indigenous Services Canada	\$ 3,404,047	\$ 3,158,220	\$ 2,789,755
Province of British Columbia	1,010,424	1,136,915	1,219,448
First Nations Health Authority	3,680,366	3,617,420	874,768
Ktunaxa Nation Council	62,890	140,274	131,714
First Nations Goods and Service Tax	261,080	256,032	290,846
British Columbia First Nations Gaming Limited Partnership	-	342,176	-
Grants	2,010,478	1,286,053	991,981
Impact Management and Benefit Agreement	3,438,731	3,444,105	2,437,972
Canada Mortgage and Housing Corporation	20,580	18,407	41,417
Property taxation, net of homeowners' grants	68,000	69,684	66,873
User fees	246,665	255,092	243,288
Social housing rent	50,000	47,123	49,853
Rent and lease	106,915	239,113	112,700
Interest	203,922	246,693	157,470
Other	408,499	550,352	351,825
Equity in earnings (loss) of business enterprises (note 5)	-	11,766	(64,373)
	14,972,597	14,819,425	9,695,537
Expenses (Schedule 1):			
Administration	953,187	1,013,242	820,337
Education	549,130	587,639	541,590
Elementary School	1,015,879	1,113,063	942,588
Social Development	245,953	296,315	209,519
Maintenance of Facilities	1,214,557	801,856	626,371
aqamnik Daycare	240,000	263,765	273,309
Community Services	641,040	465,745	504,078
St. Eugene Church Restoration Society	177,546	86,178	21,443
Taxation	53,000	1,882	21,931
Lands and Resource Management	1,678,338	1,298,210	1,230,862
Social Housing Program	85,548	81,028	108,650
Water System	31,836	22,785	37,333
Language, Culture and Community	221,525	182,320	140,138
Capital	513,545	552,284	421,242
National Child Benefit	33,803	12,772	26,330
	7,654,887	6,779,084	5,925,721
Surplus	\$ 7,317,710	8,040,341	3,769,816
Accumulated surplus, beginning of the year		21,290,261	17,520,445
Accumulated surplus, end of year		\$ 29,330,602	\$ 21,290,261

See accompanying notes to consolidated financial statements.

# AQAM

## Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2020, with comparative information for 2019

	2020 Budget (note 1(h))	2020	2019
Surplus	\$ 7,317,710	\$ 8,040,341	\$ 3,769,816
Changes to non-financial assets:			
Acquisition of tangible capital assets	(4,849,346)	(3,775,889)	(1,063,982)
Amortization of tangible capital assets	513,545	552,154	441,308
Net book value of tangible capital assets disposed or written down	-	1,687	16,839
Tangible capital assets transferred to a business enterprise	-	-	1,210,660
	(4,335,801)	(3,222,048)	604,825
Acquisition of prepaid expenses and deposits	-	(240,573)	(142,962)
Use of prepaid expenses and deposits	-	142,962	219,195
	-	(97,611)	76,233
Increase in net financial assets	\$ 2,981,909	4,720,682	4,450,874
Net financial assets, beginning of year		10,796,496	6,345,622
Net financial assets, end of year		\$ 15,517,178	\$ 10,796,496

See accompanying notes to consolidated financial statements.



# AQAM

## Consolidated Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Cash received from Indigenous Services Canada	\$ 3,345,246	\$ 2,621,500
Cash received from grants, property taxes, user fees, rent, and other revenue	12,229,175	6,744,335
Cash paid to employees and suppliers	(5,746,935)	(5,624,810)
Interest received	246,693	157,470
Interest paid	(501)	(1,064)
	10,073,678	3,897,431
Financing activities:		
Repayment of term debt	(43,055)	(57,407)
Increase (decrease) in replacement reserve	3,373	14,381
	(39,682)	(43,026)
Capital activities:		
Acquisition of tangible capital assets	(3,775,889)	(1,063,982)
Investing activities:		
Increase in restricted cash and cash equivalents	(3,599,779)	(2,045,656)
Increase in investments	(500,110)	-
Net distribution to business enterprises	(793,000)	(737,760)
	(4,892,889)	(2,783,416)
Increase in cash and cash equivalents	1,365,218	7,007
Cash and cash equivalents, beginning of year	390,177	383,170
Cash and cash equivalents, end of year	\$ 1,755,395	\$ 390,177
Non-cash financing, capital and investing activities:		
Tangible capital assets transferred to a business enterprise	\$ -	\$ 1,210,660

See accompanying notes to consolidated financial statements.

# AQAM

## Notes to Consolidated Financial Statements

Year ended March 31, 2020

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aqam provides local government, education, and social development services to its members. aqam is organized under the Indian Act of Canada.

On March 11, 2020, the World Health Organization (WHO) declared the Coronavirus COVID-19 (COVID-19) outbreak a pandemic. This has resulted in governments worldwide, including the Canadian government, to enact emergency measures to combat the spread of the virus. These measures, which include social distancing, the implementation of travel bans and closures of non-essential businesses, have caused material disruption to businesses globally resulting in an economic slowdown. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy is not known at this time.

### 1. Basis of presentation and significant accounting policies:

These consolidated financial statements include the assets, liabilities, and results of operations of aqam and all related entities and organizations subject to control by aqam's Chief and Council. No inclusion has been made of assets, liabilities, revenue or expenses of aqam members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of aqam's Chief and Council.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments, as established by the Public Sector Accounting Board ("PSAB"), which encompasses the following principles:

#### (a) Fund accounting:

aqam uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been combined for the purpose of presentation in the consolidated financial statements.

#### (b) Reporting entity and basis of consolidation:

aqam's reporting entity includes aqam community government and all related entities and organizations which are accountable for the administration of their financial affairs and resources to aqam and are either owned or controlled by aqam.

##### i) Consolidated entities:

These financial statements consolidate the assets, liabilities and results of operations of the following organizations and entities:

The following government not-for-profit organizations have been consolidated:

St. Eugene Church Restoration Society

# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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### 1. Basis of presentation and significant accounting policies (continued):

#### (b) Reporting entity and basis of consolidation (continued):

##### ii) Investment in business enterprises:

aqam accounts for its investments in government business enterprises (GBE) and government business partnerships (GBP) on a modified equity basis. Under the modified equity basis, the GBE's and GBP's accounting policies are not adjusted to conform with those of aqam and inter-organizational transactions and balances are not eliminated. aqam recognizes its equity interest in the annual earnings or loss of the GBE's and GBP's in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any distributions that aqam may provide to or receive from the GBE's and GBP's will be reflected as an increase or decrease in the investment asset account.

aqam's government business enterprises investments consist of the following:

- aqam Trading Ltd. - 100% interest
- aqam Resources Ltd. - 100% interest
- aqam Community Enterprises Ltd. - 100% interest
- aqam Holdings Ltd. - 100% interest
- aqam Forestry Ltd. - 100% interest
- aqam Water Corporation - 100% interest

aqam's government business partnerships consist of aqam's 99.9% interest in the following partnerships:

- aqam Trading Limited Partnership
- aqam Resources Limited Partnership
- aqam Community Enterprises Limited Partnership
- aqam Holdings Partnership
- aqam Forestry Partnership

As at and for the years ended March 31, 2020 and 2019, aqam Forestry Ltd., aqam Holdings Ltd., aqam Water Corporation, aqam Forestry Partnership, and aqam Holdings Partnership had not commenced operations. Accordingly, these consolidated financial statements do not include any assets or transactions related to these entities.

##### iii) Investments:

Investments in entities in which aqam does not control individually or jointly are recorded at acquisition cost. If there has been an other than temporary decline in the value of an investment, the investment is written down to its net realizable value.

##### iv) Trust funds:

Trust funds and their related operations administered by aqam (note 15) are not included in these consolidated financial statements.

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Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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## 1. Basis of presentation and significant accounting policies (continued):

### (c) Cash and cash equivalents:

Cash and cash equivalents includes, cash and investments in highly liquid money market funds, and which are readily convertible to cash.

### (d) Revenue recognition:

Government transfers, grants and subsidy revenue are recognized as aqam becomes entitled to the funding under the terms of applicable funding agreements and is recorded in the period in which the resources are used for the purpose specified in the agreements. Restricted funding received which relates to a subsequent fiscal period or which stipulations that give rise to an obligation are reported as deferred revenue until the resources are used for the purpose or purposes specified and/or the stipulations giving rise to an obligation have been met.

Rent, lease and user fee revenue is recognized on a monthly basis as income is earned and when collection is reasonably assured. Property and First Nation Goods and Service tax revenues are recognized at the time the taxes are levied.

Other revenue, including sales of goods, provision of services, or other contributions are recognized in the period the goods or services are provided, any contribution stipulations have been met, and the related proceeds are received or receivable.

aqam accounts for revenue received from contractual arrangements, such Impact Management and Benefit Agreement revenue, certain grants and other government transfers, in the year the proceeds are received or the proceeds are considered receivable and the amount can be reasonably estimated.

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 1. Basis of presentation and significant accounting policies (continued):

### (e) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation with a corresponding amount recorded as revenue. Tangible capital assets under construction are not amortized until the asset is available for use.

Tangible capital assets are amortized over their expected useful lives as follows:

Asset	Basis	Amount
Buildings	Straight-line	2.5 - 5%
Infrastructure	Straight-line	2 - 8%
Equipment	Straight-line and declining balance	20 to 25% 6.67 - 20%
Automotive	Declining balance	10 - 16.67%

When management determines that a tangible capital asset no longer contributes to aqam's ability to provide goods and services or that the value of future benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is written down to its net recoverable amount.

All intangible assets and items inherited by right of aqam, such as land, forests, water, natural resources and cultural and historic assets, are not recognized in aqam's consolidated financial statements.

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Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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## 1. Basis of presentation and significant accounting policies (continued):

### (f) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of financial and non-financial assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant areas requiring management estimates include the recoverable amount of accounts receivable and investments, and the useful lives of and net future economic benefits associated with tangible capital assets. Management reviews these estimates on a periodic basis and at least annually. Where necessary, management makes adjustments to these benefits prospectively.

### (g) Financial instruments:

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. Instruments classified as fair value instruments include investments in equity instruments that are quoted in an active market, and any other items elected by aqam to be recorded at fair value. All other financial instruments are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations. For instruments measured at fair value, unrealized gains or losses are adjusted through the statement of remeasurement gains and losses. When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations. As at March 31, 2020, aqam does not have any financial instruments that required or were elected to be recorded at fair value. Accordingly a statement of remeasurement gain (loss) has not been presented.

# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 1. Basis of presentation and significant accounting policies (continued):

#### (h) Budget data:

The budget data presented in these consolidated financial statements have been derived from the budget approved by aqam's Chief and Council on March 19, 2019 and a budget amendment approved by aqam's Chief and Council on November 7, 2019.

	Initial budget	Adjustments	Amended budget
Revenue	\$ 11,963,656	\$ 3,008,941	\$ 14,972,597
Expenses	(6,598,767)	(1,056,120)	(7,654,887)
Surplus	\$ 5,364,889	\$ 1,952,821	\$ 7,317,710

Adjustments to the initial budget consists of significant adjustments to revenue related to anticipated capital funding, other adjustments in revenue and expenses, and the refinement of allocation between accounts.

#### (i) Contaminated site liabilities:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized when an environmental standard exists, contamination exceeds the environmental standard, aqam is directly responsible and accepts responsibility, future economic benefits will be given up and a reasonable estimate can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. An expected recoveries from other parties, including other governments, are recorded as a reduction of the liability. As at March 31, 2020, aqam did not have any significant contaminated site liabilities.

#### (j) Segmented disclosures:

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. aqam has determined the most appropriate basis for classifying segments is by program. Segmented disclosures are provided in note 19 and Schedule 2 to the consolidated financial statements.

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## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 2. Unrestricted and restricted cash and cash equivalents:

aqam maintains its cash balances in several financial institutions in British Columbia. The Canada Deposit Insurance Corporation (CDIC) insures each of these accounts. The aggregate funds held in each institution may exceed the CDIC insured limit from time to time and specific funds held by each institution may not be covered by CDIC Insurance. Management does not anticipate any material effect on the consolidated financial position of aqam as a result of these concentrations.

Certain cash and cash equivalents has been internally restricted by aqam or externally restricted by federal or provincial government authorities for the following specific purposes. These funds have been invested in separate money-market funds and cash accounts with interest rates ranging from 1.8% to 2.05%.

	2020	2019
<b>Internally restricted: (note 11)</b>		
Impact Management and Benefits Agreement (IMBA) reserve	\$ 7,052,423	\$ 3,925,701
IMBA capital reserve	43,974	43,974
British Columbia First Nation (BCFN) shared gaming reserve	328,750	-
Church restoration reserve	6,046	6,046
Community development reserve	761,626	630,923
Community health reserve	332,564	255,003
Education reserve	703,602	502,869
Future expansion of school (Ottawa Trust withdrawal)	65,421	65,421
Lands reserve	2,593,759	2,915,825
Water reserve	132,343	98,343
Daycare	34,718	34,718
Member loan reserve	6,451	6,220
Capital	40,000	20,000
Emergency planning	2,000	2,000
	12,103,677	8,507,043
<b>Externally restricted:</b>		
Trust Funds on deposit with Indigenous		
Services Canada (note 13)	66,670	66,898
Social Housing replacement reserve (note 8)	33,523	30,150
	100,193	97,048
	\$ 12,203,870	\$ 8,604,091



# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 3. Accounts receivable:

	2020	2019
Indigenous Services Canada ("ISC")	\$ 108,912	\$ 170,584
Province of British Columbia	-	507,660
Ktunaxa Nation Council	12,001	27,218
Columbia Basin Trust	43,000	167,000
Canada Mortgage and Housing Corporation	-	32,994
First Nations Goods and Services Tax	262,679	135,663
St. Eugene Mission Resort ("SEM")	30,071	29,452
First Nations Health Authority	9,169	24,838
Aq'am Resources Limited Partnership	68,577	-
Band members	16,008	18,384
Other	69,335	117,862
	619,752	1,231,655
Less allowance for doubtful accounts	(49,112)	(12,660)
	\$ 570,640	\$ 1,218,995

aqam's allowance for doubtful accounts is based on an assessment of the nature of the outstanding balance, the debtor circumstances and the number days the respective account has been receivable.

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## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 4. Investments:

	2020	2019
Ktunaxa Enterprises Ltd. ("KEL"), shares, at cost	\$ 1	\$ 1
Ktunaxa Holdings Limited Partnership ("KHLP"), limited partnership interest	500,001	1
SEM Holdings Ltd. ("SHL"), shares, at cost	1	1
St. Eugene Mission Development Corporation ("SDC"), shares, at cost	1	1
St. Eugene Mission Holdings Ltd. ("SEMHL"), shares, at cost	1	1
BCFN Gaming Revenue General Partner Inc. ("BCFN GR GP"), shares, at cost	10	-
BCFN Gaming Revenue Limited Partnership ("BCFN GR LP"), limited partnership interest, at cost	100	-
	\$ 500,115	\$ 5

aqam's investment in KEL (formerly Ktunaxa Holdings Ltd.) consists of 20% beneficial interest in one common share. KEL's primary asset is an investment in KHLP, which holds a 99.99% interest in Nupqu Development Limited Partnership ("NDLP"). NDLP's general partner is Nupqu Development Corporation, in which KEL holds a 100% interest. As aqam, through its investment, does not control or jointly control KEL, the investment has been recorded using the cost method.

aqam holds 20% limited partnership interest in KHLP, in which KEL is the general partner. aqam's investment is recorded at cost as aqam does not control or jointly control KHLP's operations or assets. aqam records earnings from its investment in KHLP based on cash distributions of limited partnership earnings received. aqam's investment consists of its initial cost of \$39,010, an investment of \$500,000, by way of a partnership contribution, in KHLP, less an impairment provision of \$39,009. To March 31, 2020, aqam has not received any limited partnership distributions from KHLP.

aqam's investment in SHL consists of 20% beneficial interest in one common share. SHL's assets, at March 31, 2020, include a 33% share of the SEM Resort Limited Partnership. As aqam, through its investment, does not control or jointly control SHL, the investment has been recorded using the cost method.

aqam's investment in SDC consists of 20% beneficial interest in one common share. SDC's primary asset is the headlease for the SEM Resort Limited Partnership. As aqam, through its investment, does not control or jointly control SDC, the investment has been recorded using the cost method.

aqam's investment in SEMHL consists of 20% beneficial interest in one common share. SEMHL's primary assets, at March 31, 2019, include a 100% share of the SHL. As aqam, through its investment, does not control or jointly control SHL, the investment has been recorded using the cost method.

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## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 4. Investments (continued):

aqam's investment in BCFN GR GP consists in a share in the capital of the General Partner by way of \$10 capital contribution. As aqam, through its investment, does not control or jointly control BCFN GR GP, the investment has been recorded using the cost method.

aqam's investment in BCFN GR LP subscribes for an interest in the Partnership, by way of a \$100 capital contribution. As aqam, through its investment, does not control or jointly control BCFN GR LP, the investment has been recorded using the cost method.

### 5. Investments in business enterprises:

	2020	2019
Government business enterprises	\$ 775,012	\$ 11
Government business limited partnerships	2,437,754	2,407,989
	\$ 3,212,766	\$ 2,408,000

The change in aqam's investment in government business enterprises and partnerships consists of the following:

	2020	2019
Equity in earnings (loss) of business enterprises	\$ 11,766	\$ (64,373)
Net contribution to (distributions from)		
business enterprises	793,000	737,760
Tangible capital assets transferred	-	1,210,660
	\$ 804,766	\$ 1,884,047

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 5. Investments in business enterprises (continued):

### (a) Government business enterprises (GBE):

(i) aqam has made investments in wholly-owned incorporated entities, summarized as follows:

	2020	2019
aqam Trading Ltd.:		
Investment in shares, at cost	\$ 1	\$ 1
Accumulated loss	(7)	(8)
	(6)	(7)
aqam Resources Ltd.:		
Investment in shares, at cost	1	1
Advances	775,000	-
Accumulated equity	38	37
	775,039	38
aqam Community Enterprises Ltd.:		
Investment in shares, at cost	1	1
Accumulated loss	(22)	(21)
	(21)	(20)
	\$ 775,012	\$ 11

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 5. Investments in business enterprises (continued):

### (a) Government business enterprises (GBE) (continued):

aqam Resources Ltd., aqam Community Enterprises Ltd., and aqam Trading Ltd. are general partners for aqam Resources Limited Partnership, aqam Community Enterprises Limited Partnership, and aqam Trading Limited Partnership, respectively. The fiscal year end of the GBE's is December 31 and the financial information provided below is as at and for the years ended December 31, 2019, with comparative information for the years ended December 31, 2018. Subsequent to December 31, 2019 and prior to March 31, 2020, aqam advanced cash of \$775,000 to aqam Resources Ltd. toward the purchase of land. The asset purchase and advance from aqam have been reflected in the balances below. No other material changes in the GBE balances and operations from their fiscal year end date to March 31, 2020.

### (ii) Financial information for wholly-owned incorporated entities is summarized as follows:

<b>December 31, 2019</b>	aqam Trading Ltd.	aqam Resources Ltd.	aqam Community Enterprises Ltd.
Balance sheet information:			
Assets	\$ (6)	\$ 775,039	\$ (21)
Liabilities	-	775,000	-
Shareholder's equity	(6)	39	(21)
Results of operations:			
Net earnings (loss)	1	1	(1)
<b>December 31, 2018</b>	aqam Trading Ltd.	aqam Resources Ltd.	aqam Community Enterprises Ltd.
Balance sheet information:			
Assets	\$ (7)	\$ 38	\$ (20)
Shareholder's equity	(7)	38	(20)
Results of operations:			
Net earnings (loss)	(3)	7	(10)

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 5. Investments in business enterprises (continued):

(b) Government business partnerships (GBP):

(i) aqam's investment in GBP's consists of the following:

	2020	2019
aqam Trading Limited Partnership:		
Partnership equity interest	\$ 1,922,957	\$ 1,910,531
aqam Resources Limited Partnership:		
Partnership equity interest	191,705	184,739
aqam Community Enterprises Limited Partnership:		
Partnership equity interest	323,092	312,719
	<u>\$ 2,437,754</u>	<u>\$ 2,407,989</u>

aqam Trading Limited Partnership (aqam Trading LP):

Pursuant to an agreement dated December 5, 2013 aqam and aqam Trading Ltd. formed a limited partnership, aqam Trading LP in which aqam is a limited partner holding 99.99% of units.

aqam Resources Limited Partnership (aqam Resources LP):

Pursuant to an agreement dated July 16, 2012 aqam and aqam Resources Ltd. formed a limited partnership, aqam Resources LP in which aqam is a limited partner holding 99.99% of units.

aqam Community Enterprises Limited Partnership (aqam Community Enterprises LP):

Pursuant to an agreement dated July 16, 2012 aqam and aqam Community Enterprises Ltd. formed a limited partnership, aqam Community Enterprises LP in which aqam is a limited partner holding 99.99% of units.

The fiscal year end of the GBP's is December 31 and the financial information provided below is as at and for the years ended December 31, 2019, with comparative information for the years ended December 31, 2018. There were no material changes in the GBP operations from their fiscal year end date to March 31, 2020.

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 5. Investments in business enterprises (continued):

(b) Government business partnerships (GBP) (continued):

(ii) Financial information relating to aqam's GBP investments is as follows:

<b>December 31, 2019</b>	<b>aqam Trading LP</b>	<b>aqam Resources LP</b>	<b>aqam Community Enterprises LP</b>
Balance sheet information:			
Assets	\$ 2,052,611	\$ 195,302	\$ 331,906
Liabilities	129,660	3,558	8,835
Partnership equity	1,922,951	191,744	323,071
Results of operations:			
Revenues	1,894,900	142,449	180,312
Expenses	1,882,473	135,482	187,940
Net earnings (loss)	12,427	6,967	(7,628)

<b>December 31, 2018</b>	<b>aqam Trading LP</b>	<b>aqam Resources LP</b>	<b>aqam Community Enterprises LP</b>
Balance sheet information:			
Assets	\$ 2,067,792	\$ 187,118	\$ 317,630
Liabilities	157,268	2,341	4,931
Partnership equity	1,910,524	184,777	312,699
Results of operations:			
Revenues	951,820	73,241	59,986
Expenses	985,994	6,563	156,864
Net earnings (loss)	(34,174)	66,678	(96,878)

# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 6. Deferred revenue:

Deferred revenue represents contributions received of which the funds are restricted for specific projects or programs and of which the expenses have not yet been incurred.

	2020	2019
ISC	\$ 646,973	\$ 521,619
Province of British Columbia	113,704	98,860
Columbia Basin Trust	539,014	142,940
First Nation Health Authority	-	298,094
Other	267,707	104,334
	<u>\$ 1,567,398</u>	<u>\$ 1,165,847</u>

The net change in deferred revenue for the year was as follows:

	2020	2019
Balance beginning of year	\$ 1,165,847	\$ 821,532
Contributions received in the year	1,706,078	1,428,407
Amounts recorded in revenue	(1,304,527)	(1,084,092)
Balance, end of year	<u>\$ 1,567,398</u>	<u>\$ 1,165,847</u>



# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 7. Term debt:

	2020	2019
<b>Social Housing Program</b>		
Mortgage secured by a guarantee from ISC, repayable in monthly installments of \$3,635 including interest at 1.01%, matures December 2020	\$ 32,575	\$ 75,630

Interest on term debt for the year totaled \$501 (2019 - \$1,064) and is included in interest and bank charges expense (Schedule 1)

Scheduled principal payments on term debt to maturity are as follows:

2021	\$ 32,575
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### 8. Replacement reserve:

Under the terms of aqam's agreements with CMHC, a replacement reserve account is credited by an amount determined on an annual basis. The amount credited to the Social Housing Program replacement reserve account for the year ended March 31, 2020, was \$9,487 in annual appropriation.

The change in the replacement reserves is calculated as follows:

	2020	2019
Balance, beginning of year	\$ 30,150	\$ 15,769
Annual appropriation and supplemental assistance	9,487	27,956
Interest	1,728	2,335
Approved expenses	(7,842)	(15,910)
Balance, end of year	\$ 33,523	\$ 30,150

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 9. Tangible capital assets:

March 31, 2020	Buildings	Infrastructure	Equipment & Automotive	Construction in Progress	Total
Cost:					
Beginning of year	\$ 8,864,229	\$ 4,226,362	\$ 1,544,917	\$ 672,214	\$ 15,307,722
Acquisitions	3,832,053	43,919	79,078	237,384	4,192,434
Transfers	-	-	-	(416,545)	(416,545)
Disposals	-	-	(4,500)	-	(4,500)
Balance, end of year	12,696,282	4,270,281	1,619,495	493,053	19,079,111
Accumulated amortization:					
Balance, beginning of year	2,758,114	1,187,466	1,011,339	-	4,956,919
Amortization	327,229	91,960	132,965	-	552,154
Disposals	-	-	(2,813)	-	(2,813)
Balance, end of year	3,085,343	1,279,426	1,141,491	-	5,506,260
Net book value, end of year	\$ 9,610,939	\$ 2,990,855	\$ 478,004	\$ 493,053	\$ 13,572,851

Construction in progress includes \$104,201 in relation to point of entry water system, \$218,022 in relation to a backup well, \$89,566 for a cluster water system and \$81,264 for flood mitigation.

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 9. Tangible capital assets (continued):

<b>March 31, 2019</b>	<b>Buildings</b>	<b>Infrastructure</b>	<b>Equipment &amp; Automotive</b>	<b>Construction in Progress</b>	<b>Total</b>
<b>Cost:</b>					
Balance, beginning of year	\$ 6,302,387	\$ 4,226,362	\$ 1,295,648	\$ 3,832,442	\$ 15,656,839
Acquisitions	179,730	-	451,708	432,544	1,063,982
Transfers	2,382,112	-	-	(2,382,112)	-
Transfer GBP	-	-	-	(1,210,660)	(1,210,660)
Disposals	-	-	(202,439)	-	(202,439)
Balance, end of year	8,864,229	4,226,362	1,544,917	672,214	15,307,722
<b>Accumulated amortization:</b>					
Balance, beginning of year	2,491,628	1,096,970	1,112,613	-	4,701,211
Amortization	266,486	90,496	84,326	-	441,308
Disposals	-	-	(185,600)	-	(185,600)
Balance, end of year	2,758,114	1,187,466	1,011,339	-	4,956,919
Net book value, end of year	\$ 6,106,115	\$ 3,038,896	\$ 533,578	\$ 672,214	\$ 10,350,803

## 10. Accumulated surplus:

	<b>2020</b>	<b>2019</b>
<b>Financial surplus:</b>		
Unrestricted operating surplus	\$ 3,619,979	\$ 2,441,147
Internally restricted surplus (note 11)	12,103,677	8,507,043
	15,723,656	10,948,190
Invested in tangible capital assets (note 12)	13,540,276	10,275,173
Externally restricted surplus (note 13)	66,670	66,898
	\$ 29,330,602	\$ 21,290,261

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 11. Internally restricted surplus:

	Beginning balance	Contributions	Interest	Approved Expenses	Ending Balance
IMBA	\$ 3,925,701	\$ 3,459,831	\$ 184,891	\$ (518,000)	\$ 7,052,423
IMBA Capital	43,974	-	-	-	43,974
BCFN gaming	-	328,750	-	-	328,750
Church restoration	6,046	-	-	-	6,046
Community development	630,923	119,322	11,381	-	761,626
Community health	255,003	76,252	1,309	-	332,564
Education	502,869	223,168	6,436	(28,871)	703,602
Ottawa Trust withdrawal	65,421	-	-	-	65,421
Lands	2,915,825	163,467	40,467	(526,000)	2,593,759
Daycare	34,718	-	-	-	34,718
Water	98,343	32,500	1,500	-	132,343
Member loans	6,220	-	231	-	6,451
Capital	20,000	20,000	-	-	40,000
Emergency planning	2,000	-	-	-	2,000
	\$ 8,507,043	\$ 4,423,290	\$ 246,215	\$ (1,072,871)	\$ 12,103,677

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

## 12. Invested in tangible capital assets:

(a) Investment in tangible capital assets:

	2020	2019
Tangible capital assets	\$ 13,572,851	\$ 10,350,803
Less financed by:		
Term debt	(32,575)	(75,630)
	\$ 13,540,276	\$ 10,275,173

(b) Change in invested in tangible capital assets:

	2020	2019
Balance, beginning of year	\$ 10,275,173	\$ 10,822,591
Acquisition of tangible capital assets	3,775,889	1,063,982
Amortization of tangible capital assets	(552,154)	(441,308)
Net book value of tangible capital assets written down	(1,687)	(16,839)
Net book value of tangible capital assets transferred to GBP (note 5)	-	(1,210,660)
Repayment of term debt	43,055	57,407
Balance, end of year	\$ 13,540,276	\$ 10,275,173

# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 13. Externally restricted surplus:

Trust funds on deposit with ISC consist of the following:

	Beginning balance	Contributions	Interest	Approved Transfers	Ending Balance
Capital	\$ 65,275	\$ -	\$ -	\$ -	\$ 65,275
Revenue	1,623	889	1,069	(2,186)	1,395
	\$ 66,898	\$ 889	\$ 1,069	\$ (2,186)	\$ 66,670

The 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. These funds are restricted in their use, of which aqam is generally permitted to use for a purpose that will promote the general progress and welfare of aqam and aqam members. The management of the funds is primarily governed by the sections of the Indian Act.

### 14. Commitments and contingencies:

#### (a) Contractual commitments:

aqam has an outstanding equipment operating lease with an annual payment of \$7,126 ending February 2022.

aqam has entered into construction agreements for a water cluster system, house renovations and a water main extension, with a remaining commitment of \$1,116,159 as at March 31, 2020.

The total commitments described above for the next two years is as follows:

2021	\$	1,123,286
2022		6,533
	\$	1,129,819

#### (b) Housing loan guarantees:

aqam is contingently liable as a guarantor of housing loans for aqam members of approximately \$150,000 under the BMO on Reserve Residential Mortgage Housing Loan Program.

# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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### 15. Trust funds:

Funds held in trust and administered by aqam, in the amount of \$20,989 (2019 - \$14,952) are not included within the financial statements.

### 16. Related party transactions:

During the year the aq'am had the following transactions with related parties:

- (a) aqam is one of four communities that comprise the Ktunaxa Nation Council. Transactions with the Ktunaxa Nation Council during the year consisted of funding received for various programs of \$173,364 (2019 - \$246,316). All of the identified transactions are recorded in revenue within Ktunaxa Nation Council and other income. Transactions also consisted of administration fees, program costs, and legal fees paid for various services of \$66,339 (2019 - \$95,649). All of the identified transactions are encompassed as expenses within Administration, Elementary School, and National Child Benefit .
- (b) Fees of \$120,283 (2019 - \$117,809) were charged to St. Eugene Mission Resort in relation to a Water Service Agreement signed in 2012, which has been recorded in user fees. Transactions also consisted of costs related to conferences, meetings and hospitality of \$6,046 (2019 - \$14,787). All of the identified transactions are encompassed as expenses within Administration, Lands and Resource Management, Community Services and Language, Culture and Community.
- (c) aqam paid Nupqu Development Limited Partnership \$260,728 (2019 - \$211,951) for fuel treatment and wildfire prevention contracts, which is expensed in Lands and Resource Management, and received \$2,500 (2019 - \$8,079) for water services, which has been recorded in user fees revenue.
- (d) Rent revenue of \$76,312 (2019 - \$72,542) from the Ktunaxa Kinbasket Child and Family Social Services, which has been recorded as rent and lease as well as \$7,829 (2019 - \$12,243) for utility fee reimbursement which has been recorded as an offset to utility expenses, and funding received for various programs of \$32,500.
- (e) aqam paid ATLP \$19,956 (2019 - \$18,408) for fuel and gifts, which has been expensed in Lands and Resource Management, Elementary, Community Services, Capital, Maintenance of Facilities, Administration and Education. aqam received \$25,731 (2019 - \$nil) for various maintenance services, financial and operational support services, property insurance, utilities and advances.
- (f) aqam received \$22,928 (2019 - \$nil) from ACE LP for financial and operational support services, property insurance, commercial liability insurance and utilities. All transactions are recorded in other income and maintenance of facilities.
- (g) aqam received \$95,352 (2019 - \$nil) from ARLP for financial and operational support services, commercial liability insurance and forestry services. All transactions are recorded in other income and maintenance of facilities.

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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## 16. Related party transactions (continued):

- (h) aqam paid Tobacco Plains Indian Band \$63,444 for the Fire Smart project, which has been expensed to Lands and Resource Management.
- (i) aqam received lease revenue of \$13,967 from Tipi Mountain Native Plants Ltd., which has been recorded to rent and lease, as well as \$1,530 for 2019 property tax, which has been recorded to property taxation, net of homeowner's grant. aqam also paid \$6,204 for eco-cultural services, which has been recorded to lands and resource management and community services.

These transactions are in the normal course of operations and are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

## 17. Employee future benefits:

aqam matches employee contributions to a defined contribution plan, which is administered by Great West Life. The total pension expense, representing employer contributions to the plan, for the year was \$95,661 (2019 - \$96,087).

## 18. Financial risks and concentration of risks:

- (a) Credit risk:

Credit risk refers to the risk that counterparty may default on its contractual obligations resulting in a financial loss. As disclosed in note 2, aqam holds its cash with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. Cash equivalents are held in interest bearing cash accounts or money market funds readily convertible to cash.

- (b) Interest rate and cash flow risk:

Interest rate risk relates to the impact of changes in interest rates on aqam's future cash inflows from its investments and future cash outflows on its term debt. aqam's cash and cash equivalents are held in cash or short term money market instruments, accordingly, aqam is not subject to significant interest rate risk in regards to these financial assets.

aqam is subject to interest rate and cash flow risk with respect to its restricted cash and cash equivalents (note 2) and term debt (note 7). For the year ended March 31, 2020, aqam's interest on its term debt was not subject to significant interest rate risk. aqam manages interest rate risk through negotiations with lenders at origination or renewal of loan agreements.



# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

### 18. Financial risks and concentration of risks (continued):

#### (c) Liquidity risk:

Liquidity risk is the risk that aqam will not be able to meet its financial obligations as they become due. For the year ended March 31, 2020, mortgages are secured by ISC or by redirection of ISC funding. aqam monitors the maturity of its financial liabilities and assesses whether it has sufficient cash to settle these financial obligations when due.

aqam is subject to non-financial covenants and restrictions in relation to its term debt. As at March 31, 2020, aqam was in compliance with these covenants and restrictions.

The following table summarizes the contractual maturities of aqam's financial liabilities:

	<b>March 31, 2020</b>			
	On demand	Up to 1 year	Over 1 year	Total
Accounts payable and accrued liabilities	\$ 1,041,948	\$ 50,164	\$ -	\$ 1,092,112
Term debt	-	32,575	-	32,575
Replacement reserves	33,523	-	-	33,523
	\$ 1,075,471	\$ 82,739	\$ -	\$ 1,158,210

	<b>March 31, 2019</b>			
	On demand	Up to 1 year	Over 1 year	Total
Accounts payable and accrued liabilities	\$ 472,987	\$ 50,000	\$ 30,158	\$ 553,145
Term debt	-	43,055	32,575	75,630
Replacement reserves	30,150	-	-	30,150
	\$ 503,137	\$ 93,055	\$ 62,733	\$ 658,925

#### (d) Economic dependence:

aqam receives a major portion of its revenues pursuant to funding agreements with ISC. Any disruption in this funding could have a negative effect on aqam's operations.

# AQAM

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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### 19. Segmented information:

Segmented information has been identified based upon lines of service provided by aqam. aqam's services are provided by departments and its activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed and are summarized below, with activity for the year ended March 31, 2020 summarized in schedule 2.

(a) Administration

Administration provides the functions of corporate administration, finance, human resources, legislative services, and elected officials.

(b) Education

Education is responsible for administering and facilitating education programs such as secondary education, university qualifying credit courses and community education programs.

(c) Elementary School

Elementary school is responsible for administering and facilitating on-reserve education programs and services from kindergarten to grade seven.

(d) Social Development

Social development provides social programs to aqam members.

(e) Maintenance of Facilities

Maintenance of facilities includes funding for and expenses related to the repair and maintenance of aqam's land, community waters systems, roads, equipment, and buildings.

(f) aqamnik Daycare

aqamnik Daycare relates to the operation of a daycare for pre-school aged children under Province of British Columbia licensing.

(g) Community Services

Community services includes salaries and expenses related to the operation of a community health and wellness programs to aqam members.

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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## 19. Segmented information (continued):

(h) St. Eugene Church Restoration Society

St. Eugene Church Restoration Society is a non-profit organization whose primary operation is the maintenance and restoration of the St. Eugene Church.

(i) Taxation

Taxation includes revenues from property tax levies, goods and services tax and funds received from impact benefits and costs related to the administration of the property taxation department.

(j) Lands and Resource Management

Lands and resource management includes revenue and expenses related to the management and planning of aqam's land and resources.

(k) Social Housing Program

The Social Housing Program administers the CMHC program to provide and advocate for secure, affordable housing.

(l) Water System

Water system includes revenue and expenses related to the operation of aqam's Lot 10 water system.

(m) Language, Culture and Community

Language, Culture and Community includes grant and other funding and expenses related to the advancement of aqam's language and culture.

(n) Capital

Member Capital includes grant and other funding and related expenses for the upgrade and addition to aqam's tangible capital assets.

# AQAM

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

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## **19. Segmented information (continued):**

(o) National Child Benefit

National Child Benefit includes grant funding and related expenses specific to ISC's National Child Benefit initiative.

(p) Economic Development

Economic development includes aqam's investments in business enterprises and equity in earnings of business enterprises.

# AQAM

## Schedule 1 - Consolidated Expenses by Object

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Accounting and legal	\$ 134,853	\$ 167,549
Amortization	552,154	441,308
Automotive	37,986	40,241
Bad debts	36,452	5,470
Consulting	44,648	3,990
Education	469,014	372,937
Grants and bursaries (education and other)	313,972	150,946
Honouraria	117,936	120,627
Housing	7,153	8,588
Insurance	62,957	50,784
Interest and bank charges	5,734	5,376
Loss on disposal of tangible capital assets	1,687	16,839
Miscellaneous	52,780	72,431
Programming	889,552	980,544
Repairs and maintenance	554,241	288,436
Replacement reserve	9,487	27,957
FNGST sharing payments	-	20,010
Social health and child benefits	278,273	214,149
Supplies	193,340	152,866
Telephone	14,493	14,407
Training	67,125	34,219
Travel	34,340	45,927
Utilities	156,182	148,640
Wages and benefits	2,744,725	2,541,480
	<b>\$ 6,779,084</b>	<b>\$ 5,925,721</b>

**AQAM**

## Schedule 2 - Segmented Information

Year ended March 31, 2020, with comparative information for 2019

**Year ended March 31, 2020**

	Revenue					Expenses					Surplus (deficit)
	ISC	Other	Equity in earnings (loss) of GBE & GBP	Contributions to (from) Other Programs	Total	Amortization and loss on disposal	Programming	Wages and Benefits	Other	Total	
Administration	\$ 351,638	\$ 4,032,782	\$ -	\$ (577,174)	\$ 3,807,246	\$ -	\$ 36,148	\$ 633,203	\$ 343,892	\$ 1,013,243	\$ 2,794,003
Education	507,797	20,045	-	9,700	537,542	-	5,398	16,959	565,281	587,639	(50,097)
Elementary School	892,505	670,668	-	245,507	1,808,679	-	55,206	830,991	226,867	1,113,063	695,616
Social Development	289,692	14,500	-	7,877	312,069	-	-	46,275	250,040	296,315	15,754
Maintenance of Facilities	364,739	185,548	-	(296,568)	253,719	-	220	296,643	504,993	801,856	(548,136)
aq'amnik Daycare	-	298,148	-	34,000	332,147	-	-	223,214	40,551	263,765	68,382
Community Services	82,450	567,012	-	106,155	755,617	-	95,713	288,063	81,969	465,745	289,872
St. Eugene Church Restoration Society	-	81,178	-	(5,000)	76,178	-	-	-	86,178	86,178	(10,000)
Taxation	-	337,096	-	205,966	543,062	-	-	-	1,882	1,882	541,180
Lands and Resource Management	394,691	1,375,863	-	232,509	2,003,063	-	607,559	352,266	338,385	1,298,210	704,852
Social Housing Program	-	65,973	-	(15,055)	50,918	43,055	-	-	37,973	81,028	(30,110)
Water System	23,609	124,377	-	125,202	273,188	-	-	-	22,785	22,785	250,404
Language, Culture and Community	6,300	170,873	-	(31,700)	145,472	-	89,308	57,112	35,901	182,320	(36,848)
Capital	230,526	3,705,378	-	(42,919)	3,892,986	510,786	-	-	41,497	552,284	3,340,702
National Child Benefit	14,272	-	-	1,500	15,772	-	-	-	12,772	12,772	3,000
Economic Development	-	-	11,766	-	11,766	-	-	-	-	-	11,766
	\$ 3,158,220	\$ 11,649,439	\$ 11,766	\$ -	\$ 14,819,425	\$ 553,841	\$ 889,552	\$ 2,744,725	\$ 2,590,965	\$ 6,779,084	\$ 8,040,341

**AQAM**

## Schedule 2 - Segmented Information

Year ended March 31, 2020, with comparative information for 2019

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**Year ended March 31, 2019**

	Revenue					Expenses					Surplus (deficit)
	ISC	Other	Equity in earnings (loss) of GBE & GBP	Contributions to (from) Other Programs	Total	Amortization and loss on disposal	Programming	Wages and Benefits	Other	Total	
Administration	\$ 374,152	\$ 2,554,112	\$ -	\$ (434,542)	\$ 2,493,722	\$ -	\$ 7,396	\$ 535,683	\$ 277,258	\$ 820,337	\$ 1,673,385
Education	532,303	15,300	-	22,892	570,495	-	15,320	12,952	513,318	541,590	28,905
Elementary School	645,771	576,152	-	113,749	1,335,672	-	18,689	746,652	177,247	942,588	393,084
Social Development	216,102	14,500	-	7,143	237,745	-	-	42,338	167,181	209,519	28,226
Maintenance of Facilities	249,333	175,920	-	(255,174)	170,079	-	20,953	291,290	314,128	626,371	(456,292)
aq'amnik Daycare	-	344,891	-	34,000	378,891	-	-	240,329	32,980	273,309	105,582
Community Services	77,473	510,839	-	107,329	695,641	-	108,971	294,219	100,888	504,078	191,563
St. Eugene Church Restoration Society	-	16,443	-	(5,000)	11,443	-	-	-	21,443	21,443	(10,000)
Taxation	-	369,875	-	301,454	671,329	-	-	-	21,931	21,931	649,398
Lands and Resource Management	478,932	1,548,865	-	190,978	2,218,775	16,839	707,515	339,578	166,930	1,230,862	987,913
Social Housing Program	-	91,270	-	(17,381)	73,889	57,407	-	-	51,243	108,650	(34,761)
Water System	-	123,529	-	119,196	242,725	-	-	-	37,333	37,333	205,392
Language, Culture and Community	-	149,878	-	(14,678)	135,200	-	101,699	38,439	-	140,138	(4,938)
Capital	186,424	478,139	-	(172,902)	491,661	383,901	-	-	37,341	421,242	70,419
National Child Benefit	29,265	442	-	2,936	32,643	-	-	-	26,330	26,330	6,313
Economic Development	-	-	(64,373)	-	(64,373)	-	-	-	-	-	(64,373)
	\$ 2,789,755	\$ 6,970,155	\$ (64,373)	\$ -	\$ 9,695,537	\$ 458,147	\$ 980,543	\$ 2,541,480	\$ 1,945,551	\$ 5,925,721	\$ 3,769,816