

**Kitsumkalum Indian Band
Consolidated Financial Statements**
March 31, 2023

Kitsumkalum Indian Band

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For the year ended March 31, 2023

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Management's Responsibility

To the Members of Kitsumkalum Indian Band:

The accompanying financial statements of Kitsumkalum Indian Band are the responsibility of management and have been approved by the Chief and Council.

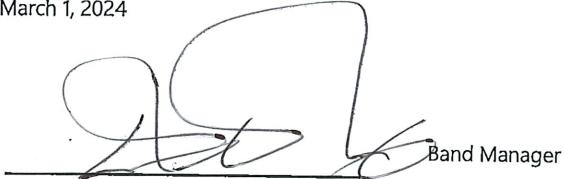
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

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

The Kitsumkalum Indian Band Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

March 1, 2024



A handwritten signature in black ink, appearing to read 'John S. [Signature] Band Manager'.

To the Members of Kitsumkalum Indian Band:

Qualified Opinion

We have audited the consolidated financial statements of Kitsumkalum Indian Band (the "Band"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and accumulated surplus, remeasurement gains and losses, changes in net financial assets, cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Band as at March 31, 2023, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion*Budget presentation*

Kitsumkalum Indian Band did not prepare the budget for the year ended March 31, 2023. Canadian public sector accounting standards requires the approved budget to be presented in the consolidated statement of operations and accumulated surplus and changes in net financial assets. Our audit opinion on the consolidated financial statements for the year ended March 31, 2023 was modified accordingly.

Investment in government business enterprises

Kitsumkalum Indian Band holds investments in a number of government business enterprises, owned or controlled by the Band but not dependant on the Band for their continuing operations. The financial statements or records were not available for the Band's investment in Kalum Ventures Ltd., Kalum Ventures Limited Partnership, Kalum Gas Bar Limited Partnership and Kitsumkalum Economic Development Group Ltd., therefore, we are unable to determine whether adjustments are required to investment in government business enterprises and earning from investment in government business enterprises. Our audit opinion on the consolidated financial statements for the year ended March 31, 2023 was modified because of the effects of this limitation of scope.

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 Financial Statements section of our report. We are independent of the Band in accordance with the ethical requirements that are relevant to our audit of the 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 qualified opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Band's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Band or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Band's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Band's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Band to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 Band to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Terrace, British Columbia

March 1, 2024

MNP LLP

Chartered Professional Accountants

Kitsumkalum Indian Band
Consolidated Statement of Financial Position

As at March 31, 2023

	2023	2022
Financial assets		
Cash	21,266,645	17,149,279
Accounts receivable (Note 4)	1,446,490	4,601,448
Restricted cash (Note 5)	4,204,783	3,641,104
Inventory for resale (Note 6)	141,049	171,177
Funds held in trust (Note 7)	1,772	1,777
Portfolio investments (Note 8)	4,943,009	3,980,922
Kitsumkalum Port Economic Trust Funds (Note 9)	766,589	578,387
Investments in government business enterprises (Note 10)	34,004,632	33,623,310
Total financial assets	66,774,969	63,747,404
Liabilities		
Accounts payable and accruals (Note 11)	2,894,627	2,196,169
Deferred revenue (Note 12)	7,215,935	6,484,514
Debt (Note 13)	6,998,064	6,590,182
Total liabilities	17,108,626	15,270,865
Net financial assets	49,666,343	48,476,539
Contingencies (Note 16)		
Commitments (Note 17)		
Non-financial assets		
Tangible capital assets (Schedule 1)	28,467,563	21,972,137
Prepaid expenses	163,378	149,982
Intangible assets (Note 18)	200,000	200,000
Total non-financial assets	28,830,941	22,322,119
Accumulated surplus (Note 19)	78,497,284	70,798,658

Approved on behalf of the Council

 **Chief**



Councillor

Kitsumkalum Indian Band
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2023

	<i>Schedules</i>	2023	2022
Revenue			
Indigenous Services Canada (Note 20)		10,965,289	8,842,997
Other revenue		2,014,574	1,813,760
Department of Fisheries and Oceans Canada		761,846	640,391
Province of British Columbia		2,767,575	3,247,138
First Nations Health Authority		1,313,808	1,010,290
Transport Canada		77,722	79,015
Economic activities		2,038,008	2,706,393
Investment income		446,376	443,000
Canada Mortgage and Housing Corporation		192,313	3,525,338
Rental income		240,384	236,904
Earnings from investment in government business enterprises (Note 10)		251,997	674,164
		21,069,892	23,219,390
Expenses (Schedule 2)			
Administration and Governance	3	1,844,612	2,014,884
Capital Projects	4	202,133	22,266
Consultations and Impact Benefits	5	1,572,839	1,368,637
Cultural/Title/Rights	6	1,687,823	1,257,040
Economic Development	7	1,651,611	1,548,494
Education	8	2,768,918	2,340,011
Fisheries	9	1,197,510	1,214,022
Health Services	10	1,141,396	1,002,728
Housing	11	423,144	455,703
Public Works	12	1,237,598	852,497
Social Development	13	653,257	563,276
Total expenses		14,380,841	12,639,558
Annual surplus		6,689,051	10,579,832
Accumulated surplus, beginning of year		70,798,658	60,218,826
Change in remeasurement gains		1,009,575	-
Accumulated surplus, end of year (Note 19)		78,497,284	70,798,658

Kitsumkalum Indian Band
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31, 2023

	2023	2022
Accumulated remeasurement gains, beginning of year	-	-
Unrealized gains attributable to:		
Kitsumkalum Port Economic Trust Funds	154,835	-
Portfolio investments	855,661	-
Amounts reclassified to the statement of operations:		
Portfolio investments	(921)	-
Change in remeasurement gains	1,009,575	-
Accumulated remeasurement gains, end of year	1,009,575	-

Kitsumkalum Indian Band
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2023

	2023	2022
Annual surplus		
Purchases of tangible capital assets	6,689,051	10,579,832
Amortization of tangible capital assets	(7,256,557)	(7,905,533)
Acquisition of prepaid expenses	761,131	636,629
Acquisition of intangible assets	(13,396)	(8,426)
Change in remeasurement gains for the year	-	(200,000)
	1,009,575	-
Increase in net financial assets	1,189,804	3,102,502
Net financial assets, beginning of year	48,676,539	45,374,037
Net financial assets, end of year	49,866,343	48,476,539

Kitsumkalum Indian Band
Consolidated Statement of Cash Flows
For the year ended March 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	6,689,051	10,579,832
Non-cash items		
Amortization	761,131	636,629
Earnings from investments in government business enterprises	(251,997)	(674,164)
Change in remeasurement gains	1,009,575	-
	8,207,760	10,542,297
Changes in working capital accounts		
Accounts receivable	3,154,958	(1,726,726)
Prepaid expenses	(13,396)	(8,426)
Funds held in trust	5	(29)
Kitsumkalum Port Economic Trust Funds	(188,202)	(28,665)
Accounts payable and accruals	698,458	1,092,291
Deferred revenue	731,421	1,500,678
Transfer from (to) restricted cash	(563,679)	110,873
Decrease in inventory for resale	30,128	43,350
	12,057,453	11,525,643
Financing and investing activities		
Advances of debt	1,060,000	56,122
Repayment of debt	(652,118)	(400,079)
Advances to government business enterprises	(129,325)	(753,139)
Increase in portfolio investments	(962,087)	(326,479)
	(683,530)	(1,423,575)
Capital activities		
Purchases of tangible capital assets	(7,256,557)	(7,905,533)
Purchases of intangible assets	-	(200,000)
	(7,256,557)	(8,105,533)
Increase in cash resources	4,117,366	1,996,535
Cash resources, beginning of year	17,149,279	15,152,744
Cash resources, end of year	21,266,645	17,149,279

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

1. Operations

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

2. Significant accounting policies

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

Reporting entity

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

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

- Kitsumkalum Treaty Administration
- Kitsumkalum Social Housing
- House of Sim-Oi-Ghets

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.

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

- Kalum Ventures Ltd.
- Kalum Ventures Limited Partnership
- Kalum Quarry Limited Partnership
- Kitsumkalum Development Limited Partnership
- Kalum Gas Bar Limited Partnership
- Kitsumkalum Economic Development Group Ltd.
- Kalum Logistics Park Limited Partnership
- Kasiks Wilderness Resort Limited Partnership

Inactive business enterprises are excluded from the consolidated financial statements.

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.

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

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

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Inventory for resale

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Band members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Band tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all costs directly attributable to acquisition.

When conditions indicate that a tangible capital asset no longer contributes to the Band's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the Band reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

Amortization

Construction in progress and other tangible capital assets not in use are not amortized.

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Land improvements	straight-line	1 to 80 years
Buildings	straight-line	20 to 50 years
Social housing infrastructure	straight-line	20 to 25 years
Vehicle and boat equipment	straight-line	5 to 30 years
Furniture, equipment and technology	straight-line	3 to 30 years
Road infrastructure	straight-line	25 to 70 years
Sewer infrastructure	straight-line	25 to 80 years
Water infrastructure	straight-line	25 to 80 years

Intangible assets

Inherited intangible assets are not recognized in the Band's financial statements in accordance with PS 1200 *Financial Statement Presentation*. Purchased intangible assets are recognized in the Band's financial statements when they meet the definition of an asset.

Long-lived assets

Long-lived assets consists of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. 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 quoted market prices. Any impairment is included in surplus for the year.

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

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

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, prepaid expenses and intangible assets.

Asset retirement obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the Band to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the Band reviews the carrying amount of the liability. The Band recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Band continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

At March 31, 2023, the Band has not recognized any asset retirement obligations.

Liability for contaminated sites

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, 2023.

At each financial reporting date, the Band reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Band continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

At March 31, 2023, no liability for contaminated sites exists.

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 amounts 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 expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

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

Measurement uncertainty *(Continued from previous page)*

Liability for contaminated site

Expenditures that relate to on-going environmental and remediation programs are charged against annual surplus as incurred. A liability for a contaminated site reflects management's best estimate of the amount required to remediate the contaminated site. The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future site remediation.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

Asset retirement obligations

A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the year in which they become known.

Financial instruments

The Band recognizes its financial instruments when the Band becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Band may irrevocably elect to subsequently measure any financial instrument at fair value. The Band has not made such an election during the year.

The Band subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest and dividend income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years and recent collection experience for the loan, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

Net financial assets (net debt)

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

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

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

Revenue recognition

Government transfers

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

Band Capital and Revenue Trust Funds

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

Canada Mortgage and Housing Corporation (CMHC)

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

Housing rental income

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

Other revenue

Other revenue is recognized when performance is completed, amounts are measurable and collection can be reasonably assured.

Investment income

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

Statement of Remeasurement Gains and Losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in government business entities are distinguished from revenues and expenses reported in the statement of operations. The statement of operations reports the extent to which revenues raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the statement of remeasurement gains and losses. Taken together, the two statements account for changes in a Band's net assets (liabilities) in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to all financial instruments are reported in the statement of operations.

Segments

The Band conducts its business through a number of reportable segments as described in Note 20. These operating segments are established by senior management to facilitate the achievement of the Band's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2 the *Significant accounting policies*.

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

3. Change in accounting policy

Effective April 1, 2022, the Band adopted the recommendations relating to PS 3041 *Portfolio investments* and PS 1201 *Financial statement presentation*, as set out in the Canadian public sector accounting standards. Pursuant to the recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, the Band's portfolio investments and Kitsumkalum Port Economic Trust Funds were reported on a cost basis less accumulated impairment. In accordance with the above noted public sector accounting standards, these financial instruments are now measured at their fair value as measured by published market prices. On April 1, 2022, this resulted in a remeasurement gain of \$1,107,101 on portfolio investments and \$236,760 on Kitsumkalum Port Economic Trust Funds being recognized.

4. Accounts receivable

	2023	2022
Trade and other receivables	67,391	27,266
Members	302,123	299,443
GST recoverable	179,347	144,997
Federal contributions receivable	432,440	3,412,632
Provincial contributions receivable	375,398	784,879
Other contributions receivable	261,819	109,784
	1,618,518	4,779,001
Less: Allowance for doubtful accounts	172,028	177,553
	1,446,490	4,601,448

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

5. Restricted cash

Under the terms of an agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited in the amount of \$45,990 (2022 - \$45,990) annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, the replacement reserve was adequately funded.

Under the terms of an agreement with CMHC, excess revenue over expenditures for the Post 1996 phases may be retained in an operating reserve. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by CMHC from time to time. At year end, the operating reserve was adequately funded.

Under the terms of an agreement with the British Columbia Treaty Commission and the federal and provincial governments, the Band receives funding to prepare for and administer the treaty negotiations process. The treaty funds received must be held in a separate bank account and can only be used to pay for expenditures related to the treaty negotiations process.

Under the terms of an agreement with the British Columbia First Nations Gaming Revenue Sharing Limited Partnership, the Band receives funding to administer, manage and distribute funds under the second amended BCFN GRS LP Agreement. The gaming funds received can only be used to pay for eligible expenditures under the agreement.

Under the Land Title and Survey Authority Act, the Band receives royalties and interest on use of Band land.

Restricted cash consists of the following:

	2023	2022
Replacement reserve	418,395	383,342
Operating reserve	94,646	97,816
Treaty administration funds	578,265	500,317
Gaming funds	1,055,210	603,132
Land title funds	2,058,267	2,056,497
	4,204,783	3,641,104

6. Inventory for resale

	2023	2022
Crafts and grocery inventory	141,049	171,177

7. Funds held in trust

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

	2023	2022
Revenue Trust		
Balance, beginning of year	1,777	1,748
Interest	27	66
Special (BC)	1,745	1,727
Transfers out	(1,777)	(1,764)
Balance, end of year	1,772	1,777

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

8. Portfolio investments

Portfolio investment securities include a diverse mix of equities, bonds, bank savings instruments, equity and index funds which are invested primarily in the North American market. Portfolio investments are measured at fair value based on published market prices at March 31, 2023.

	2023	2022
Cost		
Internally restricted	3,701,696	3,618,754
Unrestricted	386,572	362,168
	4,088,268	3,980,922
Remeasurement gains - Internally restricted		
Balance, beginning of year	-	-
Unrealized gains	785,667	-
Amounts reclassified to statement of operations	(921)	-
	784,746	-
Remeasurement gains - Unrestricted		
Balance, beginning of year	-	-
Unrealized gains	69,995	-
	69,995	-
	4,943,009	3,980,922

9. Kitsumkalum Port Economic Trust Funds

The Band entered into the Port of Prince Rupert Container Terminal Project Agreement ("the Port Agreement") with Canada and the Prince Rupert Port Authority which contains terms and conditions of a settlement related to the completion of certain phases of the Prince Rupert Port expansion project. In accordance with the Port Agreement, the Band established a trust to which the moneys paid by Canada to the Band are to be managed, administered and paid out for economic development purposes for the benefit of the Band. The funds are measured at fair value based on published market prices at March 31, 2023.

	2023	2022
Cost		
Balance, beginning of year	578,387	549,722
Investment income earned	39,553	34,247
Trust fund broker and other charges	(6,186)	(5,582)
	611,754	578,387
Remeasurement gains		
Balance, beginning of year	-	-
Unrealized gains	154,835	-
	154,835	-
	766,589	578,387

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

10. Investments in government business enterprises

The Band has investments in the following entities:

	<i>Investment, beginning of year</i>	<i>Loans & advances</i>	<i>Share of earnings (loss)</i>	<i>Total investment</i>
2023				
Wholly-owned Businesses:				
Kitsumkalum Economic Development Group Ltd.	15,906,614	(78,874)	(471,939)	15,355,801
Kalum Ventures Ltd.	(111)	247	-	136
	15,906,503	(78,627)	(471,939)	15,355,937
Business Partnerships – Modified Equity:				
Kalum Quarry Limited Partnership - 99.9%	6,568,814	(48,952)	529,027	7,048,889
Kalum Gas Bar Limited Partnership - 99.9%	4,719,231	13,835	300,874	5,033,940
Kitsumkalum Development Limited Partnership - 99.9%	1,865,265	3,209	(176,900)	1,691,574
Kalum Logistics Park Limited Partnership - 99.9%	2,745,420	239,262	184,862	3,169,544
Kasiks Wilderness Resort Limited Partnership - 99.9%	-	-	(113,927)	(113,927)
Kalum Ventures Limited Partnership - 99.9%	1,818,077	598	-	1,818,675
	17,716,807	207,952	723,936	18,648,695
	33,623,310	129,325	251,997	34,004,632
2022				
Wholly-owned Businesses:				
Kitsumkalum Economic Development Group Ltd.	16,170,340	13,585	(277,311)	15,906,614
Kalum Ventures Ltd.	(111)	-	-	(111)
	16,170,229	13,585	(277,311)	15,906,503
Business Partnerships – Modified Equity:				
Kalum Quarry Limited Partnership - 99.9%	5,778,544	98,976	691,294	6,568,814
Kalum Gas Bar Limited Partnership - 99.9%	4,684,400	16,474	18,357	4,719,231
Kitsumkalum Development Limited Partnership - 99.9%	1,728,361	32,193	104,711	1,865,265
Kalum Logistics Park Limited Partnership - 99.9%	1,850,000	592,509	302,911	2,745,420
Kalum Ventures Limited Partnership - 99.9%	1,984,473	(598)	(165,798)	1,818,077
	16,025,778	739,554	951,475	17,716,807
	32,196,007	753,139	674,164	33,623,310

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

10. Investments in government business enterprises *(Continued from previous page)*

Summary financial information for each business enterprise, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>Kalum Quarry Limited Partnership</i> <i>As at December 31, 2022 (Unaudited)</i>	<i>Kitsumkalum Development Limited Partnership</i> <i>As at December 31, 2022 (Unaudited)</i>	<i>Kalum Gas Bar Limited Partnership</i> <i>As at December 31, 2022 (Unaudited)</i>	<i>Kalum Logistics Park Limited Partnership</i> <i>As at December 31, 2022 (Unaudited)</i>
Assets				
Cash	-	175	1,690,596	28,873
Accounts receivable	130,256	157,498	171,267	418,306
Inventory	1,452,178	-	154,684	-
Investments	-	125,000	-	-
Prepaid expenses	1,041,317	5,098	-	68,746
Advances to related parties	1,629,093	1,951,320	1,229,686	552,061
Advances to Kitsumkalum Indian Band	-	124,502	-	-
Restricted assets	482,000	-	-	-
Other assets	-	-	356,689	-
Property, plant and equipment	6,132,063	155,670	1,593,139	3,884,961
Total assets	10,866,907	2,519,263	5,196,061	4,952,947
Liabilities				
Accounts payable and accruals	195,782	127,158	175,123	294,111
Deferred revenue	1,438,706	-	-	-
Bank indebtedness	905,114	1,575	-	-
Term loans due on demand	-	-	-	-
Advances from related parties	796,647	587,657	-	1,452,378
Advances from Kitsumkalum Indian Band	3,560,688	-	26,077	2,642,239
Other liabilities	404,343	-	-	-
Long-term debt	95,007	-	-	76,297
Total liabilities	7,396,287	716,390	201,200	4,465,025
	3,470,620	1,802,873	4,994,861	487,922
Total revenue	6,865,304	271,340	9,468,575	1,221,382
Total expenses	6,336,225	448,258	9,167,671	1,036,502
Net income (loss)	529,079	(176,918)	300,904	184,880

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

10. Investments in government business enterprises (Continued from previous page)

	<i>Kasiks Wilderness Resort Limited Partnership As at December 31, 2022 (Unaudited)</i>	<i>Kitsumkalum Economic Development Group Ltd. As at December 31, 2022 (Unaudited)</i>
Assets		
Cash	205,513	94,270
Accounts receivable	69,274	85,644
Inventory	-	-
Investments	-	843
Prepaid expenses	-	6,037
Advances to related parties	-	353,446
Advances to Kitsumkalum Indian Band	15,195	-
Restricted assets	-	-
Other assets	-	-
Property, plant and equipment	-	17,464,577
Total assets	289,982	18,004,817
Liabilities		
Accounts payable and accruals	90,879	158,387
Deferred revenue	6,111	-
Bank indebtedness	-	-
Term loans due on demand	-	38,000
Advances from related parties	305,929	2,436,563
Advances from Kitsumkalum Indian Band	-	16,241,539
Other liabilities	-	15,000
Long-term debt	-	-
Total liabilities	402,919	18,889,489
	(112,937)	(884,672)
Total revenue	237,940	242,242
Total expenses	351,878	714,181
Net income (loss)	(113,938)	(471,939)

Most of the Band's investees have a different year-end than March 31, 2023. The Band uses the investees' year-end financial statements to account for its investment in these investees.

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

11. Accounts payable and accruals

	2023	2022
Trade payables	1,099,442	794,638
Accrued salaries and employee benefits payable	285,170	251,661
Other accrued liabilities	1,050,959	587,728
Holdbacks payable	459,056	562,142
	2,894,627	2,196,169

12. Deferred revenue

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

	Balance, beginning of year	Contributions received	Amount recognized into revenue	Balance, end of year
Province of British Columbia - Education funding	146,282	492,588	(491,094)	147,776
Indigenous Services Canada - ICMS #9-00128513	181,991	-	(181,991)	-
Indigenous Services Canada - ICMS #9-00126477	5,976,542	6,233,394	(5,255,813)	6,954,123
Indigenous Services Canada - ICMS #9-00126424	179,699	-	(114,243)	65,456
Indigenous Services Canada - FNCFCS Capital Funding	-	48,580	-	48,580
	6,484,514	6,774,562	(6,043,141)	7,215,935

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

13. Long-term debt

	2023	2022
All Nations Trust Company loan; repayable in monthly installments of \$10,315 per month, including interest at 1.13% per annum. The loan is to be renewed on June 1, 2026, matures July 1, 2036, and is secured by Ministerial Guarantees from Indigenous Services Canada.	1,531,698	1,637,563
All Nations Trust Company loan; repayable in monthly installments of \$2,751 per month, including interest at 3.70% per annum. The loan is to be renewed on December 1, 2027, matures December 1, 2032, and is secured by Ministerial Guarantees from Indigenous Services Canada.	270,136	294,481
Royal Bank of Canada; demand loan repayable in monthly installments of \$11,708 per month, including interest at prime plus 1.35% per annum. The loan matures on September 17, 2023 and is secured by a general security agreement covering all Band assets.	755,910	845,917
All Nations Trust Company loan; repayable in monthly installments of \$4,044 per month, including interest at 1.22% per annum. The loan is to be renewed on May 1, 2026, matures May 1, 2041, and is secured by Ministerial Guarantees from Indigenous Services Canada.	790,620	829,272
All Nations Trust Company loan; repayable in monthly installments of \$2,945 per month, including interest at 1.68% per annum. The loan is to be renewed on October 1, 2023, matures October 1, 2038, and is secured by Ministerial Guarantees from Indigenous Services Canada.	450,235	473,240
All Nations Trust Company loan; repayable in monthly installments of \$2,607 per month, including interest at 0.68% per annum. The loan is to be renewed on August 1, 2025, matures August 1, 2045, and is secured by Ministerial Guarantees from Indigenous Services Canada.	650,230	676,995
Royal Bank of Canada; term loan repayable in monthly installments of \$10,210 per month, including interest at 2.94% per annum. The loan matures on March 26, 2024 and is secured by a general security agreement covering all Band assets.	1,710,003	1,781,249
Royal Bank of Canada; term loan repayable in monthly installments of \$922 per month, including interest at 5.69% per annum. The loan matures on August 6, 2027 and is secured by specific equipment.	43,115	51,465
Royal Bank of Canada; term loan repayable in monthly installments of \$31,150 per month, including interest at prime plus 0.95% per annum. The loan matures on May 2, 2023 and is secured by a general security agreement covering all Band assets.	796,117	-
	6,998,064	6,590,182

RBC has a prime rate of 6.70% as at March 31, 2023 (2022 - 2.70%). As at the date of these financial statements, the bank's prime rate has increased 0.50% to 7.20%.

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

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

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	Principal
2024	3,490,277
2025	232,145
2026	236,144
2027	240,249
2028	237,916
	<hr/>
	4,436,731
Thereafter	<hr/>
	2,561,333

14. Pension plan

The Band provides a defined contribution plan for eligible members of its staff. The Band contributes 5% of the member's base salary and the contributions are directed to the member's contribution account. Members are required to contribute a minimum of 5% of their salary. 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. Kitsumkalum Indian Band contributed \$52,894 (2022 - \$55,359) during the year for retirement benefits. There have been no changes to the plan during the year.

15. Economic dependence

The Kitsumkalum Indian Band receives a significant portion of its revenue pursuant to funding agreements with Indigenous Services Canada and the Province of British Columbia. The nature and extent of this revenue is of such significance that Kitsumkalum Indian Band is economically dependent on this source of revenue, as guaranteed by these agreements.

16. Contingencies

- a) Kitsumkalum Indian Band has entered into contribution agreements with various federal and provincial government departments. Funding received under these contribution agreements may be subject to repayment if the Band fails to comply with the terms and conditions of the agreements.
- b) In addition, in the normal course of its operations, Kitsumkalum Indian Band becomes 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 is recorded on Kitsumkalum Indian Band's consolidated financial statements.
- c) Kitsumkalum Indian Band is contingently liable for band member housing loans which it has guaranteed. In the event of borrower default, any deficiency is payable by the Band. No amount is recorded in these consolidated financial statements related to these guarantees.

17. Commitments

The Band has entered into various lease agreements with estimated minimum annual payments as follows:

2024	49,195
2025	12,900
2026	7,525
Total	<u>69,620</u>

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

18. Intangible assets

Intangible asset is comprised of a purchased woodlot license with a cost of \$200,000 (2022 - \$200,000) and accumulated amortization of \$Nil (2022 - \$Nil).

19. Accumulated surplus

	2023	2022
Operating surplus	18,236,982	21,310,458
Invested in tangible capital assets	24,731,529	15,381,955
Trust funds held by federal government	1,772	1,777
Replacement and operating reserves	513,041	481,158
Investments in government business enterprises	34,004,385	33,623,310
	77,487,709	70,798,658
Accumulated remeasurement gains	1,009,575	-
	78,497,284	70,798,658

20. Indigenous Services Canada funding reconciliation

	2023	2022
Revenue per confirmation	11,695,215	13,669,402
Change in deferred revenue	(729,926)	(4,797,489)
Recoveries in Social Development	-	(5,076)
Recoveries in Cultural/Title/Rights	-	(23,840)
	10,965,289	8,842,997

Kitsumkalum Indian Band
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2023

21. Segments

The Band receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by segments. Schedules 3-13 disclose the details of the Band's revenue and expenses by segment. The Band is organized into the following segments:

Administration and Governance

Includes general operations, support, and financial management of the Band.

Capital Projects

Includes revenue and expenses related to capital projects.

Consultations and Impact Benefits

Includes revenue and expenses related to consultations and impact benefit agreements between a project proponent and Kitsumkalum Indian Band.

Cultural/Title/Rights

Includes revenue and expenses related to cultural and title rights negotiations.

Economic Development

Includes activities related to the growth of revenue producing projects with the Band.

Education

Includes revenue and expenses related to education.

Fisheries

Includes revenue and expenses related to the conservation and stewardship of the Band's fisheries.

Health Services

Includes activities related to the provision of health services within the Band.

Housing

Includes revenue and expenses related to social housing programs carried on by the Band.

Public Works

Includes maintenance of infrastructure owned by the Band.

Social Development

Includes revenue and expenses relating to the social assistance of the members of Kitsumkalum Indian Band.

Kitsumkalum Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Land improvements</i>	<i>Buildings</i>	<i>Social housing infrastructure</i>	<i>Vehicle and boat equipment</i>	<i>Furniture, equipment and technology</i>	
						<i>Subtotal</i>
Cost						
Balance, beginning of year	1,456,771	6,222,423	6,719,579	1,761,410	897,955	17,058,138
Acquisition of tangible capital assets	-	-	-	139,950	-	139,950
Transfer from construction in progress	-	4,868,788	-	-	-	4,868,788
Balance, end of year	1,456,771	11,091,211	6,719,579	1,901,360	897,955	22,066,876
Accumulated amortization						
Balance, beginning of year	109,798	2,228,036	2,020,003	1,205,318	761,153	6,324,308
Annual amortization	8,080	235,716	218,632	118,447	28,144	609,019
Balance, end of year	117,878	2,463,752	2,238,635	1,323,765	789,297	6,933,327
Net book value of tangible capital assets	1,338,893	8,627,459	4,480,944	577,595	108,658	15,133,549
2022 Net book value of tangible capital assets	1,346,973	3,994,387	4,699,576	556,092	136,802	10,733,830

Kitsumkalum Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Road infrastructure</i>	<i>Sewer infrastructure</i>	<i>Water infrastructure</i>	<i>Construction in progress</i>	2023	2022
Cost							
Balance, beginning of year	17,058,138	2,015,796	1,191,325	2,411,119	8,930,008	31,606,386	23,700,853
Acquisition of tangible capital assets	139,950	-	-	-	7,116,607	7,256,557	7,905,533
Transfer from construction in progress	4,868,788	4,361,943	-	-	(9,230,731)	-	-
Balance, end of year	22,066,876	6,377,739	1,191,325	2,411,119	6,815,884	38,862,943	31,606,386
Accumulated amortization							
Balance, beginning of year	6,324,308	856,811	595,206	1,857,924	-	9,634,249	8,997,620
Annual amortization	609,019	114,646	23,838	13,628	-	761,131	636,629
Balance, end of year	6,933,327	971,457	619,044	1,871,552	-	10,395,380	9,634,249
Net book value of tangible capital assets	15,133,549	5,406,282	572,281	539,567	6,815,884	28,467,563	21,972,137
2022 Net book value of tangible capital assets	10,733,830	1,158,985	596,119	553,195	8,930,008	21,972,137	

Kitsumkalum Indian Band
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2023

	2023	2022
Consolidated expenses by object		
Academic programs	13,447	24,854
Administration	128,564	117,260
Advertising	34,759	23,331
Amortization	761,131	636,629
Bad debts	(5,525)	60,546
Bank charges and interest	210,820	62,917
Consulting	2,761,911	2,255,231
Cultural enrichment	4,654	117
Fuel and mileage	185,551	165,204
Funeral	24,000	22,000
Furniture and equipment	138,939	60,267
Honourarium	274,518	281,161
Insurance	202,418	173,760
Interest on long-term debt	54,419	50,888
Living allowances	171,175	160,625
Lunch program	36,865	34,138
Professional fees	374,684	302,009
Purchases	1,035,510	1,119,914
Rent	281,266	255,846
Repairs and maintenance	247,277	206,487
Salaries, wages and benefits	4,779,049	4,461,667
Social assistance	530,705	444,118
Supplies	913,613	789,069
Telephone	86,961	73,189
Training	4,561	3,666
Travel	287,973	100,850
Tuition	730,515	638,945
Utilities	111,081	114,870
	14,380,841	12,639,558

Kitsumkalum Indian Band
Administration and Governance
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	774,975	1,478,551
Other revenue	67,543	769
Province of British Columbia	456,938	633,856
Economic activities	115,155	255,525
Investment income	272,643	52,774
	1,687,254	2,421,475
Expenses		
Advertising	7,127	14,299
Amortization	8,993	56,404
Bad debts	(5,525)	60,546
Bank charges and interest	165,875	16,612
Consulting	420,862	470,432
Fuel and mileage	15,696	49,838
Funeral	4,000	22,000
Furniture and equipment	11,590	-
Honourarium	240,566	247,430
Insurance	58,209	27,840
Professional fees	60,541	114,070
Rent	97,696	76,457
Repairs and maintenance	1,603	81
Salaries, wages and benefits	569,017	654,118
Supplies	139,775	184,869
Telephone	14,180	10,535
Training	-	998
Travel	34,407	4,574
Utilities	-	3,781
	1,844,612	2,014,884
Annual surplus (deficit)	(157,358)	406,591

Kitsumkalum Indian Band
Capital Projects
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	194,539	21,183
Expenses		
Consulting	199,354	21,269
Fuel and mileage	-	73
Rent	396	389
Repairs and maintenance	-	63
Salaries, wages and benefits	-	84
Supplies	2,383	388
	202,133	22,266
Annual deficit	(7,594)	(1,083)

Kitsumkalum Indian Band
Consultations and Impact Benefits
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	283,313	280,508
Other revenue	685,402	572,811
Department of Fisheries and Oceans Canada	46,952	19,728
Province of British Columbia	731,988	915,106
Transport Canada	77,722	70,965
Economic activities	-	130,000
	1,825,377	1,989,118
Expenses		
Bank charges and interest	-	17
Consulting	610,741	592,273
Fuel and mileage	8,680	3,180
Funeral	20,000	-
Furniture and equipment	40,504	-
Honourarium	4,280	-
Insurance	3,510	-
Living allowances	4,680	6,500
Professional fees	95,209	83,767
Rent	51,528	45,171
Salaries, wages and benefits	588,136	528,604
Supplies	90,086	87,910
Telephone	11,547	8,538
Training	1,706	-
Travel	40,803	11,606
Tuition	1,188	829
Utilities	241	242
	1,572,839	1,368,637
Annual surplus	252,538	620,481

Kitsumkalum Indian Band
Cultural/Title/Rights
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	363,045	448,929
Other revenue	400,237	505,422
Department of Fisheries and Oceans Canada	-	9,403
Province of British Columbia	812,333	850,000
Transport Canada	-	8,050
	1,575,615	1,821,804
Expenses		
Administration	24,000	24,000
Advertising	9,990	-
Amortization	-	14,003
Bank charges and interest	2,027	1,485
Consulting	925,480	522,158
Fuel and mileage	-	519
Furniture and equipment	5,929	12,198
Honourarium	5,398	4,031
Insurance	4,178	2,685
Professional fees	113,761	76,886
Rent	31,805	40,001
Repairs and maintenance	3,033	6,486
Salaries, wages and benefits	411,904	453,650
Supplies	74,430	74,195
Travel	68,075	17,254
Utilities	7,813	7,489
	1,687,823	1,257,040
Annual surplus (deficit)	(112,208)	564,764

Kitsumkalum Indian Band
Economic Development
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	115,118	33,518
Other revenue	47,018	-
Economic activities	1,734,914	1,976,168
Investment income	173,734	390,226
Earnings (loss) from investment in Nation business entities	251,997	674,164
	2,322,781	3,074,076
Expenses		
Advertising	15,321	9,032
Amortization	29,911	31,656
Bank charges and interest	42,197	44,173
Consulting	15,705	845
Fuel and mileage	5,059	9,120
Furniture and equipment	27,763	-
Honourarium	500	1,000
Insurance	1,195	20,381
Professional fees	75,401	14,248
Purchases	1,035,510	1,119,914
Repairs and maintenance	11,822	11,526
Salaries, wages and benefits	250,840	230,956
Supplies	94,131	27,391
Telephone	4,058	3,765
Travel	17,465	-
Utilities	24,733	24,487
	1,651,611	1,548,494
Annual surplus	671,170	1,525,582

Kitsumkalum Indian Band
Education
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	7,445,743	2,496,880
Other revenue	374,353	353,977
Province of British Columbia	491,094	462,001
	8,311,190	3,312,858
Expenses		
Academic programs	13,447	24,854
Administration	11,303	-
Amortization	10,627	18,831
Bank charges and interest	544	364
Consulting	91,006	67,665
Cultural enrichment	4,654	117
Fuel and mileage	20,336	11,942
Furniture and equipment	122	4,064
Honourarium	9,683	13,750
Insurance	9,048	6,871
Living allowances	166,495	153,625
Lunch program	36,865	34,138
Rent	29,474	27,562
Repairs and maintenance	66,965	19,744
Salaries, wages and benefits	1,340,893	1,194,360
Supplies	179,875	82,111
Telephone	21,586	20,094
Training	2,855	2,669
Travel	10,677	4,479
Tuition	729,327	638,115
Utilities	13,136	14,656
	2,768,918	2,340,011
Annual surplus	5,542,272	972,847

Kitsumkalum Indian Band
Fisheries
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Other revenue	273,160	295,833
Department of Fisheries and Oceans Canada	714,895	611,260
Province of British Columbia	63,704	276,227
Economic activities	152,550	286,448
	1,204,309	1,469,768
Expenses		
Amortization	61,071	71,853
Bank charges and interest	153	258
Consulting	139,504	229,182
Fuel and mileage	75,715	60,552
Furniture and equipment	11,458	2,430
Insurance	32,076	29,324
Interest on long-term debt	2,713	1,797
Rent	45,117	43,813
Repairs and maintenance	75,658	59,619
Salaries, wages and benefits	591,309	565,460
Supplies	97,586	98,367
Telephone	11,943	10,213
Travel	53,207	41,154
	1,197,510	1,214,022
Annual surplus (deficit)	6,799	255,746

Kitsumkalum Indian Band
Health Services
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Other revenue	96,860	84,949
Province of British Columbia	174,502	10,291
First Nations Health Authority	1,313,808	1,010,290
Economic activities	15,000	46,842
	1,600,170	1,152,372
Expenses		
Administration	53,260	53,260
Advertising	2,321	-
Amortization	95,871	84,372
Consulting	81,318	50,234
Fuel and mileage	12,918	10,273
Honourarium	14,090	14,950
Insurance	24,757	17,607
Rent	4,636	8,576
Repairs and maintenance	10,380	12,464
Salaries, wages and benefits	633,421	544,213
Supplies	136,565	171,003
Telephone	12,359	11,350
Travel	44,864	10,084
Utilities	14,636	14,342
	1,141,396	1,002,728
Annual surplus	458,774	149,644

Kitsumkalum Indian Band
Housing
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	160,093	-
Canada Mortgage and Housing Corporation	192,313	3,525,338
Rental income	240,384	236,904
	592,790	3,762,242
Expenses		
Administration	40,000	40,000
Amortization	218,632	216,236
Fuel and mileage	-	880
Insurance	45,955	53,389
Interest on long-term debt	51,706	49,091
Professional fees	29,772	13,038
Repairs and maintenance	22,109	57,291
Salaries, wages and benefits	2,899	11,578
Utilities	12,071	14,200
	423,144	455,703
Annual surplus	169,646	3,306,539

Kitsumkalum Indian Band
Public Works
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	736,381	3,233,273
Province of British Columbia	37,016	99,657
Economic activities	20,389	11,410
	793,786	3,344,340
Expenses		
Amortization	332,275	139,269
Bank charges and interest	24	7
Consulting	232,903	261,931
Fuel and mileage	47,148	18,826
Furniture and equipment	41,574	41,574
Insurance	23,490	15,663
Rent	20,452	13,714
Repairs and maintenance	55,706	39,212
Salaries, wages and benefits	339,464	227,659
Supplies	76,847	38,577
Telephone	11,287	8,693
Travel	17,976	11,699
Utilities	38,452	35,673
	1,237,598	852,497
Annual surplus (deficit)	(443,812)	2,491,843

Kitsumkalum Indian Band
Social Development
Schedule 13 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	892,082	850,155
Other revenue	70,000	-
	962,082	850,155
Expenses		
Amortization	3,751	4,006
Consulting	45,038	39,246
Living allowances	-	500
Rent	162	162
Salaries, wages and benefits	51,166	50,985
Social assistance	530,705	444,118
Supplies	21,935	24,259
Travel	500	-
	653,257	563,276
Annual surplus	308,825	286,879