



**Shuswap Indian Band**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**March 31, 2019**

---

# **Shuswap Indian Band**

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **INDEX TO STATEMENTS**

---

**For the year ended March 31, 2019**

**Management's Responsibility for Financial Reporting**

**Independent Auditor's Report**

#### **SUMMARY SCHEDULES**

Statement of Financial Position	Statement 1
Statement of Operations	Statement 2
Statement of Change in Net Debt	Statement 3
Statement of Cash Flows	Statement 4
Notes to the Statements	
Operating Fund Statement of Financial Position	Schedule 1
Administration and Governance	Schedule 2
Community Development	Schedule 3
Social Development	Schedule 4
Education	Schedule 5
Lands and Economic Development	Schedule 6
Health	Schedule 7
Public Works	Schedule 8
Territorial	Schedule 9
Housing	Schedule 10
Property Tax	Schedule 11
First Nation GST / FCRSA	Schedule 12
Capital Asset Equity	Schedule 13
Kinbasket Development Corporation Schedule of Financial Position	Schedule 14
Kinbasket Development Corporation Schedule of Income and Equity	Schedule 15
Kinbasket Water & Sewer Company Ltd. Schedule of Financial Position	Schedule 16
Kinbasket Water & Sewer Company Ltd. Schedule of Comprehensive Income	Schedule 17
Kinbasket Property Development Corporation Schedule of Financial Position	Schedule 18
Kinbasket Property Development Corporation Schedule of Comprehensive Income	Schedule 19
Non-Profit Housing Fund Schedule of Financial Position	Schedule 20
Non-Profit Housing Fund Schedule of Individual Program Operations	Schedule 21
Non-Profit Housing Fund Schedule of Program Equities	Schedule 22
Trust Fund Schedule of Financial Position	Schedule 23
Schedule of Changes in Ottawa Trust Funds	Schedule 24

Shuswap Indian Band  
MARCH 31, 2019

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying financial statements of the Shuswap Indian Band and all the information in this annual report are the responsibility of Chief and Council and have been approved by the Chief and Council.

The financial statements have been prepared in conformity with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants and where appropriate, includes certain amounts based on management's best 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 financial statements are presented fairly, in all material respects.

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

The Shuswap Indian Band Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Chief and Council reviewed the Shuswap Indian Band's financial statements and recommends their approval. The management meets periodically with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issued, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Chief and Council also considers the engagement of the external auditors.

The financial information have been audited by Ribeyre Chang Haylock, Chartered Professional Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the members. Ribeyre Chang Haylock has full and free access to Management.

  
\_\_\_\_\_  
Chief  
\_\_\_\_\_  
Councilor

## **INDEPENDENT AUDITOR'S REPORT**

To: The Members of Shuswap Indian Band

### **Report on the Audit of the Consolidated Financial Statements**

We have audited the consolidated financial statements of Shuswap Indian Band, which comprise the consolidated statement of financial position as at March 31, 2019 and March 31, 2018, and the consolidated statements of income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Shuswap Indian Band as at March 31, 2019 and March 31, 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

### **Qualified Opinion**

Except as noted in the below paragraphs, in our opinion, the financial statements present fairly, in all material respects, the financial position of Shuswap Indian Band as at March 31, 2019 and March 31, 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

### **Basis for Qualified Opinion**

Financial information for advances to related Nation entities for the year ending March 31, 2019 was not available at the audit report date, and as a result, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves with respect to these balances included on the consolidated statement of financial position for the year ended March 31, 2019.



Included in advances to related Nation entities is a balance of \$600,000 from an unrelated third party that may not be collectable. We were unable to determine if the amount is collectable based on information provided. We were unable to determine whether adjustments to advances to related Nation entities, investment in Nation business entities, earnings from investment in Nation business entities, and accumulated surplus were necessary.

Included in tangible capital assets is sub-leased land rights that are carried at fair value which is not in accordance with Canadian public sector accounting standards. We were unable to determine whether adjustments to tangible capital assets and accumulated surplus were necessary.

Deferred revenue includes adjustments related to an appraisal increase in sub-leased land rights of \$2,484,540 which is not in accordance with Canadian public sector accounting standards. We were unable to determine whether adjustments to deferred revenue and accumulated surplus were necessary.

Shuswap Indian Band did not prepare an approved budget for the year ended March 31, 2019. Canadian public sector accounting standards requires the approved budget to be presented in the consolidated statements of operations and accumulated surplus and changes in net debt.

#### **Other Matter**

The prior year's financial information was audited by another Chartered Professional Accountant.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity'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 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 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 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 Entity'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 Entity'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 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 Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, super-vision 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Aaron Keetley, CPA, CA, CMA.

Port Coquitlam, B.C.  
**November 28, 2019**

  
Chartered Professional Accountants



# Shuswap Indian Band

## SUMMARY STATEMENT OF FINANCIAL POSITION

As at March 31, 2019

Statement 1

	Note	2019	2018 <i>Restated</i>
<b>Financial assets</b>			
Cash	3	3,941,904	2,578,234
Accounts receivable	4	1,185,223	769,647
Advances to related nation entities	5	538,133	516,104
Investment in nation business entities	6	727,571	823,742
Investment in All Nations Trust Company		1,000	1,000
Trust moneys	7	435,237	420,816
		<b>6,829,068</b>	<b>5,109,543</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities		915,628	340,469
Deferred revenue	8	11,200,808	11,420,829
Long-term debt	9	628,999	578,178
		<b>12,745,435</b>	<b>12,339,476</b>
<b>Net debt</b>		<b>(5,916,367)</b>	<b>(7,229,933)</b>
<b>Non-financial assets</b>			
Tangible capital assets	10	11,844,163	12,024,234
Prepaid expenses		32,416	-
<b>Total non-financial assets</b>		<b>11,876,579</b>	<b>12,024,234</b>
<b>Accumulated surplus</b>	11	<b>\$ 5,960,212</b>	<b>\$ 4,794,301</b>
<b>Contingent Liabilities</b>	12		

See accompanying notes

  
Chief Councillor

  
Councillor



# Shuswap Indian Band

## SUMMARY STATEMENT OF OPERATIONS

For the year ended March 31, 2019			Statement 2
	2019 Budget	2019 Actual	2018 Actual <i>Restated</i>
<b>Revenue</b>			
Indigenous Services Canada	\$ 1,080,023	1,080,023	1,192,450
Canada Mortgage and Housing Corporation	-	261,243	258,791
First Nations Health Authority	353,311	353,311	297,830
Kinbasket Development Corporation	-	262,253	275,810
Kinbasket Water and Sewer Corporation	-	607,625	635,883
Province of British Columbia	-	2,536,005	1,987,156
Property taxes	-	691,316	709,693
Rental and leasing	-	90,063	(896)
Interest on trust moneys	-	1,826	-
Miscellaneous income		955,493	1,442,426
	<b>1,433,334</b>	<b>6,839,158</b>	6,799,143
<b>Expenses</b>			
Administration and Governance	-	1,265,615	956,771
Community Development	-	122,254	181,729
Education	-	344,564	224,990
First Nations GST/FCRSA	-	119,417	116,667
Health	-	367,892	301,413
Housing	-	288,802	(91,374)
Lands and Economic Development	-	270,981	645,221
Property Tax	-	432,420	550,856
Public Works	-	136,723	214,045
Social Development	-	244,051	495,779
Territorial Stewardship	-	1,164,358	1,051,897
Depreciation of Capital Fund Assets	-	70,335	71,915
Kinbasket Development Corporation	-	196,937	124,468
Kinbasket Water and Sewer Corporation	-	599,826	368,770
Kinbasket Property Development Corporation	-	6,896	32,619
CMHC Section 96 Housing	-	17,751	-
Unallocated expenditures	-	-	(952,419)
	-	<b>5,648,822</b>	4,293,347
<b>Annual surplus</b>		<b>1,190,336</b>	2,505,796
Accumulated surplus, beginning of year as previously stated		4,249,799	2,283,938
Prior period adjustment - Note 17		544,502	-
<b>Accumulated surplus, beginning of year as restated</b>		<b>4,794,301</b>	2,283,938
<b>Recoveries</b>		<b>(24,425)</b>	4,567
<b>Accumulated surplus, end of year</b>		<b>\$ 5,960,212</b>	\$4,794,301

See accompanying notes

# Shuswap Indian Band

## SUMMARY STATEMENT OF NET DEBT

For the year ended March 31, 2019

Statement 3

	2019 Budget	2019	2018 <i>Restated</i>
<b>Annual surplus</b>	\$ -	\$ 1,190,336	\$ 2,505,796
<b>Recoveries in the year</b>	(24,425)	(24,425)	4,567
	(24,425)	1,165,911	2,510,363
<b>Changes in tangible capital assets</b>			
Acquisition of tangible capital assets	(81,746)	(81,746)	(759,204)
Amortization of tangible capital assets	261,817	261,817	243,713
	180,071	180,071	(515,491)
<b>Changes in other non-financial assets</b>			
Prepaid expenses and deposits	(32,416)	(32,416)	-
	(32,416)	(32,416)	-
<b>Decrease in net debt</b>		1,313,566	1,994,872
<b>Net debt at beginning of year as previously stated</b>		(7,774,435)	(9,224,805)
<b>Prior Period Adjustment - Note 17</b>		544,502	-
<b>Net debt at beginning of year as restated</b>		(7,229,933)	(9,224,805)
<b>Net debt at end of year</b>		\$ (5,916,367)	\$ (7,229,933)

See accompanying notes

# Shuswap Indian Band

## SCHEDULE OF CASH FLOW

For the year ended March 31, 2019

Statement 4

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Revenue received	\$ 6,189,140	\$ 6,303,040
Expenses paid	(4,855,510)	(4,208,704)
Interest paid on long-term debt	(13,177)	-
<b>Cash provided by operating activities</b>	<b>1,320,453</b>	<b>2,094,336</b>
<b>INVESTING ACTIVITIES</b>		
Advances to related Nation entities	(22,029)	(53,853)
Advances from government business enterprises	96,171	(823,742)
Purchase and construction of capital assets	(81,746)	(759,204)
<b>Cash used in investing activities</b>	<b>(7,604)</b>	<b>(1,636,799)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds of long-term debt	64,900	578,178
Repayment of long-term debt	(14,079)	-
<b>Cash used in financing activities</b>	<b>50,821</b>	<b>578,178</b>
Increase in cash during the year	1,363,670	1,035,715
Cash, beginning of year	2,578,234	1,542,519
<b>Cash, end of year</b>	<b>\$ 3,941,904</b>	<b>\$ 2,578,234</b>

See accompanying notes

---

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

---

**March 31, 2019**

**See Auditor's Report**

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

#### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

These Summary Financial Statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the CICPA Public Sector Accounting and Auditing Handbook, which encompasses the following principles.

##### **a) Reporting entity**

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities. Trusts administered on behalf of third parties by Shuswap Indian Band are excluded from the First Nation reporting entity.

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

- Kinbasket Development Corporation
- Kinbasket Property Development Corporation
- Kinbasket Water and Sewer Company Ltd.

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.

Shuswap Indian Band business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation'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:

- SEM Holdings Ltd. - 20%
- Pelltiq't Energy Group Ltd. - 25%

##### **b) 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.

---

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

---

March 31, 2019

See Auditor's Report

**c) Use of estimates**

The preparation of schedules in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the schedules and reported amounts of revenues and expenditures during the reported period. Actual results could differ from the estimates.

**d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

**e) Revenue recognition**

*Government Funding*

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

*First Nation Capital and Revenue Trust Funds*

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

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

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

*Rental Income*

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

*Own Source Revenue*

Revenues are recognized in the period in which the transaction or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

*Investment income*

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

*Other*

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

---

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

---

March 31, 2019

See Auditor's Report

**f) Trust funds**

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds. The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds are primarily governed by Sections 63 to 69 of the Indian Act.

**g) Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the assets.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital assets and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and the First Nation's incremental cost of borrowing.

All intangibles, and items inherited by right of the Nation, such as reserve lands, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements.

Tangible capital assets are depreciated annually using the following methods at rates intended to depreciate the cost of the assets over their estimated useful lives. Land and work-in-progress are not depreciated. In the year of acquisition, depreciation is taken at one-half the rates.

Buildings	declining balance	5 %
Office & school equipment	declining balance	25 %
Social housing buildings	declining balance	5 %
Water system	declining balance	5 %
Leasehold improvements	straight-line	5 years
Roads	straight-line	40 years
Land lease	straight-line	99 years
Water and sewer system	declining balance	1.15 %

The Band performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in operations for the year.

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

---

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

---

March 31, 2019

See Auditor's Report

**g) Tangible capital assets (continued)**

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not depreciated until the asset is available to be put into service.

**h) Financial instruments**

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, money held in trust, and any other items elected by the Band to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, 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.

The Band's financial instruments consist of cash and cash equivalents, accounts receivable, due from and to related entities, funds held in trust, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, it is management's opinion that the Band is not exposed to significant interest, credit or currency risks arising from these financial instruments and the fair value of these financial instruments approximates their carrying values.

**i) Net debt**

The Band's consolidated financial statements are presented so as to highlight net debt as the measurement of consolidated financial position. The net debt of the Band is determined by its financial assets less its liabilities.

**j) 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.



# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

March 31, 2019

See Auditor's Report

#### k) Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Band is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the First Nation 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 First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2019, no liability for contaminated site exists.

## 2. ECONOMIC DEPENDENCE

The Shuswap Indian Band receives major portions of its revenue pursuant to funding arrangements with Indigenous Services Canada, First Nations Health Authority and the Province of British Columbia.

## 3. CASH AND CASH EQUIVALENTS

### Banking facilities:

The Band has an unused facility arrangement with Bank of Montreal secured by a general security agreement and band council resolution. The facility includes:

- i) \$1,000,000 non borrowing guarantee
- ii) \$200,000 On Reserve Housing Loan Program for renovations

## 4. ACCOUNTS RECEIVABLE

	2019	2018
Canada Mortgage and Housing Corporation	\$ 66,761	\$ 479,088
Property taxes receivable	173,616	197,170
Indigenous Services Canada	9,792	28,845
Province of BC	674,319	-
Water and sewer services receivable	-	41,600
Goods and services tax receivable	17,267	17,694
Rent receivable	-	5,250
Due from others	255,202	-
	1,196,956	769,647
Allowance for doubtful accounts	(11,733)	-
	<b>\$ 1,185,223</b>	<b>\$ 769,647</b>

---

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

---

March 31, 2019

See Auditor's Report

#### 5. ADVANCES TO RELATED NATION ENTITIES

Advances to related First Nation entities are unsecured, non-interest bearing and due on demand. These entities are related by virtue of joint control by the Band.

#### 6. INVESTMENT IN NATION BUSINESS ENTITIES

The Band's investment in Nation business entities consist of the following:

	2019	2018
SEM Holdings Ltd.	\$ 727,531	\$ 823,112
Pelltiq't Energy Group Ltd.	-	599
Investment in North Rock Holdings	40	40
	<b>\$ 727,571</b>	<b>\$ 823,751</b>

The financial information for SEM Holdings Ltd. For the years ended March 31, 2019 and March 31, 2018 are not audited. The financial results have been recorded in the consolidated financial statements using the modified equity method in accordance with Canadian public sector accounting standards.

The financial information for North Rock Holdings is not available.

#### 7. TRUST MONEYS

	2019	2018
Ottawa Trust	\$ 12,591	\$ 10,765
Ministry of Transportation and Infrastructure - Highway 93/95	416,199	410,051
	<b>\$ 428,790</b>	<b>\$ 420,816</b>

The Ottawa Trust accounts arise from moneys 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.

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

March 31, 2019

See Auditor's Report

#### 8. DEFERRED REVENUE

	Balance, beginning of year	Contributions received	Amortization	Balance, end of year
<b>Kinbasket Development Corporation</b>				
Land lease revenue	\$ 6,351,000	\$ -	\$ 81,869	\$ 6,269,131
Appraisal increase: sub-leased land	2,517,231	-	32,691	2,484,540
<b>Kinbasket Water &amp; Sewer Company</b>				
Land lease revenue	2,099,184	-	27,047	2,072,137
Unamortized capital allocations	390,000	-	15,000	375,000
<b>Shuswap Indian Band</b>				
On-Reserve Residential Rehabilitation Assistance Program	60,341	175,978	236,319	-
Unearned lease revenue	3,073	-	3,073	-
	<b>\$ 11,420,829</b>	<b>\$ 175,978</b>	<b>\$ 395,999</b>	<b>\$ 11,200,808</b>

#### 9. LONG-TERM DEBT

	2019	2018
All Nations Trust - Mortgage payable with payments of \$2,880.77 per month including interest at 2.5% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on May 1, 2043 and renewal on June 1, 2023.	\$ 628,999	\$ 578,178

Future principal payments for subsequent years are as follows:

2020	19,143
2021	19,624
2022	20,118
2023	20,624
2024	549,490
	<b>\$ 628,999</b>

**Shuswap Indian Band**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2019

See Auditor's Report

**10. TANGIBLE CAPITAL ASSETS**

	2019								2018	
	Beginning Cost	Additions	Disposal	Ending Cost	Beginning Accumulated Depreciation	Depreciation	Disposals	Ending Accumulated Depreciation	Net Book Value	Net Book Value
Buildings	\$ 2,570,978	\$ 916,290	\$ -	\$ 3,487,268	\$ 1,473,608	\$ 68,948	\$ -	\$ 1,542,556	\$ 1,944,712	\$ 1,097,370
Equipment	283,130	6,604	-	289,734	258,569	6,862	-	265,431	24,303	24,561
Water and sewer systems	5,062,153	-	-	5,062,123	1,420,660	62,252	-	1,482,912	3,579,211	3,641,493
Leasehold improvements	86,228	-	-	86,228	48,592	17,246	-	65,838	20,390	37,636
Roads	1,579,738	-	-	1,579,738	594,373	39,493	-	633,866	945,872	985,365
Land leases	6,028,697	-	-	6,028,697	800,792	66,986	-	867,778	5,160,919	5,227,905
Assets under construction	841,148	-	(841,148)	-	-	-	-	-	-	841,148
	16,452,072	922,894	(841,148)	16,533,788	4,596,594	261,787	-	4,858,381	11,675,407	11,855,478
Land	168,756	-	-	168,756	-	-	-	-	168,756	168,756
Total	\$ 16,620,828	\$ 922,894	\$ (841,148)	\$ 16,702,544	\$ 4,596,594	\$ 261,787	\$ -	\$ 4,858,381	\$ 11,844,163	\$ 12,024,234

---

**Shuswap Indian Band**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTES TO STATEMENTS**

**March 31, 2019**

**See Auditor's Report**

**11. ACCUMULATED SURPLUS**

Accumulated surplus is comprised of the following:

	2019	2018
Equity in tangible capital assets	\$ 11,215,175	\$ 11,215,175
Equity in trust funds	428,790	428,790
Investment in Nation business entities	1,266,704	1,266,704
Deficit in operating fund	(6,950,457)	(8,116,368)
	<b>\$ 5,960,212</b>	<b>\$ 4,794,301</b>

**12. CONTINGENT LIABILITIES**

The Band is in dispute with Shuswap Woodlands Restoration Ltd. over forestry services provided by Shuswap Woodlands Restoration Ltd. to the Shuswap Indian Band and its business entities. The amount in dispute is \$249,746. Management is unable to determine at this time if this amount will be payable in the future. Due to uncertainty, the amount has not been accrued in the consolidated financial statements.

These consolidated financial statements are subject to review by the Band's funding agents. It is possible that adjustments could be made based on the results of their reviews.

**13. BUDGET INFORMATION**

Budgeted figures are unaudited and have been derived from the estimates approved by the Chief and Council for comparison purposes. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determinable.

**14. RELATED PARTY TRANSACTIONS**

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.

**15. COMPARATIVE AMOUNTS**

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

# Shuswap Indian Band

## CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO STATEMENTS

March 31, 2019

See Auditor's Report

#### 16. FINANCIAL INSTRUMENTS

##### *Risk management policy*

Shuswap Indian Band is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2019.

##### *Credit risk*

The carrying value of the Band's main financial assets represents the maximum credit risk to which the band is exposed.

##### *Liquidity risk*

Shuswap Indian Band considers that it has sufficient credit facilities to ensure that funds are available to meet its current and long-term financial needs, at a reasonable cost.

##### *Market risk*

Shuswap Indian Band is exposed to interest rate risk on its fixed-interest and variable-interest financial instruments. Fixed-interest instruments subject the band to a fair value risk while the variable-interest instruments subject it to a cash flow risk.

The following table summarizes the contractual maturities of the financial liabilities as at March 31, 2019.

	Carrying Amount	Contractual cash flows	Within 1 year	2 to 5 years	Subsequent
Accounts payable and accrued expenses	\$ 909,181	\$ 909,181	\$ 909,181	\$ -	\$ -
Long-term debt	628,999	691,173	34,569	656,603	-
	<b>\$ 1,538,180</b>	<b>\$ 1,600,354</b>	<b>\$ 943,750</b>	<b>\$ 656,603</b>	<b>\$ -</b>

#### 17. PRIOR PERIOD ADJUSTMENT

Subsequent to the release of the 2018 audited Shuswap First Nation Consolidated Financial Statements, the value of an investment in government business enterprises was determined to be materially understated in the prior year. A summary of changes is as follows.

	2018 As previously stated	Changes	2018 As restated
<b>Assets</b>			
Investment in government business enterprises	279,240	544,502	823,742
<b>Net debt</b>	4,249,799	544,502	4,794,301
<b>Accumulated surplus</b>	\$ 4,249,799	\$ 544,502	\$ 4,794,301

**Shuswap Indian Band**  
**OPERATING FUND**  
**SCHEDULE OF FINANCIAL POSITION**  
Schedule 1

For the year ended March 31, 2019

See Audit Report

	2019	2018 <i>Restated</i>
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 3,661,693	\$ 2,335,645
Accounts receivable	1,029,311	705,103
Prepaid expenses	32,416	-
	<b>4,723,420</b>	3,040,748
Long term investments	728,540	824,711
Due from Kinbasket Water & Sewer Corporation	1,192,927	1,210,079
Due from Kinbasket Development Corporation	689,495	656,085
Due from KDC Holdings Ltd.	4,896	-
Funds held in trust - Highway 3	416,199	410,051
Funds held in trust	6,447	-
Fixed assets - net	1,098,450	1,162,181
	<b>\$ 8,860,374</b>	<b>\$ 7,303,855</b>

**LIABILITIES AND MEMBERS' EQUITY**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 894,829	\$ 327,058
Due to Non-Profit Housing Fund	11,421	-
Deferred revenue	-	63,415
	<b>906,250</b>	390,473
<b>Members' equity</b>		
Unrestricted, at beginning of year - as previously stated	5,206,698	3,596,810
Prior period adjustment	544,502	-
	<b>5,751,200</b>	3,596,810
Unrestricted, at beginning of year - as restated	5,751,200	3,596,810
Net change in unrestricted equity for the year	1,104,473	2,154,390
	<b>6,855,673</b>	5,751,200
Unrestricted equity, at end of year	6,855,673	5,751,200
Restricted	1,098,451	1,162,182
	<b>\$ 8,860,374</b>	<b>\$ 7,303,855</b>



**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**ADMINISTRATION AND GOVERNANCE**

Schedule 2

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada			
Band support	\$ 274,385	\$ 274,385	\$ 328,697
Columbia Basin Trust	-	5,000	-
Province of BC	-	2,000	-
Grants and contributions	-	-	115,690
Business entites	-	-	278,610
Administration fees	-	305,348	(99,689)
Other revenue	-	14,734	3,389
	<b>274,385</b>	<b>601,467</b>	<b>626,697</b>
<b>Expenditures</b>			
Advertising	-	4,311	5,850
Bad Debt Expense	-	11,733	-
Bank charges and interest	-	6,856	6,198
Community Support and Wellness	-	17,883	(205,944)
Contractors	-	16,711	41,952
Council expenses	-	6,662	-
Honoraria	-	186,332	221,538
Insurance	-	15,625	18,207
Interest on long term debt	-	-	(1,396)
Office and other	-	13,409	5,038
Professional fees	-	343,915	69,599
Repairs and maintenance	-	53,669	59,201
Supplies	-	(5,662)	50,575
Telephone	-	28,292	22,960
Training	-	835	-
Travel	-	37,681	3,431
Utilities	-	2,063	8,939
Wages and benefits	-	544,239	615,731
Workshops	-	11,738	34,892
	-	<b>1,296,292</b>	<b>956,771</b>
<b>Annual deficit before transfers</b>	<b>274,385</b>	<b>(694,825)</b>	<b>(330,074)</b>
(Recoveries) reimbursements		<b>(24,425)</b>	<b>9,336</b>
Transfers - net		-	763,861
<b>Annual (deficit) surplus</b>		<b>\$ (719,250)</b>	<b>\$ 443,123</b>

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**COMMUNITY DEVELOPMENT**

Schedule 3

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada	\$ -	\$ -	\$ 63,900
Columbia Basin Trust	-	9,000	39,225
Grants and contributions	-	60,067	20,500
Other	-	1,707	-
	-	70,774	123,625
<b>Expenditures</b>			
Administration fees	-	-	11,750
Advertising	-	1,413	-
Community Support and Wellness	-	91,875	41,230
Contractors	-	-	40,859
Council expenses	-	1,288	26,307
Office and other	-	2,638	4,581
Professional fees	-	-	5,367
Travel	-	5,393	(15,024)
Wages and benefits	-	19,647	66,659
	-	122,254	181,729
<b>Annual deficit before transfers</b>	-	(51,480)	(58,104)
Recoveries		-	-
Transfers - net		-	93,225
<b>Annual (deficit) surplus</b>		\$ (51,480)	\$ 35,121

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**SOCIAL DEVELOPMENT**

Schedule 4

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada			
Basic needs	\$ 112,303	\$ 112,303	\$ 118,700
Basic needs - audit reimbursement	6,768	6,768	-
Employment and training	27,890	27,890	27,890
In-home care	12,407	12,407	12,630
Prevention projects	2,425	2,425	2,424
Service delivery (NP8R, NPC7)	57,422	57,422	62,945
Special needs	6,008	6,008	10,337
Province of BC	-	30,000	30,000
	<b>225,223</b>	<b>255,223</b>	<b>264,926</b>
<b>Expenditures</b>			
Administration fees	-	505	9,230
Burials	-	5,684	-
Community Support and Wellness	-	20,167	-
Food Bank	-	3,212	-
Honoraria	-	175	-
Office and other	-	19,804	20,079
Rent	-	23,517	10,295
Social Assistance	-	98,494	355,843
Supplies	-	5,353	37,394
Travel	-	-	1,288
Tuition	-	6,060	-
Wages and benefits	-	57,098	61,650
Workshops	-	4,487	-
	-	<b>244,556</b>	<b>495,779</b>
<b>Annual surplus (deficit) before transfers</b>	<b>225,223</b>	<b>10,667</b>	<b>(230,853)</b>
Recoveries		-	-
Transfers - net		-	1,035
<b>Annual surplus (deficit)</b>		<b>\$ 10,667</b>	<b>\$ (229,818)</b>

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**EDUCATION**

Schedule 5

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada			
Ancillary support	\$ 4,879	\$ 4,879	\$ 4,592
Financial assistance allowances	1,436	1,436	1,724
Guidance and counselling	3,043	3,043	2,864
Post secondary	156,732	156,732	147,949
Comp education support - Prov	3,757	3,757	3,536
First Nation Education Steering Committee	-	14,305	8,254
New Relationship Trust	-	5,000	-
Grants and contributions	-	-	1,769
	<b>169,847</b>	<b>189,152</b>	<b>170,688</b>
<b>Expenditures</b>			
Administration fees	-	-	15,434
Contractors	-	2,160	415
Office and other	-	798	1,641
Supplies	-	4,800	-
Training	-	2,759	(1,321)
Travel	-	-	618
Tuition	-	302,256	141,751
Wages and benefits	-	28,473	66,452
Workshops	-	3,318	-
	-	<b>344,564</b>	<b>224,990</b>
<b>Annual deficit before transfers</b>	<b>169,847</b>	<b>(155,412)</b>	<b>(54,302)</b>
Recoveries		-	-
Transfers - net		-	27,974
<b>Annual deficit</b>		<b>\$ (155,412)</b>	<b>\$ (26,328)</b>

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**LANDS AND ECONOMIC DEVELOPMENT**

Schedule 6

For the year ended March 31, 2019	See Audit Report		
	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada			
Non-block allocation	\$ 23,608	\$ 23,608	\$ -
Lands management operational support	272,259	272,259	150,473
Emergency preparedness	9,792	9,792	-
Columbia Basin Trust	-	-	30,000
Other	-	68,335	2,035
First Nations Emergency Services	-	6,660	-
Rental	-	65,670	-
Province of BC	-	441	141,491
Grants and Contributions	-	49,104	15,493
Economic Development	-	9,585	61,403
	<b>305,659</b>	<b>505,454</b>	<b>400,895</b>
<b>Expenditures</b>			
Administration fees	-	41,250	20,296
Advertising	-	4,755	-
Community Support and Wellness	-	451	2,795
Contractors	-	32,364	102,403
Equipment lease	-	6,407	-
Equipment purchases	-	-	1,500
Honoraria	-	-	1,500
Licenses and dues	-	145	-
Materials	-	18,442	133,869
Office and other	-	2,023	1,976
Professional fees	-	74,141	55,592
Repairs and maintenance	-	13,683	-
Training	-	1,865	-
Travel	-	821	3,752
Utilities	-	4,805	-
Wages and benefits	-	111,079	321,538
	-	<b>312,231</b>	<b>645,221</b>
<b>Annual surplus (deficit) before transfers</b>	<b>305,659</b>	<b>193,223</b>	<b>(244,326)</b>
Recovery		-	(4,769)
Transfers - net		-	(23,091)
<b>Annual surplus (deficit)</b>		<b>\$ 193,223</b>	<b>\$ (272,186)</b>

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**HEALTH**  
Schedule 7

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
First Nations Health Authority	\$ 353,311	\$ 353,311	\$ 297,830
Shuswap Nation Tribal Council	-	9,222	-
Other	-	4,636	6,779
	<b>353,311</b>	<b>367,169</b>	<b>304,609</b>
<b>Expenditures</b>			
Administration fees	-	13,927	32,184
Community Support and Wellness	-	88,429	62,273
Contractors	-	46,836	32,547
Food Bank	-	7,227	-
Materials	-	11,705	(4,168)
Medical Supplies	-	1,396	3,114
Office and other	-	2,371	-
Patient Travel	-	45,145	31,297
Training	-	2,128	1,804
Travel	-	12,292	4,314
Tuition	-	6,996	2,647
Wages and benefits	-	108,717	104,461
Workshops	-	31,445	30,940
Youth Activities	-	3,205	-
	<b>-</b>	<b>381,819</b>	<b>301,413</b>
<b>Annual (deficit) surplus before transfers</b>	<b>353,311</b>	<b>(14,650)</b>	<b>3,196</b>
Transfers - net		-	-
<b>Annual (deficit) surplus</b>		<b>\$ (14,650)</b>	<b>\$ 3,196</b>

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**PUBLIC WORKS**

Schedule 8

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada			
Community buildings	\$ 11,840	\$ 11,840	\$ 11,522
Municipal services	17,433	17,433	16,021
Roads and bridges	32,656	32,656	31,827
Training - fire protection	3,240	3,240	3,240
Wastewater systems	547	547	529
Water systems	39,193	39,193	38,058
Other	-	1,197	-
	<b>104,909</b>	<b>106,106</b>	<b>101,197</b>
<b>Expenditures</b>			
Administration fees	-	7,350	3,398
Contractors	-	6,136	4,998
Licenses and dues	-	8,210	-
Maintenance - Public Works	-	10,025	130,899
Materials	-	25,784	3,375
Office and other	-	-	611
Repairs and maintenance	-	29,090	-
Wages and benefits	-	57,478	70,764
	-	<b>144,073</b>	<b>214,045</b>
<b>Annual deficit before transfers</b>	<b>104,909</b>	<b>(37,967)</b>	<b>(112,848)</b>
Transfers - net		-	-
<b>Annual deficit</b>		<b>\$ (37,967)</b>	<b>\$ (112,848)</b>



# Shuswap Indian Band

## SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS TERRITORIAL

Schedule 9

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual <i>Restated</i>
<b>Revenue</b>			
Province of BC	\$ -	\$ 1,749,398	\$ 773,883
Columbia Basin Trust	-	5,000	-
Grants and Contributions	-	132,518	65,883
BC Hydro	-	4,372	115,039
Other Revenue	-	101,741	550,878
Donations	-	-	-
	-	1,993,029	1,505,683
<b>Expenditures</b>			
Administration fees	-	175,168	370,795
Contractors	-	640,275	212,661
Council expenses	-	310	(7,814)
Honoraria	-	2,000	(6,259)
Materials	-	9,613	(532,380)
Office and other	-	33,880	3,406
Professional fees	-	17,641	-
Telephone	-	2,250	-
Training	-	7,667	1,859
Travel	-	96,656	11,034
Wages and benefits	-	354,066	998,595
	-	1,339,526	1,051,897
<b>Annual surplus before transfers</b>	-	653,503	453,786
Recovery		-	-
Transfers - net		-	158,310
<b>Annual surplus</b>		\$ 653,503	\$ 612,096

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**HOUSING**

Schedule 10

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Indigenous Services Canada	\$ -	\$ -	\$ 152,592
Canada Mortgage and Housing Corporation	-	236,319	258,791
Coulumbia Basin Trust	-	10,000	-
Rental	-	3,293	-
	-	249,612	411,383
<b>Expenditures</b>			
Honoraria	-	-	6,900
Insurance	-	16,170	12,049
Materials	-	205,432	302,813
Office and other	-	(348)	502
Repairs and maintenance	-	7,972	(464,966)
Travel	-	-	1,425
Utilities	-	4,326	-
Wages and benefits	-	55,250	49,903
	-	288,802	(91,374)
<b>Annual (deficit) surplus before transfers</b>	-	(39,190)	502,757
Transfers - net		-	141,765
<b>Annual (deficit) surplus</b>		\$ (39,190)	\$ 644,522

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**PROPERTY TAX**

Schedule 11

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Other	\$ -	\$ (30,214)	\$ (34,888)
Property taxes	-	681,731	648,290
	-	651,517	613,402
<b>Expenditures</b>			
Administration fees	-	39,375	130,355
Community Support and Wellness	-	15,472	-
Contractors	-	168,732	136,087
Council expenses	-	15,711	-
Maintenance - Public Works	-	68,196	(19,000)
Materials	-	42,266	284,414
Office and other	-	5,781	-
Travel	-	7,122	-
Wages and benefits	-	109,140	19,000
	-	471,795	550,856
<b>Annual surplus before transfers</b>	-	179,722	62,546
Transfers - net		-	46,333
<b>Annual surplus</b>		\$ 179,722	\$ 108,879

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**FIRST NATION GST / FCRSA**

Schedule 12

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Other	\$ -	\$ 494,155	\$ 352,004
Province of BC	-	734,861	970,289
Interest	-	9,702	-
	-	1,238,718	1,322,293
<b>Expenditures</b>			
Administration fees	-	27,390	-
Community Support and Wellness	-	61,400	57,700
Donations	-	37,064	58,967
Honoraria	-	900	-
Office and other	-	880	-
Professional fees	-	19,173	-
	-	146,807	116,667
<b>Annual surplus before transfers</b>	-	1,091,911	1,205,626
Transfers - net		-	(256,993)
<b>Annual surplus</b>		\$ 1,091,911	\$ 948,633

---

**Shuswap Indian Band**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**  
**CAPITAL ASSET EQUITY**

Schedule 13

---

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual	2018 Actual (Restated)
<b>Balance at beginning of year</b>	\$ -	\$ 1,162,182	\$ 1,227,297
<b>Additions:</b>			
Construction and equipment acquisition	-	6,604	6,800
	-	6,604	6,800
<b>Deductions:</b>			
Depreciation of capital assets	-	(70,335)	(71,915)
	-	(70,335)	(71,915)
<b>Balance at end of year</b>	\$ -	\$ 1,098,451	\$ 1,162,182

**Kinbasket Development Corporation**  
**SCHEDULE OF FINANCIAL POSITION**  
Schedule 14

As at March 31, 2019

See Review Engagement Report

	2019	2018
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 19,071	\$ 31,325
Accounts receivable	90,384	5,250
Government balances recoverable	3,098	2,747
Advances to Columbia River Properties Ltd.	600,000	600,000
Advances to Kinbasket Property Development Corporation	172,827	172,827
Advances to Kinbasket Water and Sewer Company Ltd.	1,160,766	1,191,548
	<b>2,046,146</b>	2,003,697
Fixed assets	1,706	2,133
Rights to sub-leased land	3,809,808	3,859,016
	<b>5,857,660</b>	5,864,846

**LIABILITIES AND SHAREHOLDER'S EQUITY**

<b>Current</b>		
Accounts payable	\$ 5,426	\$ 7,436
Advances from Shuswap Indian Band	689,495	656,085
Advances from North Rock Holdings Ltd.	316,377	338,408
Current portion of long-term debt	81,869	82,512
	<b>1,093,167</b>	1,084,441
Deferred land lease revenue	<b>6,187,262</b>	6,268,488
	<b>7,280,429</b>	7,352,929
<b>Equity</b>		
Common shares	3	3
Deficit	(1,422,772)	(1,488,086)
	<b>(1,422,769)</b>	(1,488,083)
	<b>\$ 5,857,660</b>	\$ 5,864,846

---

**Kinbasket Development Corporation**  
**SCHEDULE OF INCOME AND EQUITY**  
Schedule 15

---

For the year ended March 31, 2019

See Review Engagement Report

	2019	2018
<b>Revenue</b>		
Amortization of deferred land lease revenue	\$ 81,869	\$ 82,512
Forestry services	112,500	102,498
Land lease	57,884	80,800
Rent	10,000	10,000
	<b>262,253</b>	<b>275,810</b>
<b>Expenses</b>		
Amortization	49,635	50,122
Bad debts	5,250	-
Interest and bank charges	95	76
Licenses and dues	43	-
Office and other	406	1,040
Professional fees	126,664	44,500
Rent	4,139	7,898
Repairs and maintenance	3,900	1,440
Utilities	6,805	19,392
	<b>196,937</b>	<b>124,468</b>
<b>Net income for the year</b>	<b>65,316</b>	<b>151,342</b>
Deficit at beginning of year	(1,488,088)	(1,639,428)
Deficit at end of year	<b>\$ (1,422,772)</b>	<b>\$ (1,488,086)</b>

# Kinbasket Water & Sewer Company Ltd.

## SCHEDULE OF FINANCIAL POSITION

Schedule 16

As at March 31, 2019

See Review Engagement Report

	2019	2018
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 261,140	\$ 211,264
Accounts receivable	48,971	50,671
Government balances recoverable	8,092	5,876
	<b>318,203</b>	267,811
Fixed assets	<b>4,680,877</b>	4,790,868
Rights to sub leased land	<b>1,351,111</b>	1,368,889
	<b>6,350,191</b>	6,427,568

## LIABILITIES AND SHAREHOLDERS' EQUITY

<b>Current</b>		
Accounts payable	\$ 10,779	\$ 5,976
Advances from Kinbasket Development Corporation	1,160,767	1,191,548
Advances from North Rock Holdings Ltd.	78,000	78,000
Advances from Shuswap Indian Band	1,192,928	1,210,079
Current portion of deferred government grant	15,000	15,000
	<b>2,457,474</b>	2,500,603
Deferred revenue	<b>2,072,137</b>	2,099,184
Deferred government grant	<b>360,000</b>	375,000
	<b>2,432,137</b>	2,474,184
	<b>4,889,611</b>	4,974,787
<b>Equity</b>		
Common shares	3	3
Retained earnings	1,460,577	1,452,778
	<b>1,460,580</b>	1,452,781
	<b>\$ 6,350,191</b>	\$ 6,427,568

See accompanying notes



**Kinbasket Water & Sewer Company Ltd.**  
**SCHEDULE OF COMPREHENSIVE INCOME**  
Schedule 17

For the year ended March 31 ,2019

See Review Engagement Report

	2019	2018
<b>Revenue</b>	<b>\$ 565,579</b>	<b>\$ 635,883</b>
<b>Direct Costs</b>		
Amortization of water and sewer system	43,821	36,474
Purchases	13,822	8,180
Snow removal	-	9,932
Subcontracts	329,951	145,188
Utilities	34,000	36,034
	<b>421,594</b>	<b>235,808</b>
<b>Gross Profit</b>	<b>143,985</b>	<b>400,075</b>
<b>Expenses</b>		
Amortization	90,939	92,231
Advertising & Promotion	1,217	-
Bank Charges & Interest	513	339
Bad debts	28,943	-
Insurance	6,000	5,610
Office & Other	4,836	248
Other Expenses	-	912
Professional Fees	2,053	37,301
Repairs & Maintenance	45,544	10,365
Utilities	5,209	-
	<b>185,254</b>	<b>147,006</b>
<b>Other Income</b>		
Amortization of deferred revenue	42,046	42,046
<b>Net income for the year</b>	<b>777</b>	<b>295,115</b>
Retained earnings, beginning of year	1,452,778	1,150,641
Amortization provision for the year	7,022	7,022
Retained earnings, end of year	<b>\$ 1,460,577</b>	<b>\$ 1,452,778</b>

---

# Kinbasket Property Development Corporation

## SCHEDULE OF FINANCIAL POSITION

Schedule 18

As at March 31, 2019

Unaudited - See Notice to Reader

	2019	2018
<b>ASSETS</b>		
<b>Current</b>		
Advances to North Rock Holdings Ltd.	\$ 332,512	\$ 332,512
Investment in North Rock Holdings Ltd.	40	40
	<b>\$ 332,552</b>	<b>\$ 332,552</b>

## LIABILITIES AND PARTNERS' EQUITY

<b>Current</b>		
Accrued liabilities	\$ 2,000	\$ -
Advances from Kinbasket Development Corporation	172,827	172,827
Advances from Shuswap Indian Band	4,896	-
	<b>179,723</b>	<b>172,827</b>
<b>Equity</b>		
Common shares	3	3
Retained earnings	152,826	159,722
	<b>152,829</b>	<b>159,725</b>
	<b>\$ 332,552</b>	<b>\$ 332,552</b>

---

---

---

**Kinbasket Property Development Corporation**  
**SCHEDULE OF COMPREHENSIVE INCOME**  
Schedule 19

---

For the year ended March 31 ,2019

Unaudited - See Notice to Reader

	2019	2018
<b>Revenue</b>	\$ -	\$ -
<b>Expenses</b>		
Professional fees	6,896	32,619
	6,896	32,619
<b>Loss for the year</b>	(6,896)	(32,619)
Retained earnings, beginning of year	159,722	192,341
Retained earnings, end of year	\$ 152,826	\$ 159,722

---

**Shuswap Indian Band**  
**NON-PROFIT HOUSING FUND**  
**SCHEDULE OF FINANCIAL POSITION**  
Schedule 20

---

For the year ended March 31, 2019

See Audit Report

**ASSETS**

**Current**

Accounts receivable	\$ 2,875
Due from Shuswap Indian Band	11,421
Canadian Mortgage Housing Corporation subsidies receivable	2,492
	<u>16,788</u>
Fixed assets - net	<u>902,211</u>
	<u><u>\$ 918,999</u></u>

**LIABILITIES AND MEMBERS' EQUITY**

**Current**

Accounts payable and accruals	\$ 2,329
Current portion of long-term debt	19,143
Security deposits	265
	<u>21,737</u>
Long-term debt	<u>609,856</u>
	<u>631,593</u>

**Members' equity**

Operating Fund	-
Operating Reserve Fund	9,361
Replacement Reserve Fund	4,833
Equity in Housing Facilities	273,212
	<u>287,406</u>
	<u><u>\$ 918,999</u></u>

**Shuswap Indian Band**  
**NON-PROFIT HOUSING FUND**  
**SCHEDULE OF INDIVIDUAL PROGRAM OPERATIONS**

Schedule 21

For the year ended March 31, 2019

See Audit Report

	2019 Budget	2019 Actual
<b>Revenue</b>		
Rental income	\$ -	\$ 21,100
Canada Mortgage and Housing Corporation interest subsidy	-	24,924
	-	46,024
<b>Expenses</b>		
Operating Costs		
Insurance	-	3,574
Repairs and maintenance	-	-
	-	3,574
Administration Costs		
Administration	-	-
Audit and bookkeeping fees	-	1,000
	-	1,000
Depreciation Costs		
Mortgage interest	-	13,177
Mortgage principal repayments	-	14,079
	-	27,256
Reserves		
Appropriations to Replacement Reserve	-	4,833
	-	4,833
	-	36,663
<b>Excess of revenue over expenditures for the year</b>	<b>\$ -</b>	<b>\$ 9,361</b>

---

**Shuswap Indian Band**  
**NON-PROFIT HOUSING FUND**  
**SCHEDULE OF PROGRAM EQUITIES**  
Schedule 22

---

For the year ended March 31, 2019

See Audit Report

2019

**Operating Fund**

Balance at beginning of year	\$ -
Current year surplus	9,361
Transfers to Operating Reserve Fund	(9,361)
<b>Balance at end of year</b>	<b>\$ -</b>

**Operating Reserve Fund**

Balance at beginning of year	\$ -
Transfers from Operating Fund	9,361
<b>Balance at end of year</b>	<b>\$ 9,361</b>

**Replacement Reserve Fund**

Balance at beginning of year	\$ -
Current year appropriations	4,833
Interest income	-
Current year expenditures	-
<b>Balance at end of year</b>	<b>\$ 4,833</b>

**Equity in Housing Facilities**

Balance at beginning of year	\$ -
Contribution of program assets	273,212
Mortgage principal reduction	14,079
Depreciation of fixed assets	(14,079)
<b>Balance at end of year</b>	<b>\$ 273,212</b>

---

**Shuswap Indian Band**  
**TRUST FUND**  
**SCHEDULE OF FINANCIAL POSITION**  
Schedule 23

---

For the year ended March 31, 2019

See Audit Report

2019                      2018

**ASSETS**

Cash in Ottawa Trusts	\$ 12,591	\$ 10,765
-----------------------	-----------	-----------

---

---

**LIABILITIES AND MEMBERS' EQUITY**

Equity in Ottawa Trust Funds	\$ 12,591	\$ 10,765
------------------------------	-----------	-----------

---

---

**Shuswap Indian Band**  
**TRUST FUND**  
**SCHEDULE OF CHANGES IN OTTAWA TRUST FUNDS**  
Schedule 24

For the year ended March 31, 2019	See Audit Report			
	Capital Fund	Revenue Fund	2019	2018
<b>Equity at beginning of year</b>	<b>\$ 1,938</b>	<b>\$ 8,827</b>	<b>\$ 10,765</b>	<b>\$ 10,765</b>
<b>Additions:</b>				
BC special interest	-	608	608	-
Interest income	-	1,218	1,218	-
	-	1,826	1,826	-
<b>Withdrawals:</b>				
Transfer to Operating Fund	-	-	-	-
<b>Balance at end of year</b>	<b>\$ 1,938</b>	<b>\$ 10,653</b>	<b>\$ 12,591</b>	<b>\$ 10,765</b>