TSAY KEH DENE NATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

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TSAY KEH DENE

Chief Johnny Pierre

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Tsay Keh Dene Nation are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal control to provide reasonable assurance that reliable financial information is produced.

The Chief and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and are ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditor, Brent Bursey & Company Inc., Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Tsay Keh Dene Nation and meet when required.

On behalf of Tsay Keh Dene Nation:

Chief

Councillor

Councillor

BB BRENT BURSEY & COMPANY INC.
Chartered Professional Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Tsay Keh Dene Nation

Opinion

We have audited the consolidated financial statements of Tsay Keh Dene Nation, which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2019, and the consolidated results of its operations, changes in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

CPA CHARTERED PROFESSIONAL ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Brent Bursey & Company Inc.

Chartered Professional Accountants

October 30, 2019
Prince George, BC

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash (Note 2)	**$ 2,756,611**	$ 1,211,017
Accounts receivable (Note 3)	**1,088,945**	1,656,660
Inventory (Note 4)	**198,380**	186,542
Restricted cash (Note 5)	**947,466**	998,645
Endowment and trust funds (Note 6)	**22,844,310**	23,050,572
Investments in government business entities (Note 7)	**4,889,168**	5,070,048
Investments (Note 8)	**173,092**	182,169
Ottawa trust funds (Note 9)	**42,705**	40,644
	32,940,677	32,396,297
LIABILITIES		
Term demand loans (Note 10)	**1,642,451**	1,736,397
Accounts payable and accrued liabilities (Note 11)	**1,543,563**	1,554,382
Deferred revenue (Note 12)	**504,610**	489,603
Long-term debt (Note 13)	**200,042**	287,301
Treaty loan (Note 14)	**8,381,924**	8,381,924
Replacement reserve (Note 15)	**74,519**	83,651
	12,347,109	12,533,258
NET FINANCIAL ASSETS	**20,593,568**	19,863,039
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 16)	**28,943,751**	27,983,579
Prepaid expenditure	**11,535**	23,139
	28,955,286	28,006,718
ACCUMULATED SURPLUS	**$ 49,548,854**	$ 47,869,757

CONTINGENT LIABILITIES (Note 17)

Approved on behalf of Tsay Keh Dene Nation:

_____ Chief

_____ Councillor

_____ Councillor

The accompanying notes are an integral part of these consolidated financial statements.

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2019

	Budget	2019	2018
REVENUE			
Indigenous and Northern Affairs Canada	$ 2,982,594	$ **3,925,875**	$ 3,501,938
First Nations Health Authority	853,989	**1,366,897**	1,384,977
Province of British Columbia	907,703	**1,039,579**	916,913
BC Hydro	7,205,025	**5,362,931**	5,140,820
Ingenika Trading Post	-	**1,977,763**	2,051,578
Interest and trust	1,101	**1,297,484**	890,631
Rent and other	1,651,808	**2,208,755**	2,344,800
Unrealized gain on investment	-	-	11,238
Ottawa trust funds	-	**2,061**	1,997
Income from investments in government business entities	-	**1,493,606**	1,768,457
(Increase) decrease in deferred revenue	65,322	**(15,007)**	1,211,048
	13,667,542	**18,659,944**	19,224,397
EXPENDITURE			
Education and training	2,776,592	**2,230,417**	2,175,889
Government development and administration	2,985,102	**2,089,057**	2,188,638
Health services	1,509,005	**1,629,621**	1,607,274
Housing	258,103	**227,162**	188,540
Ingenika Trading Post	-	**1,905,663**	2,079,723
Lands and resources	3,421,906	**3,892,585**	3,070,755
Public works operations and maintenance	1,544,043	**1,697,199**	1,582,831
Social and community services	215,285	**380,177**	294,958
Treaty claims and negotiations	482,441	**483,515**	403,402
Loss on disposal of tangible capital assets	-	**6,913**	-
Loss from investments in government business entities	-	**877,795**	182,577
Unrealized loss on investment	-	**9,077**	-
Trust expenditures and management fees	-	**99,249**	136,215
Interest	34,000	**70,788**	71,981
Amortization	-	**1,378,505**	1,345,467
	13,226,477	**16,977,723**	15,328,250
SURPLUS BEFORE RECOVERY	$ 441,065	**1,682,221**	3,896,147
RECOVERY BY GOVERNMENT OF CANADA			
Indigenous and Northern Affairs Canada		**(3,124)**	(75,000)
ANNUAL SURPLUS		**1,679,097**	3,821,147
ACCUMULATED SURPLUS, BEGINNING OF YEAR		**47,869,757**	44,048,610
ACCUMULATED SURPLUS, END OF YEAR		**$ 49,548,854**	$ 47,869,757

The accompanying notes are an integral part of these consolidated financial statements.

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2019

	Budget	2019	2018
Annual surplus	$ 441,065	**$ 1,679,097**	$ 3,821,147
Acquisition of tangible capital assets	(2,797,815)	**(2,345,590)**	(2,565,854)
Amortization	-	**1,378,505**	1,345,467
Loss on disposal of tangible capital assets	-	**6,913**	-
	(2,797,815)	**(960,172)**	(1,220,387)
Use of prepaid expenditure	-	**11,604**	35,860
INCREASE IN NET FINANCIAL ASSETS	$ (2,356,750)	**730,529**	2,636,620
NET FINANCIAL ASSETS, BEGINNING OF YEAR		**19,863,039**	17,226,419
NET FINANCIAL ASSETS, END OF YEAR		**$ 20,593,568**	$ 19,863,039

The accompanying notes are an integral part of these consolidated financial statements.

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2019

	2019	2018
OPERATING TRANSACTIONS		
Annual surplus	**$ 1,679,097**	$ 3,821,147
Items not involving cash		
Amortization	**1,378,505**	1,345,467
Loss on disposal of tangible capital assets	**6,913**	-
Unrealized loss (gain) on investment	**9,077**	(11,238)
Income from investments in government business entities	**(615,811)**	(1,585,880)
	2,457,781	3,569,496
Cash provided by (used in) operating activities		
Accounts receivable	**567,715**	687,090
Inventory	**(11,838)**	(30,771)
Ottawa trust funds	**(2,061)**	(1,997)
Prepaid expenditure	**11,604**	35,860
Accounts payable and accrued liabilities	**(10,819)**	(471,957)
Deferred revenue	**15,007**	(1,211,048)
Replacement reserve	**(9,132)**	(89,132)
	3,018,257	2,487,541
CAPITAL TRANSACTION		
Purchase of tangible capital assets	**(2,345,590)**	(2,565,854)
FINANCING TRANSACTIONS		
Proceeds of term demand loans	**-**	450,000
Repayment of term demand loans	**(93,946)**	(58,012)
Repayment of long-term debt	**(87,259)**	(59,318)
Proceeds of treaty loan	**-**	302,505
	(181,205)	635,175
INVESTING TRANSACTIONS		
Repayment of advances to government business entities	**351,603**	13,075
Contributions to government business entities	**(354,912)**	(25,000)
Withdrawals from government business entities	**800,000**	108,000
Distributions from (to) endowment and trust funds	**206,262**	(824,470)
	1,002,953	(728,395)
INCREASE (DECREASE) DURING YEAR	**1,494,415**	(171,533)
CASH, BEGINNING OF YEAR	**2,209,662**	2,381,195
CASH, END OF YEAR	**$ 3,704,077**	$ 2,209,662
Cash, consists of		
Cash	**$ 2,756,611**	$ 1,211,017
Restricted cash	**947,466**	998,645
	$ 3,704,077	$ 2,209,662

The accompanying notes are an integral part of these consolidated financial statements.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Reporting Entity and Principles of Financial Reporting

The Tsay Keh Dene Nation reporting entity includes the Tsay Keh Dene Nation government and all related entities which are either owned or controlled by the Tsay Keh Dene Nation.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise or government business partnership, which are included in these financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Tsay Keh Dene Nation's investment in the government business enterprises or government business partnerships and their share of the entities' net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of Tsay Keh Dene Nation.

The consolidated financial statements include the following controlled entities:

- BC Hydro Trust Settlement Negotiations Agreement
- Tsay Keh Dene Treaty Society
- Ingenika Trading Post (An Enterprise), an unincorporated business entity owned and operated by the Tsay Keh Dene Nation in the Tsay Keh Dene community
- 0882074 B.C. Ltd., wholly-owned by Tsay Keh Dene Nation and a holding company of the administrative buildings in Prince George, BC, dependent on the Nation for its continuing operations.

Government business enterprises, which are wholly-owned or significantly influenced by Tsay Keh Dene Nation and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Chu-Cho Enterprises Ltd.
- Ingenika Logging Ltd.
- Tsay Keh Economic Development Corporation
- Tsay Keh Enterprises Ltd.
- Tsay Keh Holdings Ltd. (dba Tsay Keh Dene Outfitters)
- 1035969 B.C. Ltd.
- Three Feathers GP Ltd. (33.3%)

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Reporting Entity and Principles of Financial Reporting, continued

Government business partnerships, in which Tsay Keh Dene Nation holds a limited partnership interest or significant influence and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Chu Cho Industries Limited Partnership (99.99% interest)
- Chu Cho Environmental LLP (99.5% interest)
- Chu Cho Forestry LLP (99.5% interest)
- Tsay Keh Developments Limited Partnership (99.99% interest)
- Claw Mountain Outfitters LLP (50% interest)
- Three Feathers Limited Partnership (33.33% interest)
- Tse Keh Nay LLP (33.33% interest)

Cash

Cash includes cash on hand, cash on deposit net of cheques issued and outstanding at the reporting date, and short-term deposits with maturity dates of less than 90 days.

Inventory

Inventory consists of goods available for sale and is valued at the lower of cost and net realizable value using the average cost method.

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 asset. Transfers of tangible capital assets from related parties are recorded at carrying value.

Tangible capital assets are amortized using the declining balance method at rates calculated to amortize the cost less salvage value as follows:

Automotive equipment	30%
Buildings	4%
Computer equipment	30%
Equipment	20%
Furniture and office equipment	20%
Heavy duty equipment	30%
Housing	5%
Infrastructure	4%
Ingenika Trading Post	4-30%

In the year of acquisition, 50% of the annual amortization is expensed. Assets under construction are not amortized until the asset is available to be put into service.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Tangible Capital Assets, continued

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are accounted for in the consolidated statement of operations and consolidated statement of changes in net financial assets when they occur.

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.

Revenue and Expenditure

Revenue and expenditure are recorded using the accrual basis of accounting. Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. Gains are recognized when realized. Items not practically measurable until cash is received are accounted for at that time.

Government transfers are recognized as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and recognized in the statement of operations as the stipulation liabilities are settled.

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.

Funding Recoveries and Reimbursements

Funding received from federal government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specified purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets, rates for amortization, collectability of accounts receivable, and valuation of inventory. Actual results could differ from these estimates.

2. CASH

Tsay Keh Dene Nation has a demand revolving credit facility agreement with the Royal Bank of Canada for $200,000 bearing interest at prime plus 0.75% per annum. This facility revolves in increments of $10,000 and is secured by a general security agreement and a first ranking security interest in all accounts receivable. At March 31, 2019 the full $200,000 was available.

3. ACCOUNTS RECEIVABLE

	2019	2018
Government		
Canada Revenue Agency - Goods and services tax	$ 179,534	$ 150,934
Other federal government	1,188	2,320
First Nations Health Authority	8,162	230,080
Province of British Columbia	21,562	20,895
	210,446	404,229
Trade	347,188	851,495
Trade - related parties	418,290	-
Tsay Keh Dene Nation members	141,989	1,010,697
Other	12,683	16,703
	1,130,596	2,283,124
Less allowance for doubtful accounts	(41,651)	(626,464)
	$ 1,088,945	$ 1,656,660

4. INVENTORY

	2019	2018
Ingenika Trading Post		
Groceries, hardware and household items	$ 114,953	$ 124,436
Gasoline, diesel and propane	60,827	55,603
Tobacco products	22,600	6,503
	$ 198,380	$ 186,542

5. RESTRICTED CASH

	2019	2018
Restricted cash consists of the following		
Guaranteed Investment Certificates		
Held as security for financing	**$ 75,000**	$ 75,000
Held in trust for minors	**553,585**	545,135
Dispute Resolution	**236,964**	209,480
Replacement Reserve	**63,712**	83,651
Treaty Negotiations	**18,205**	85,379
	$ 947,466	$ 998,645

6. ENDOWMENT AND TRUST FUNDS

	2019	2018
BC Hydro Trust Funds		
Consists of funds held on behalf of Tsay Keh Dene Nation in an Endowment Fund created under the Trustee Fund Public Deed of Trust between the Victoria Foundation and the Tsay Keh Dene Nation dated August 31, 2009 and the Payment Trustee Agreement between the Victoria Foundation, the Tsay Keh Dene Nation, and the British Columbia Hydro and Power Authority dated August 31, 2009	**$ 2,330,721**	$ 2,107,142
BC Hydro Final Settlement Funds		
Consists of funds held on behalf of Tsay Keh Dene Nation in an Endowment Fund created under the Endowment Fund Public Deed of Trust between the Victoria Foundation and the Tsay Keh Dene Nation dated August 31, 2009 and the Payment Trustee Agreement between the Victoria Foundation, the Tsay Keh Dene Nation, and the British Columbia Hydro and Power Authority dated August 31, 2009	**20,513,589**	20,943,430
	$ 22,844,310	$ 23,050,572

7. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A)

	2019	2018
1035969 B.C. Ltd.		
- share	**$ 1**	$ 1
- advances to	**156,699**	156,699
- equity	**32,165**	14,749
	188,865	171,449
Chu-Cho Enterprises Ltd.		
- shares	**1**	1
- contributed surplus	**-**	974,899
- advances to	**441,063**	552,817
- deficit	**(441,064)**	(441,064)
	-	1,086,653
Ingenika Logging Ltd.		
- shares	**100**	100
- advances to	**558,310**	558,310
- deficit	**(558,410)**	(558,410)
	-	-
Tsay Keh Enterprises Ltd.		
- share	**1**	1
- advances to	**627,921**	624,812
- deficit	**(30,935)**	(27,003)
	596,987	597,810
Tsay Keh Holdings Ltd. (dba Tsay Keh Dene Outfitters)		
- shares	**100**	100
- advances to	**974,113**	974,113
- deficit	**(281,910)**	(281,910)
	692,303	692,303
Tsay Keh Economic Development Corporation		
- shares	**100**	100
- advances to	**6,774**	6,774
- equity	**7,782**	7,782
	14,656	14,656
Chu Cho Forestry LLP		
- partnership units, at cost	**100**	-
- partnership equity	**1,625,220**	1,451,428
	1,625,320	1,451,428
Balance forward	**$ 3,118,131**	$ 4,014,299

7. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A), continued

	2019	2018
Balance forward	**$ 3,118,131**	$ 4,014,299
Chu Cho Industries Limited Partnership		
- partnership units, at cost	**9,999**	9,999
- advances to	**-**	135,928
- partner's equity	**638,698**	182,950
	648,697	328,877
Chu Cho Environmental LLP		
- partnership units, at cost	**100**	-
- advances to	**-**	107,030
- partnership equity	**233,354**	132,119
	233,454	239,149
Tsay Keh Developments Limited Partnership		
- partnership units, at cost	**9,999**	9,999
- advances from	**(9,999)**	(9,999)
	-	-
Three Feathers GP Ltd.		
- shares	**100**	100
- advances from	**(100)**	(100)
- equity	**42**	27
	42	27
Three Feathers Limited Partnership		
- partnership units, at cost	**33**	33
- partnership equity	**263,699**	94,423
	263,732	94,456
Tse Keh Nay LLP		
- partnership equity	**263,989**	32,117
Claw Mountain Outfitters LLP		
- partnership equity	**361,123**	361,123
	$ 4,889,168	$ 5,070,048

Shares and partnership units are held on behalf of the Nation's membership by specified nation members under a trust agreement.

Condensed financial information for the government business entities is presented in Appendix A to the financial statements.

8. INVESTMENTS

	2019	2018
Resolute Forest Products Inc.		
Shares, at realizable value	$ 26,267	$ 35,344
Traplines, at cost	146,825	146,825
	$ 173,092	$ 182,169

9. OTTAWA TRUST FUNDS

	Revenue	Capital	Total 2019	Total 2018
Balance, beginning of year	$ 40,644	$ -	$ 40,644	$ 38,647
Interest	944	-	944	881
BC Special	1,117	-	1,117	1,116
Balance, end of year	$ 42,705	$ -	$ 42,705	$ 40,644

The Ottawa Trust Accounts arise from monies from capital or revenue sources 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".

10. TERM DEMAND LOANS

	2019	2018
Loan repayable in monthly instalments of $1,411 including interest at 2.83% per annum, secured by a Government of Canada ministerial guarantee, due to renew February 2020	$ 158,367	$ 170,623
Loan repayable in monthly instalments of $3,742 including interest at 2.64% per annum, secured by a Government of Canada ministerial guarantee, due to renew April 2021	289,355	326,091
Balance forward	$ 447,722	$ 496,714

10. TERM DEMAND LOANS, continued

	2019	2018
Balance forward	**$ 447,722**	$ 496,714
Demand loan repayable in monthly instalments of $7,800 including interest at 4%, secured by a general security agreement, collateral mortgage over assets with a net book value of $1,619,958, guarantee from Tsay Keh Dene Nation to $1,265,000, due to mature August 2022	**1,194,729**	1,239,683
	$ 1,642,451	$ 1,736,397

Provided the lender does not demand repayment of the term demand loans in full, principal repayments due in each of the next years are scheduled as follows:

2020	$ 99,644
2021	102,302
2022	105,688
2023	1,105,565
2024	101,780
Subsequent	127,472
	$ 1,642,451

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
Trade payables and accrued liabilities	**$ 992,747**	$ 1,348,554
Trade payables - related parties	**333,777**	-
Government remittances payable	**49,809**	34,836
Wages, pension and group benefits payable	**167,230**	170,992
	$ 1,543,563	$ 1,554,382

The Nation has a defined contribution pension plan for eligible members of its staff. Members are required to contribute a minimum of 5% of their salary, the Nation contributes 5% of their basic salary, and contributions are directed to the member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. During the year the Nation contributed $81,558 (2018 - $87,722) for retirement benefits.

12. DEFERRED REVENUE

	2019	2018
Indigenous and Northern Affairs Canada		
Capital Surplus	**$ 1,322**	$ 1,322
ICMS 9-00126978 Renovations	**-**	139,257
ICMS 9-00126407 Water System Upgrade	**29,726**	65,322
CPMS #11250 Subdivision and Community Wastewater	**-**	89,893
CPMS #11533 Transfer station	**191,144**	-
	222,192	295,794
Other		
BC Hydro	**149,835**	146,324
First Nations Health Authority	**29,305**	27,485
First Nations Education Steering Committee	**103,278**	-
Indigenous Perspectives Society	**-**	20,000
	282,418	193,809
	$ 504,610	$ 489,603

The Nation has recorded the above as deferred revenue to be used for delivery and completion of future programs and projects.

13. LONG-TERM DEBT

	2019	2018
Mortgage repayable in monthly instalments of $1,107 including interest at prime plus 1.05% (March 31, 2019 - 4.5%) per annum, secured by specific properties. The mortgage is registered in the name of Tsay Keh Enterprises Ltd. and is guaranteed by the Nation, due to renew May 2021	**$ 73,959**	$ 83,489
Balance forward	**$ 73,959**	$ 83,489

13. LONG-TERM DEBT, continued

	2019	2018
Balance forward	**$ 73,959**	$ 83,489
Mortgage repayable in monthly instalments of $970 including interest at 3.03% per annum, secured by specific properties. The mortgage is registered in the name of Tsay Keh Enterprises Ltd. and is guaranteed by the Nation, due to renew May 2021	**80,719**	89,763
Conditional sales contract payable in monthly instalments of $911 including interest at 6.69%, secured by equipment with a net book value of $19,025, due to mature May 2021	**22,908**	32,991
Conditional sales contract payable in monthly instalments of $893 including interest at 6.69%, secured by equipment with a net book value of $18,608, due to mature May 2021	**22,456**	32,340
Loan	**-**	48,718
	$ 200,042	$ 287,301

Principal repayments due in each of the next three years are scheduled as follows:

2020	$ 40,538
2021	41,179
2022	118,325
	$ 200,042

14. TREATY LOAN

Treaty loan is an Indigenous and Northern Affairs Canada promissory note representing advances for negotiations with the British Columbia Treaty Commission. Repayment provisions for these loans were outlined in Sections 13.0 and 14.0 of the 2017-2018 and earlier Negotiation Support Agreements. The loan is non-interest bearing and is to be repayable over a 10-year period after the signing of the Final Agreement between Tsay Keh Dene Nation, the Government of Canada and the Government of British Columbia.

15. REPLACEMENT RESERVE

Under the terms of an agreement with Indigenous and Northern Affairs Canada, the replacement reserve account is to be credited in the amount of $10,868 annually. These funds, along with the accumulating interest, are to be held in a separate bank account and may only be used for repairs and maintenance for houses built in 2001 and 2004. The replacement reserve was under-funded at year end in the amount of $10,806 (2018 - NIL).

16. TANGIBLE CAPITAL ASSETS (Appendix B)

			2019	2018
	Cost	**Accumulated Amortization**	**Net Book Value**	Net Book Value
Automotive equipment	**$ 744,386**	**$ 545,479**	**$ 198,907**	$ 192,498
Buildings	**8,309,203**	**2,866,553**	**5,442,650**	5,610,970
Computer equipment	**271,524**	**199,605**	**71,919**	102,741
Equipment	**805,884**	**673,661**	**132,223**	156,082
Furniture and office equipment	**98,500**	**69,622**	**28,878**	36,097
Heavy duty equipment	**918,596**	**536,644**	**381,952**	64,387
Housing	**19,577,093**	**7,956,549**	**11,620,544**	11,665,977
Infrastructure	**15,180,719**	**5,560,950**	**9,619,769**	8,680,480
Ingenika Trading Post	**981,284**	**472,574**	**508,710**	536,148
	46,887,189	**18,881,637**	**28,005,552**	27,045,380
Land	**938,199**	**-**	**938,199**	938,199
	$ 47,825,388	**$ 18,881,637**	**$ 28,943,751**	$ 27,983,579

17. CONTINGENT LIABILITIES

Tsay Keh Dene Nation has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if the Nation fails to comply with the terms and conditions of the agreements.

The Nation may have future silviculture commitments on government business entities owned forest licences if future costs exceed current estimates. The amount of the liability, if any, is not determinable at this time.

The Nation has guaranteed loans issued by financial institutions to the government business entities held as investments by the Nation. At March 31, 2019 none of these loans were in default and thus, the amount of the liability, if any, is not determinable at this time.

17. CONTINGENT LIABILITIES, continued

In addition, in the normal course of its operations, Tsay Keh Dene Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

18. RECONCILIATION OF INAC FUNDING AGREEMENT REVENUE

Pursuant to the Indigenous and Northern Affairs Canada Financial Reporting Requirements for the fiscal period 2018 - 2019 the following reconciliation has been prepared:

Recipient total as per 2018/2019 INAC funding confirmation	**$ 3,925,875**
Variance	-
INAC revenue as per consolidated statement of operations	**$ 3,925,875**

19. GOVERNMENT TRANSFERS

	2019			2018		
	Operating	**Capital**	**Total**	Operating	Capital	Total
Federal government transfers:						
Indigenous and Northern Affairs Canada	**$ 3,042,823**	**$ 883,052**	**$ 3,925,875**	$ 2,962,860	$ 539,078	$ 3,501,938
Other	**71,057**	**-**	**71,057**	2,126	-	2,126
	3,113,880	**883,052**	**3,996,932**	2,964,986	539,078	3,504,064
Provincial government transfers	**1,039,579**	**-**	**1,039,579**	916,913	-	916,913
First Nations Health Authority	**1,336,897**	**30,000**	**1,366,897**	1,158,177	226,800	1,384,977
	$ 5,490,356	**$ 913,052**	**$ 6,403,408**	$ 5,040,076	$ 765,878	$ 5,805,954

20. RELATED PARTY TRANSACTIONS

In the normal course of operations, the Nation participated in transactions with related parties measured at the exchange amount as determined and agreed to by the related parties.

20. RELATED PARTY TRANSACTIONS, continued

The Nation sold goods and services in the amount of $52,538 (2018 - $155,876) to Chu Cho Industries Limited Partnership, Chu-Cho Environmental LLP and Chu Cho Forestry LLP, and paid for services rendered in the amount of $3,322,754 (2018 - $3,093,357) of which $239,595 (2018 - $292,951) is outstanding in accounts payable at year end.

21. ECONOMIC DEPENDENCE

The Nation receives a major portion of its revenue pursuant to funding arrangements with Indigenous and Northern Affairs Canada. Any disruption in this funding would have a negative effect on the Nation's operations.

22. RISK MANAGEMENT

The Nation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include the following:

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation has a history of dealing with its funding agencies and customer base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable.

The Nation maintains its cash and deposits with a federally regulated Canadian financial institution and a Credit Union, and thus has not experienced any change in risk exposure.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The majority of the Nation's term demand loans and long-term debt is at fixed rates of interest, therefore, a change in market interest rates has no impact to cash flows required to service this debt. The Nation has one mortgage and maintains an operating line of credit subject to floating rates of interest, a change in the variable rate can impact cash flow to service these debts when such debts are outstanding. There has been no change to the risk exposure from 2018 and there is expected to be no substantive change in the next fiscal period.

23. SEGMENT DISCLOSURE

Tsay Keh Dene Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies in Note 1. The segments and services provided are as follows:

Education and Training - provides elementary and secondary education instructional services, financial support to post-secondary students and training and work opportunities for Nation members to improve their job skills and participate effectively in the labour market;

Government Development and Administration - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Health Services - provides a variety of health care programs, services and support to Nation members;

Housing - provides housing and services to Nation members;

Lands and Resources - manages the development of economic opportunities from the land and natural resources for the Nation and its entities;

Public Works Operations and Maintenance - manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, and maintenance of community buildings;

Social and Community Services - provides programs and services for the social benefit and welfare of Nation members;

Treaty Claims and Negotiations - manages the land claim and negotiation process with Canada and the Province of British Columbia;

Trust Funds - provides programs and services for the social, economic and capital needs of Nation members;

Other - Ingenika Trading Post and the government business entities provide economic development opportunities for the benefit of Nation members;

Tangible Capital Assets - provides for capital infrastructure development for Nation members.

24. BUDGETED FIGURES

Budgeted figures are unaudited, provided for comparison purposes and have been approved by the Chief and Council.

25. COMPARATIVE FIGURES

Certain of the prior year comparative figures have been restated to conform to the current year's presentation.

26. SUBSEQUENT EVENT

On July 15, 2019, Indigenous and Northern Affairs Canada (INAC) was dissolved and a new department was formally established, Indigenous Services Canada (ISC).

TSAY KEH DENE NATION
SEGMENT DISCLOSURE
FOR THE YEAR ENDED MARCH 31, 2019

	EDUCATION AND TRAINING			GOVERNMENT DEVELOPMENT AND ADMINISTRATION			HEALTH SERVICES			HOUSING			LANDS AND RESOURCES		
	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018
REVENUE															
Indigenous and Northern Affairs Canada	$ 1,353,607	$ 1,211,515	$ 1,332,488	$ 360,743	$ 422,905	$ 515,203	$ 73,500	$ 139,757	$ 41,550	$ -	$ -	$ -	$ 35,590	$ 279,478	$ 94,276
First Nations Health Authority	-	5,000	-	-	13,284	-	853,989	1,308,700	1,158,177	-	-	-	-	-	-
Province of British Columbia	285,053	295,796	374,142	-	15,327	-	140,297	227,937	355,270	-	-	-	-	18,166	76,666
BC Hydro	80,000	-	95,000	1,763,648	1,778,190	969,078	181,197	110,000	178,568	300,000	300,000	50,000	2,915,000	3,096,900	2,874,665
Ingenika Trading Post	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and trust	-	-	-	1,013	27,110	7,983	-	-	-	-	-	-	-	-	-
Rent and other	258,108	672,922	501,971	802,200	607,227	744,876	136,400	44,387	17,060	300,100	238,670	270,635	27,000	482,759	670,306
Ottawa trust funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income from investments in government business entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Increase) decrease in deferred revenue	-	-	-	-	-	-	-	(13,873)	(15,432)	-	-	-	-	-	-
TOTAL REVENUE	1,976,768	2,185,233	2,303,601	2,927,604	2,864,043	2,237,140	1,385,383	1,816,908	1,735,193	600,100	538,670	320,635	2,977,590	3,877,303	3,715,913
EXPENDITURE															
Administration	159,552	67,833	141,692	5,000	-	203,335	15,204	42,250	5,203	-	-	-	144,221	145,085	137,206
Amortization and interest	-	-	-	-	95,915	96,513	3,200	3,758	3,604	18,600	15,441	16,763	4,200	1,682	2,271
Contract	492,734	450,525	263,435	16,575	50,913	71,452	119,332	153,821	136,357	45,000	61,730	28,006	2,850,270	3,379,442	2,628,930
Capital purchases and debt repayment	-	-	-	5,000	30,691	22,590	-	54,320	9,684	-	58,036	219,014	27,000	19,967	19,377
Honoraria	20,600	16,340	3,950	26,250	5,750	13,270	2,000	4,370	1,559	-	250	896	-	4,380	4,375
Professional fees	-	-	-	110,000	99,065	111,494	-	-	-	-	-	-	91,000	60,871	26,225
Rent	-	-	6,000	30,500	27,600	2,068	33,999	27,500	-	-	-	-	21,000	23,715	9,000
Repairs and maintenance	165,000	100,654	11,279	2,000	-	-	18,000	13,030	14,451	-	13,468	10,868	11,000	5,493	12,070
Supplies	182,499	119,937	143,626	49,700	46,934	36,096	55,013	164,997	71,499	89,500	59,650	22,775	11,200	25,361	15,375
Telephone and utilities	200,300	162,872	230,232	207,068	181,144	148,116	44,704	33,120	29,249	19,200	48,019	16,090	2,000	3,785	2,870
Travel and accommodations	129,000	104,217	137,811	501,000	475,779	292,399	259,039	469,168	581,084	-	6,065	8,050	41,500	43,644	35,079
Wages and benefits	1,127,740	920,254	1,018,019	738,859	798,292	670,697	907,892	663,521	694,146	73,703	30,280	77,241	236,885	193,905	188,039
Workshops and training	133,198	104,305	131,723	15,000	383	378	14,000	13,981	14,604	-	-	-	4,000	-	4,350
Other	165,969	183,480	88,122	1,283,150	506,048	639,333	39,822	43,863	59,122	30,700	7,700	24,614	8,830	6,904	7,236
Loss from investment in government business entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE	2,776,592	2,230,417	2,175,889	2,990,102	2,318,514	2,307,741	1,512,205	1,687,699	1,620,562	276,703	300,639	424,317	3,453,106	3,914,234	3,092,403
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	$ (799,824)	$ (45,184)	$ 127,712	$ (62,498)	$ 545,529	$ (70,601)	$ (126,822)	$ 129,209	$ 114,631	$ 323,397	$ 238,031	$ (103,682)	$ (475,516)	$ (36,931)	$ 623,510

TSAY KEH DENE NATION
SEGMENT DISCLOSURE
FOR THE YEAR ENDED MARCH 31, 2019

	PUBLIC WORKS OPERATIONS AND MAINTENANCE			SOCIAL AND COMMUNITY SERVICES			TREATY CLAIMS AND NEGOTIATIONS			TRUST FUNDS			OTHER		
	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018
REVENUE															
Indigenous and Northern Affairs Canada	$ 979,154	$ 989,168	$ 979,343	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
First Nations Health Authority	-	-	-	-	9,913	-	-	-	-	-	-	-	-	-	-
Province of British Columbia	-	-	10,000	-	-	-	482,353	482,353	100,835	-	-	-	-	-	-
BC Hydro (withdrawals in excess of deposits)	1,395,000	787,894	533,941	201,500	293,285	318,858	-	-	-	-	(1,373,529)	42,700	-	-	-
Ingenika Trading Post	-	-	-	-	-	-	-	-	-	-	-	-	-	1,977,763	2,051,578
Interest and trust	-	-	-	-	-	-	88	659	62	-	1,268,528	882,431	-	1,187	155
Rent and other	128,000	137,257	40,943	-	11,620	73,522	-	-	-	-	-	-	-	-	11,238
Ottawa trust funds	-	-	-	-	-	-	-	-	-	-	2,061	1,997	-	-	-
Income from government business entities	-	-	-	-	-	-	-	-	-	-	-	-	-	1,493,606	1,768,457
Decrease (increase) in deferred revenue	-	-	-	-	20,000	(20,000)	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	2,502,154	1,914,319	1,564,227	201,500	334,818	372,380	482,441	483,012	100,897	-	(102,940)	927,128	-	3,472,556	3,831,428
EXPENDITURE															
Administration	-	-	-	5,000	-	4,415	-	23,998	24,000	-	81,102	82,799	-	-	7,843
Amortization and interest	8,000	1,262	2,070	-	-	-	-	-	-	-	-	-	-	67,455	50,194
Contract	676,000	824,944	780,008	15,000	122,576	42,312	132,000	130,922	72,000	-	-	-	-	32,532	39,681
Capital purchases and debt repayment	950,000	357,612	22,080	-	-	-	-	-	-	-	-	-	-	-	-
Honoraria	-	-	-	-	7,620	8,130	6,000	11,975	2,780	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	28,000	21,935	10,247	-	-	-	-	8,470	-
Rent	-	1,800	1,175	-	-	-	15,300	15,690	15,111	-	-	-	-	-	-
Repairs and maintenance	12,500	11,226	6,097	36,000	1,015	544	-	-	-	-	-	-	-	29,195	792
Supplies	67,501	91,373	31,294	2,500	48,627	8,766	5,400	9,440	7,279	-	-	-	-	25,265	36,654
Telephone and utilities	371,000	379,954	435,189	44,700	43,942	29,753	13,100	11,333	6,379	-	-	-	-	34,287	34,095
Travel and accommodations	68,000	63,123	52,642	17,200	25,633	20,703	42,000	31,862	9,295	-	-	-	-	3,512	10,970
Wages and benefits	341,042	303,241	242,351	46,885	15,600	62,040	230,200	216,978	251,879	-	-	-	-	335,714	233,800
Workshops and training	-	-	-	-	-	-	7,000	2,878	2,000	-	-	-	-	-	-
Other	8,000	21,538	34,075	48,000	115,164	118,295	3,441	6,504	2,432	-	18,147	53,416	-	1,452,678	1,715,888
Loss from government business entities	-	-	-	-	-	-	-	-	-	-	-	-	-	877,795	182,577
	2,502,043	2,056,073	1,606,981	215,285	380,177	294,958	482,441	483,515	403,402	-	99,249	136,215	-	2,866,903	2,312,494
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	$ 111	$ (141,754)	$ (42,754)	$ (13,785)	$ (45,359)	$ 77,422	$ -	$ (503)	$ (302,505)	$ -	$ (202,189)	$ 790,913	$ -	$ 605,653	$ 1,518,934

TSAY KEH DENE NATION
SEGMENT DISCLOSURE
FOR THE YEAR ENDED MARCH 31, 2019

	TANGIBLE CAPITAL ASSETS			TOTAL BEFORE ADJUSTMENTS			CONSOLIDATION ADJUSTMENTS			CONSOLIDATED TOTALS		
	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018	Budget	2019	2018
REVENUE												
Indigenous and Northern Affairs Canada	$ 180,000	$ 883,052	$ 539,078	$ 2,982,594	$ 3,925,875	$ 3,501,938	$ -	$ -	$ -	$ 2,982,594	$ 3,925,875	$ 3,501,938
First Nations Health Authority	-	30,000	226,800	853,989	1,366,897	1,384,977	-	-	-	853,989	1,366,897	1,384,977
Province of British Columbia	-	-	-	907,703	1,039,579	916,913	-	-	-	907,703	1,039,579	916,913
BC Hydro	368,680	366,680	75,000	7,205,025	5,359,420	5,137,810	-	3,511	3,010	7,205,025	5,362,931	5,140,820
Ingenika Trading Post	-	-	-	-	1,977,763	2,051,578	-	-	-	-	1,977,763	2,051,578
Interest and trust	-	-	-	1,101	1,297,484	890,631	-	-	-	1,101	1,297,484	890,631
Rent and other	-	116,764	25,487	1,651,808	2,311,606	2,356,038	-	(102,851)	-	1,651,808	2,208,755	2,356,038
Ottawa trust funds	-	-	-	-	2,061	1,997	-	-	-	-	2,061	1,997
Income from government business entities	-	-	-	-	1,493,606	1,768,457	-	-	-	-	1,493,606	1,768,457
Decrease (increase) in deferred revenue	65,322	(17,623)	1,249,490	65,322	(11,496)	1,214,058	-	(3,511)	(3,010)	65,322	(15,007)	1,211,048
TOTAL REVENUE	614,002	1,378,873	2,115,855	13,667,542	18,762,795	19,224,397	-	(102,851)	-	13,667,542	18,659,944	19,224,397
EXPENDITURE												
Administration	-	3,000	32,386	328,977	363,268	638,879	-	(3,000)	(32,386)	328,977	360,268	606,493
Amortization and interest	-	-	-	34,000	185,513	171,415	-	1,263,780	1,246,033	34,000	1,449,293	1,417,448
Contract	933,601	936,918	1,664,314	5,280,512	6,144,323	5,726,495	(933,601)	(936,918)	(1,664,314)	4,346,911	5,207,405	4,062,181
Capital purchases and debt repayment	-	116,680	52,416	982,000	637,306	345,161	(982,000)	(637,306)	(345,161)	-	-	-
Honoraria	-	-	20,719	54,850	50,685	55,679	-	-	(20,719)	54,850	50,685	34,960
Professional fees	-	-	-	229,000	190,341	147,966	-	-	-	229,000	190,341	147,966
Rent	-	-	-	100,799	96,305	33,354	-	-	-	100,799	96,305	33,354
Repairs and maintenance	-	-	-	244,500	174,081	56,101	-	-	-	244,500	174,081	56,101
Supplies	666,000	531,559	244,654	1,129,313	1,123,143	618,018	(666,000)	(531,559)	(244,654)	463,313	591,584	373,364
Telephone and utilities	-	1,454	-	902,072	899,910	931,973	-	(1,454)	-	902,072	898,456	931,973
Travel and accommodations	49,000	50,367	35,406	1,106,739	1,273,370	1,183,439	(49,000)	(153,218)	(35,406)	1,057,739	1,120,152	1,148,033
Wages and benefits	167,214	273,726	144,369	3,870,420	3,751,511	3,582,581	(167,214)	(273,726)	(144,369)	3,703,206	3,477,785	3,438,212
Workshops and training	-	-	-	173,198	121,547	153,055	-	-	-	173,198	121,547	153,055
Other	-	579	557	1,587,912	2,362,605	2,743,090	-	(579)	(557)	1,587,912	2,362,026	2,742,533
Loss from government business entities	-	-	-	-	877,795	182,577	-	-	-	-	877,795	182,577
	1,815,815	1,914,283	2,194,821	16,024,292	18,251,703	16,569,783	(2,797,815)	(1,273,980)	(1,241,533)	13,226,477	16,977,723	15,328,250
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	$ (1,201,813)	$ (535,410)	$ (78,966)	$ (2,356,750)	$ 511,092	$ 2,654,614	$ 2,797,815	$ 1,171,129	$ 1,241,533	$ 441,065	$ 1,682,221	$ 3,896,147

TSAY KEH DENE NATION
GOVERNMENT BUSINESS ENTITIES
CONDENSED FINANCIAL INFORMATION
FOR THE YEAR ENDED MARCH 31, 2019

APPENDIX A

	1035969 B.C. Ltd.	Chu-Cho Enterprises Ltd.	Chu Cho Environmental LLP	Chu Cho Forestry LLP	Chu Cho Industries Limited Partnership	Claw Mountain LLP	Ingenika Logging Ltd.	Three Feathers GP Ltd.	Three Feathers Limited Partnership	Tsay Keh Developments Limited Partnership	Tsay Keh Economic Development Corporation	Tsay Keh Enterprises Ltd.	Tsay Keh Holdings Ltd.	Tse Keh Nay LLP	**Total 2019**	Total 2018
Assets																
Financial Assets	$ 188,865	$ -	$ 796,826	$ 3,257,657	$ 1,589,623	$ 106,285	$ -	$ 431	$ 1,110,257	$ 2,207	$ 8,860	$ 144,750	$ 1,108	$ 794,146	**$ 8,001,015**	$4,808,451
Tangible Capital Assets	-	-	128,111	-	10,571,884	78,971	-	-	-	-	-	485,794	33,984	-	**11,298,744**	9,601,649
Other Assets	-	-	11,513	44,082	18,786	562,460	-	-	32,193	-	27,867	653	661,311	-	**1,358,865**	1,389,422
Total Assets	$ 188,865	$ -	$ 936,450	$ 3,301,739	$ 12,180,293	$ 747,716	$ -	$ 431	$ 1,142,450	$ 2,207	$ 36,727	$ 631,197	$ 696,403	$ 794,146	**$ 20,658,624**	$ 15,799,522
Liabilities	$ -	$ -	$ 556,983	$ 1,223,254	$ 2,374,249	$ 25,471	$ -	$ 5	$ 351,102	$ 702	$ 774	$ 34,210	$ 4,100	$ 4,053	**$ 4,574,903**	$2,419,319
Debt	-	-	144,548	-	9,679,017	-	-	-	-	-	-	-	-	-	**9,823,565**	7,730,373
Contributed Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	974,899
Equity (Deficit)	32,166	(441,063)	234,919	1,637,759	648,700	722,245	(558,310)	426	791,348	(33,621)	7,882	(30,935)	(281,810)	790,093	**3,519,799**	1,568,549
Total Liabilities and Equity	$ 32,166	$ (441,063)	$ 936,450	$ 2,861,013	$ 12,701,966	$ 747,716	$ (558,310)	$ 431	$ 1,142,450	$ (32,919)	$ 8,656	$ 3,275	$ (277,710)	$ 794,146	**$ 17,918,267**	$ 12,693,140
Related Party Loans	$ 156,699	$ 441,063	$ -	$ 440,726	$ (521,673)	$ -	$ 558,310	$ -	$ -	$ 35,126	$ 28,071	$ 627,922	$ 974,113	$ -	**$ 2,740,357**	$ 3,106,382
Intercompany Loans	$ -	$ -	$ -	$ 440,726	$ (521,673)	$ -	$ -	$ -	$ -	$ 45,125	$ 21,297	$ -	$ -	$ -	**$ (14,525)**	$ -
Tsay Keh Dene Nation Advances	156,699	441,063	-	-	-	-	558,310	-	-	(9,999)	6,774	627,922	974,113	-	**2,754,882**	3,106,382
Related Party Loans	$ 156,699	$ 441,063	$ -	$ 440,726	$ (521,673)	$ -	$ 558,310	$ -	$ -	$ 35,126	$ 28,071	$ 627,922	$ 974,113	$ -	**$ 2,740,357**	$ 3,106,382
Revenue and other income	$ 17,416	$ -	$ 1,980,860	$ 2,210,029	$ 17,099,357	$ -	$ -	$ 51	$ 834,712	$ -	$ -	$ 88,564	$ -	$ 706,266	**$ 22,937,255**	$20,113,198
Expenses	-	-	1,765,690	1,281,596	15,407,679	-	-	-	326,834	-	-	68,464	-	10,648	**18,860,911**	16,487,510
Amortization	-	-	51,164	-	1,943,972	-	-	-	-	-	-	25,728	-	-	**2,020,864**	1,717,044
Interest	-	-	12,011	-	514,615	-	-	-	-	-	-	-	-	-	**526,626**	273,655
Corporate Income Taxes	-	-	-	-	-	-	-	5	-	-	-	(1,696)	-	-	**(1,691)**	2,746
Total Expenses	-	-	1,828,865	1,281,596	17,866,266	-	-	5	326,834	-	-	92,496	-	10,648	**21,406,710**	18,480,955
Net Income (Loss)	$ 17,416	$ -	$ 151,995	$ 928,433	$ (766,909)	$ -	$ -	$ 46	$ 507,878	$ -	$ -	$ (3,932)	$ -	$ 695,618	**$ 1,530,545**	$ 1,632,243
Tsay Keh Dene Nation Share	$ 17,416	$ -	$ 151,235	$ 923,791	$ (766,832)	$ -	$ -	$ 15	$ 169,276	$ -	$ -	$ (3,932)	$ -	$ 231,873	**$ 722,842**	$1,585,880

TSAY KEH DENE NATION
TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2019

APPENDIX B

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE
	Opening Balance	Additions	Disposals	Balance End of Year	Opening Balance	Amortization	Disposals	Balance End of Year	2019
Automotive equipment	$ 668,905	$ 75,481	$ -	$ 744,386	$ 476,407	$ 69,072	$ -	$ 545,479	$ 198,907
Buildings	8,267,151	42,052	-	8,309,203	2,656,181	210,372	-	2,866,553	5,442,650
Computer equipment	271,524	-	-	271,524	168,783	30,822	-	199,605	71,919
Equipment	797,884	8,000	-	805,884	641,802	31,859	-	673,661	132,223
Furniture and office equipment	98,500	-	-	98,500	62,403	7,219	-	69,622	28,878
Heavy duty equipment	522,265	396,331	-	918,596	457,878	78,766	-	536,644	381,952
Housing	19,030,351	546,742	-	19,577,093	7,364,374	592,175	-	7,956,549	11,620,544
Infrastructure	13,950,665	1,230,054	-	15,180,719	5,270,185	290,765	-	5,560,950	9,619,769
Ingenika Trading Post	944,229	46,930	(9,875)	981,284	408,081	67,455	(2,962)	472,574	508,710
Land	938,199	-	-	938,199	-	-	-	-	938,199
	$ 45,489,673	$ 2,345,590	$ (9,875)	$ 47,825,388	$ 17,506,094	$ 1,378,505	$ (2,962)	$ 18,881,637	$ 28,943,751

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE
	Opening Balance	Additions	Disposals	Balance End of Year	Opening Balance	Amortization	Disposals	Balance End of Year	2018
Automotive equipment	$ 616,025	$ 52,880	$ -	$ 668,905	$ 405,239	$ 71,168	$ -	$ 476,407	$ 192,498
Buildings	7,928,238	338,913	-	8,267,151	2,439,359	216,822	-	2,656,181	5,610,970
Computer equipment	271,524	-	-	271,524	124,751	44,032	-	168,783	102,741
Equipment	797,884	-	-	797,884	603,012	38,790	-	641,802	156,082
Furniture and office equipment	98,500	-	-	98,500	53,378	9,025	-	62,403	36,097
Heavy duty equipment	500,265	22,000	-	522,265	434,998	22,880	-	457,878	64,387
Housing	18,360,241	670,110	-	19,030,351	6,768,292	596,082	-	7,364,374	11,665,977
Infrastructure	12,654,014	1,296,651	-	13,950,665	4,973,710	296,475	-	5,270,185	8,680,480
Ingenika Trading Post	758,929	185,300	-	944,229	357,888	50,193	-	408,081	536,148
Land	938,199	-	-	938,199	-	-	-	-	938,199
	$ 42,923,819	$ 2,565,854	$ -	$ 45,489,673	$ 16,160,627	$ 1,345,467	$ -	$ 17,506,094	$ 27,983,579