

**Tahltan Indian Band**  
**Consolidated Financial Statements**  
For the year ended March 31, 2018

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For the year ended March 31, 2018

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## Management's Responsibility for the Consolidated Financial Statements

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The accompanying consolidated financial statements of Tahltan Indian Band are the responsibility of management and have been approved by the Chief and one additional Band Councilor on behalf of the Band Council.

These 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. Management is responsible 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.

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

The external auditors, BDO Canada LLP, conducted an audit in accordance with Canadian generally accepted auditing standards, and express their qualified opinion on the consolidated financial statements dated July 17, 2018. The external auditors were given complete access to financial management of Tahltan Indian Band and met with Council when required.

Approved on behalf of Chief & Council



Chief



Councilor



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## Independent Auditor's Report

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### To the Chief and Council of Tahltan Indian Band

We have audited the accompanying consolidated financial statements of Tahltan Indian Band (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Band's preparation and fair presentation of the consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Basis for Qualified Opinion

The Band should account for its long-term investments in Stikine River Song Cafe and General Store Ltd. and Tahltan Centre Ltd., as described in Note 4, on a consolidated basis because the entities are not financially self sufficient. The Band has recorded these entities as government business enterprises and accounted for them using the modified equity method. This constitutes a departure from Canadian public sector accounting standards. In addition, because the Band does not have audited financial information for these long-term investments, we were unable to determine the impact of this departure on the revenue, expenditures and annual surplus of the Band for the years ended March 31, 2018 and 2017, assets and liabilities as at March 31, 2018 and 2017, and accumulated surplus as at April 1 and March 31 for both the 2018 and 2017 years. Our audit opinion for the year ended March 31, 2017 was modified accordingly because of this departure from Canadian public sector accounting standards and this limitation of scope with respect to these investments.





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## Independent Auditor's Report (continued)

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The Band has a 33.3% ownership in the Tahltan Nation Development Limited Partnership. As a result, the modified equity method must be used to record the Band's interest in the partnership. The Band has not received updated financial information with respect to this investment for the year ended March 31, 2018. Accordingly, no income from the investment has been included in these consolidated financial statements for the year ended March 31, 2018. This constitutes a departure from Canadian public sector accounting standards. Because the Band does not have current financial information, we were unable to determine the impact of this departure on the revenue and annual surplus for the years ended March 31, 2018 and 2017, the investment in Tahltan Nation Development Limited Partnership as at March 31, 2018, and accumulated surplus as at March 31, 2018. In addition, due to the lack of access to the accounting records, we were unable to determine whether any adjustments may be necessary to the investment in the partnership as at March 31, 2017, revenue and annual surplus for the year ended March 31, 2017, and accumulated surplus as at March 31, 2017. Our audit opinion for the year ended March 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

The Band is a 33.3% beneficiary of the Tahltan Heritage Trust. The Trust assets arise from monies received from various resource developers that undertake commercial activities using natural resources in the Tahltan traditional territory. As a beneficiary of the Trust, the Band is required to record its share of income when allocated. Due to the lack of access to the accounting records of the Trust, we were unable to determine whether any adjustments may be necessary to the investment in the Trust as at March 31, 2018 and 2017, revenue and annual surplus for the years ended March 31, 2018 and 2017, and accumulated surplus as at April 1 and March 31 for both the 2018 and 2017 years. Our audit opinion for the year ended March 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

As disclosed in Note 4 to the consolidated financial statements, the Band has not recorded any amounts related to its former investment in Tahltan Nation Community Development Corporation. Due to the lack of access to the accounting records of Tahltan Nation Community Development Corporation at the time of dissolution, we were unable to determine whether any adjustments may be necessary resulting from the dissolution of the investment as at March 31, 2018 and 2017, revenue and annual surplus for the years ended March 31, 2018 and 2017, and accumulated surplus at April 1 and March 31 for both the 2018 and 2017 years.

The Band has commenced to prepare a tangible capital asset schedule in accordance with Canadian public sector accounting standards for governments. As the listing is incomplete, we were unable to determine whether any adjustments may be necessary to the net book value of the tangible capital assets, related amortization expenditure and annual surplus.

As noted in the summary of significant accounting policies regarding tangible capital assets and amortization, the Social Housing tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long-term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of the tangible capital assets, related amortization expenditure and annual surplus.

### Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraphs, the consolidated financial statements present fairly, in all material respects, the financial position of Tahltan Indian Band as at March 31, 2018 and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*BDO Canada LLP*

Chartered Professional Accountants

Edmonton, Alberta  
July 17, 2018

# Tahltan Indian Band

## Consolidated Statement of Financial Position

March 31	2018	2017
<b>Financial Assets</b>		
Cash	\$ 3,115,925	\$ 645,726
Restricted cash and temporary investments (Note 2)	72,455	71,669
Accounts receivable (Note 3)	662,385	446,012
Long-term investments (Note 4)	4,694,473	4,733,226
Trust assets (Note 6)	3,539,912	2,484,221
	<u>12,085,150</u>	<u>8,380,854</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 8)	1,319,862	696,614
Deferred revenue (Note 9)	197,180	293,834
Long-term debt (Note 10)	907,771	886,207
	<u>2,424,813</u>	<u>1,876,655</u>
<b>Net Financial Assets</b>	<u>9,660,337</u>	<u>6,504,199</u>
<b>Non-financial Assets</b>		
Tangible capital assets (Note 11)	7,181,452	6,579,235
Prepaid expenses	2,631	2,633
Other non-financial assets (Note 12)	100,000	100,000
	<u>7,284,083</u>	<u>6,681,868</u>
<b>Total Non-financial Assets</b>	<u>7,284,083</u>	<u>6,681,868</u>
<b>Accumulated Surplus</b>	<u>\$ 16,944,420</u>	<u>\$ 13,186,067</u>

Approved on behalf of Chief & Council



Chief



Councilor

## Tahltan Indian Band Consolidated Statement of Operations

For the year ended March 31	Budget (Note 17)	2018	2017
<b>Revenue (Note 20)</b>			
Federal Government:			
Indigenous and Northern Affairs Canada (INAC)	\$ 2,229,167	\$ 4,738,064	\$ 2,695,374
Canada Mortgage and Housing Corporation (CMHC)	-	22,893	76,618
Department of Fisheries and Oceans Canada	-	175,952	122,000
First Nations Health Authority (FNHA) (Note 21)	-	1,921,522	1,832,493
Ottawa Trust (Note 6)	-	8,973	10,113
Provincial Government:			
Ministry of Justice	-	292,945	272,121
Ministry of Children and Family Development	-	312,955	304,699
Other:			
Other income	-	689,463	382,354
Northern Health Authority	-	3,000	48,288
Rental income	-	172,048	105,835
Canada Post	-	163,463	78,231
Stikine Wholistic Working Group (SWWG)	-	362,420	253,231
Tahltan Heritage Trust (Note 6)	-	1,046,718	219,832
Dividends from Tahltan Nation Development Corporation	-	95,914	58,694
Tahltan Central Council	-	657,008	175,529
Aboriginal Housing Management Association (AHMA)	-	90,840	90,840
First Nation Education Steering Committee (FNESC)	-	17,181	3,749
	<b>2,229,167</b>	<b>10,771,359</b>	<b>6,730,001</b>
<b>Expenditures (Note 18)</b>			
Economic development	128,204	370,125	269,764
Education	674,297	831,942	666,778
Government development and administration	357,169	1,751,155	1,615,759
Stikine Wholistic Working Group (SWWG)	-	146,446	281,457
Housing	-	244,024	278,004
Public works operations and maintenance	231,948	210,193	278,240
Social and community services	837,549	963,299	723,425
Capital development	-	200,486	199,800
Health (Note 21)	-	1,729,259	1,477,305
Emergency Shelter	-	499,033	618,341
	<b>2,229,167</b>	<b>6,945,962</b>	<b>6,408,873</b>
<b>Surplus of revenue before the undernoted</b>	<b>-</b>	<b>3,825,397</b>	<b>321,128</b>
<b>Other income (expenditures)</b>			
Loss from investment in government business partnership (Note 4)	-	(38,751)	(138,528)
Allowance for advances due from government business enterprises (Note 5)	-	(48,578)	(20,713)
Gain on disposal of tangible capital assets	-	20,285	-
	<b>-</b>	<b>(67,044)</b>	<b>(159,241)</b>
<b>Annual surplus</b>	<b>\$ -</b>	<b>3,758,353</b>	<b>161,887</b>
<b>Accumulated surplus, beginning of year</b>		<b>13,186,067</b>	<b>13,024,180</b>
<b>Accumulated surplus, end of year</b>		<b>\$ 16,944,420</b>	<b>\$ 13,186,067</b>

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

# Tahltan Indian Band

## Consolidated Statement of Changes in Net Financial Assets

For the year ended March 31	2018	2017
Annual surplus	\$ 3,758,353	\$ 161,887
<b>Tangible capital assets:</b>		
Purchase of tangible capital assets (Note 11)	(1,004,058)	(607,001)
Amortization of tangible capital assets (Note 11)	338,871	323,718
Gain on disposal of tangible capital assets	(20,285)	-
Proceeds on disposal of tangible capital assets	83,257	-
<b>Increase (decrease) in net financial assets</b>	<b>3,156,138</b>	<b>(121,396)</b>
<b>Net financial assets, beginning of year</b>	<b>6,504,199</b>	<b>6,625,595</b>
<b>Net financial assets, end of year</b>	<b>\$ 9,660,337</b>	<b>\$ 6,504,199</b>

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



## Tahltan Indian Band Consolidated Statement of Cash Flows

For the year ended March 31	2018	2017
<b>Operating activities</b>		
Annual surplus	\$ 3,758,353	\$ 161,887
Items not affecting cash:		
Amortization of tangible capital assets	338,871	323,717
Gain on disposal of tangible capital assets	(20,285)	-
Loss from government business enterprises	48,578	20,713
Loss from investment in government business partnership	38,753	138,528
Reinvested interest income on temporary investments and restricted cash	(786)	(710)
Income from Ottawa Trust	(8,973)	(10,114)
Income from Tahltan Heritage Trust	(1,046,718)	(219,832)
Changes in operating balances:		
Increase in accounts receivable	(216,373)	(65,687)
Decrease in recoveries receivable from INAC	-	13,946
Increase (decrease) in accounts payable and accrued liabilities	623,248	(138,841)
Increase (decrease) in deferred revenue	(96,654)	74,143
	<u>3,418,014</u>	<u>297,750</u>
<b>Capital activities</b>		
Purchase of tangible capital assets	(1,004,058)	(607,001)
Proceeds on disposal of tangible capital assets	83,257	-
Repayment of bank indebtedness, net	-	(75,000)
	<u>(920,801)</u>	<u>(682,001)</u>
<b>Investing activity</b>		
Advances to government business enterprises, net	<u>(48,578)</u>	<u>(20,713)</u>
<b>Financing activities</b>		
Proceeds from long-term debt	124,146	673,716
Repayment of long-term debt	(102,582)	(65,108)
	<u>21,564</u>	<u>608,608</u>
<b>Increase in cash for the year</b>	<b>2,470,199</b>	<b>203,644</b>
<b>Cash, beginning of year</b>	<u><b>645,726</b></u>	<u><b>442,082</b></u>
<b>Cash, end of year</b>	<b>\$ 3,115,925</b>	<b>\$ 645,726</b>

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

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# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

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### 1. Summary of Significant Accounting Policies

**Nature of Business** Tahltan Indian Band (the "Band") provides services such as government, public works, social development, community health, advanced education, economic development, land and resources, housing and community schooling.

The Band is exempt from income tax under Section 87 of the Indian Act.

**Basis of Accounting** These consolidated financial statements ("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** The Band's reporting entity includes Tahltan Indian Band government and all related entities that are owned by the Band, as well as the government components described below:

<u>Government Business Enterprises</u>	<u>% ownership</u>
- Stikine River Song Cafe and General Store Ltd.	100%
- Tahltan Centre Ltd.	100%
- Tahltan Touring Company (inactive)	100%

<u>Government Business Partnerships</u>	<u>% ownership</u>
- Tahltan Nation Development Corporation	33.3%
- Tahltan Nation Development Limited Partnership	33.3%

The government business enterprises and government business partnerships are accounted for using the modified equity method. Under this method of accounting, only the Band's investment in the government business enterprises and the Band's portion of the enterprises accumulated net income or loss and other changes in equity are recorded. Operating losses are recorded until the investment in the enterprise is reduced to nil. No adjustment is made for accounting policies of the enterprises that are different from those of the Band and inter-organizational balances and transactions are not eliminated.

**Principles of Consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises and partnerships described above, which meet the definition of government business enterprises, which are included in the financial statements using the modified equity method. Inter-organizational balances and transactions are eliminated upon consolidation.

Canada Mortgage and Housing Corporation ("CMHC") Social Housing is consolidated in the Band's financial statements. This program is a government component.

Effective April 1, 2015, the Band was given control over Tahltan Health and Social Services Authority ("THSSA") and THSSA is consolidated in the Band's financial statements. This program is a government component.

Tahltan Band Development Corporation ("TBDC") is a government organization that is owned 100% by the Band. TBDC owns 100% of Tahltan Centre Ltd. and Stikine River Song Cafe and General Store Ltd., which were transferred from the Band during 2017.

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 1. Summary of Significant Accounting Policies (continued)

<b>Asset Classification</b>	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 provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets.												
<b>Cash</b>	Cash includes cash on hand, balances with banks and bank indebtedness. Cash subject to restrictions held in segregated bank accounts that prevent its use for current purposes is included in restricted cash and temporary investments.												
<b>Restricted Temporary Investments</b>	Restricted temporary investments include guaranteed investment certificates ("GICs") maturing November 2018 and December 2018. These investments are recorded at cost. Detail of the restrictions are described in Note 2.												
<b>Long-term Investments</b>	Long-term investments are in corporate entities and limited partnerships owned, controlled or significantly influenced by the Band.												
<b>Leases</b>	Leases entered into, that transfer substantially all the benefits and risks associated with ownership, are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Band, and the obligation, including interest thereon, is liquidated over the term of the lease.												
<b>Use of Estimates</b>	The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.												
<b>Tangible Capital Assets</b>	<p>Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital assets including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a declining balance basis over the estimated useful life of the tangible capital asset, commencing once the asset is available for productive use as follows:</p> <table> <tr> <td>Automotive equipment</td><td>30%</td></tr> <tr> <td>Buildings</td><td>4%</td></tr> <tr> <td>Furniture and fixtures</td><td>20%</td></tr> <tr> <td>Computer equipment</td><td>45%-100%</td></tr> <tr> <td>Infrastructure</td><td>5%</td></tr> <tr> <td>Equipment under lease</td><td>30%</td></tr> </table>	Automotive equipment	30%	Buildings	4%	Furniture and fixtures	20%	Computer equipment	45%-100%	Infrastructure	5%	Equipment under lease	30%
Automotive equipment	30%												
Buildings	4%												
Furniture and fixtures	20%												
Computer equipment	45%-100%												
Infrastructure	5%												
Equipment under lease	30%												

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## Tahltan Indian Band

### Notes to Consolidated Financial Statements

March 31, 2018

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#### 1. Summary of Significant Accounting Policies (continued)

##### **Tangible Capital**

###### **Assets (continued)**

Leasehold improvements are amortized on a straight-line basis over 25 years.

In the year of acquisition, 50% of the annual amortization is expensed.

Amortization is provided on buildings purchased with loans insured by CMHC at a rate equal to the annual principal reduction of the mortgage.

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

###### **Solid Waste Landfills**

The estimated costs to close and maintain the closed solid waste landfill sites are based on estimated future expenditures in current dollars, discounted, adjusted for estimated inflation, and are recognized and charged to expenditures as the landfill site's capacity is used.

The waste station is currently under construction and no capacity has been utilized in the current year.

###### **Government Transfers**

Government funding and transfers are recognized as revenue in the financial statements 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. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

###### **Budget Figures**

The budget figures are approved annually by the Chief and Council. They have been reallocated to conform to Canadian public sector accounting standards' financial statement presentation. Subsequent amendments have been made by the Chief and Council to reflect changes in the budget as required.

###### **Revenue Recognition**

Rental revenue is recognized on a straight line basis as it becomes receivable under the terms of the rental agreement.

All other revenue is recognized as it is earned and collection is reasonably assured.

###### **Segmented Disclosure**

The Band provides a range of services to its members. For each reporting segment, revenue and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

###### **Trust Assets**

Trust assets represent amounts held by third-party's on behalf of the Band. Trust assets are recorded at market value and any investment income is recognized when earned.

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# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 2. Restricted Cash and Temporary Investments

#### Temporary Investments

	2018	2017
CMHC Northern Savings Credit Union shares	\$ 32	\$ 32
RBC - GIC	1,268	1,257
CMHC Northern Savings - GIC	71,155	70,380
	<b>\$ 72,455</b>	<b>\$ 71,669</b>

Funds held in temporary investments represent those monies that the Band has committed for expenditures for future capital and economic development projects. The Royal Bank of Canada ("RBC") GIC is invested for a one year term at a rate of 0.9% per annum, maturing November 2018. The CMHC Northern Savings GIC is invested for a three year term at a rate of 2.4% per annum, maturing December 2018.

#### Restricted Cash

Under the terms of the agreements with CMHC, the replacement reserve is to be credited in the amount of \$4,000 annually plus interest. These funds along with accumulated interest must be held in separate bank accounts and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The Band retains these CMHC reserve funds in a term deposit held at Northern Savings Credit Union. The funds in this account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal.

### 3. Accounts Receivable

	2018	2017
Loans and trade accounts receivable	\$ 485,875	\$ 296,846
INAC	52,068	19,350
CMHC	1,937	1,937
Social housing band member rent	360	700
Band member rent	1,452,011	1,473,447
GST/HST	35,080	66,366
Security deposit - B.C. Government	50,000	-
	<b>2,077,331</b>	<b>1,858,646</b>
Less: allowance for doubtful accounts	<b>(29,376)</b>	<b>(27,064)</b>
Less: housing allowance for doubtful accounts	<b>(1,385,570)</b>	<b>(1,385,570)</b>
Net accounts receivable	<b>\$ 662,385</b>	<b>\$ 446,012</b>

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 4. Long-term Investments

The Band has long-term investments in the following government business enterprises and government business partnerships which are accounted for using the modified equity method.

#### Tahltan Nation Development Limited Partnership ("TNDLP")

The limited partnership has entered into a number of joint venture agreements which has resulted in a wide range of support and construction services being provided to industry and government. The Band owns 33.3% of TNDLP.

#### Tahltan Nation Development Corporation ("TNDC")

Tahltan Nation Development Corporation is a general partner of Tahltan Nation Development Limited Partnership. The only asset the entity owns is its partnership equity in Tahltan Nation Development Limited Partnership.

#### Tahltan Centre Ltd. ("TCL") - Subsidiary of TBDC

Tahltan Centre Ltd. operates a grocery store and gas bar in Telegraph Creek, British Columbia and employs four to six members of the Tahltan First Nation on a regular basis. The Band owns 100% of TBDC, which owns 100% of TCL.

#### Stikine River Song Cafe and General Store Ltd. ("Stikine") - Subsidiary of TBDC

Stikine River Song Cafe and General Store Ltd. operates a seasonal motel and restaurant in Telegraph Creek, British Columbia and employs two to four members of the Band on a regular basis. The Band owns 100% of TBDC, which owns 100% of Stikine.

#### Tahltan Nation Community Development Corporation ("TNCDC")

The Band formerly had a 33.33% investment in Tahltan Nation Community Development Corporation. On January 18, 2016, TNCDC was dissolved. Management has not obtained any information related to the dissolution of TNCDC or determined if it has any impact on the amounts recorded in the consolidated financial statements, which at March 31, 2018 was \$nil (2017 - \$nil).

	TNDLP		TNDC		TCL		Stikine		2018 Total
Accumulated earnings, beginning of year	\$	4,732,697	\$	275	\$	-	\$	-	\$ 4,732,972
Partnership loss		(38,751)		-		-		-	(38,751)
Shares		-		250		1		2	253
	\$	4,693,946	\$	525	\$	1	\$	2	\$ 4,694,473

  

	TNDLP		TNDC		TCL		Stikine		2017 Total
Accumulated earnings, beginning of year	\$	4,871,226	\$	275	\$	-	\$	-	\$ 4,871,501
Partnership loss		(138,528)		-		-		-	(138,528)
Shares		-		250		1		2	253
	\$	4,732,698	\$	525	\$	1	\$	2	\$ 4,733,226

The net change the Band's long-term investments for the current year is a reduction of \$38,751 (2017 - reduction of \$138,528). Condensed financial information for the government business enterprises and government business partnerships is presented in Note 22 of the financial statements.



# Tahltan Indian Band

## Notes to Consolidated Financial Statements

**March 31, 2018**

### 5. Due from Government Business Enterprises

	2018	2017
Stikine River Song Cafe and General Store Ltd.		
Balance, beginning of year	\$ 342,318	\$ 321,605
Current year advances	48,578	20,713
Less: allowance for doubtful accounts	(390,895)	(342,317)
Balance, end of year	1	1
Tahltan Centre Ltd.		
Balance, beginning of year	302,000	302,000
Less: allowance for doubtful accounts	(301,999)	(301,999)
Balance, end of year	1	1
	\$ 2	\$ 2

The amounts advanced to government business enterprises bear no interest and have no fixed terms of repayment. The advances have been written down to reflect the likelihood the amounts may be uncollectible.

### 6. Trust Assets

	Balance, March 31, 2017	Additions	Withdrawals	Balance, March 31, 2018
Ottawa Trust Funds				
Revenue	\$ 202,023	\$ 8,973	\$ -	\$ 210,996
Capital	1,294	-	-	1,294
	203,317	8,973	-	212,290
Tahltan Heritage Trust Fund (unaudited)	2,280,904	1,046,718	-	3,327,622
	\$ 2,484,221	\$ 1,055,691	\$ -	\$ 3,539,912

The Ottawa Trust Funds relate to 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. The revenue and capital trust funds are accessible by the Band for specified purposes.

The Band is a 33.3% beneficiary of the Tahltan Heritage Trust. The Tahltan Heritage Trust is comprised of monies received from resource developers that undertake commercial activities, primarily using natural resources, in the Tahltan Nation's traditional territory. The management of these funds are primarily governed by the Tahltan Nation leadership.

### 7. Bank Indebtedness

The Band has a \$100,000 line of credit from RBC approved under a Band Council Resolution. Interest is charged at prime plus 0.8% per annum and the terms stipulate that funds must be drawn and repaid in \$5,000 increments. As at year end, the line of credit was not in use (2017 - not in use).

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 8. Accounts Payable and Accrued Liabilities

	2018	2017
Trade payables	\$ 584,722	\$ 142,020
Accrued liabilities	217,782	218,570
Grants repayable	404,073	229,436
Accrued salaries and employee benefits payable	105,566	98,869
CMHC payable	7,719	7,719
	<b>\$ 1,319,862</b>	<b>\$ 696,614</b>

### 9. Deferred Revenue

	Balance, March 31, 2017	Funding Received	Revenue Recognized	Balance, March 31, 2018
INAC	\$ 197,180	\$ -	\$ -	\$ 197,180
THSSA amounts received in advance from the B.C. Government	7,570	-	(7,570)	-
SWWG	79,084	283,336	(362,420)	-
B.C. Government Ministry of Forestry	10,000	-	(10,000)	-
	<b>\$ 293,834</b>	<b>\$ 283,336</b>	<b>\$ (379,990)</b>	<b>\$ 197,180</b>

The \$197,180 of deferred revenue from INAC relates to funding received in 2014 that was restricted to capital projects in the Band's infrastructure and housing programs. The Band has yet to start these capital projects and the amounts remain deferred.

The \$7,570 relating to THSSA funding received in 2017 was used for health services in the 2018 fiscal year.

The \$79,084 received from SWWG in 2017 was restricted for the funding of cultural activities. Additional funding of \$283,336 was received in 2018 and a total of \$362,420 was spent in 2018 on cultural projects.

The \$10,000 received from the B.C. Government Ministry of Forestry was used for the funding of a feasibility study of the Band's potential economic development projects.

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 10. Long-term Debt

The Band has established a revolving facility by way of a series of RBC term loans. The maximum limit of this revolving facility is \$750,000, bearing interest at prime plus 1.55% per annum. This facility is authorized by a Band Council Resolution. As at year end, the balance of this facility was \$532,641 (2017 - \$581,062) and is summarized in the RBC term loans below:

	2018	2017
<b>Ford Credit Loan</b>		
Ford Credit loan, repayable in monthly instalments of \$887 at no interest, maturing December 2018, secured by specific equipment with a net book value of \$10,123	\$ 7,982	\$ 18,625
<b>RBC Loans</b>		
RBC loan, repayable in monthly instalments of \$759 including interest at 6.24% per annum, maturing February 2020, secured by specific equipment with a net book value of \$16,171	16,430	24,244
RBC component of revolving facility, repayable in monthly instalments of \$1,030 including interest at prime plus 1.55% per annum, maturing June 2026, secured by real property with a net book value of \$100,000	86,031	94,538
RBC component of revolving facility, repayable in monthly instalments of \$5,122 including interest at prime plus 1.55% per annum, maturing February 2026, secured by specific buildings with a net book value of \$500,000	446,610	486,524
RBC loan, repayable in monthly instalments of \$1,428 including interest at 3.7% per annum, maturing November 2022, secured by a specific vehicle with a net book value of \$91,033	74,427	-
<b>Meridian OneCap Loan</b>		
Meridian OneCap loan, repayable in monthly instalments of \$1,274 including interest at 5.3% per annum, maturing January 2022, secured by specific equipment with a net book value of \$43,863	52,900	65,028
<b>CMHC Mortgage</b>		
CMHC mortgage, with monthly payments of \$1,872 including interest at 1.31% per annum, maturing August 2026, secured by ministerial guarantee from INAC	177,245	197,248
<b>CMHC On-Reserve Shelter Enhancement Program Loan*</b>	46,146	-
	<b>\$ 907,771</b>	<b>\$ 886,207</b>

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## Tahltan Indian Band Notes to Consolidated Financial Statements

March 31, 2018

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### 10. Long-term Debt (continued)

Principal repayments on long-term debt for the next five years and thereafter are as follows, assuming the mortgage is renewed on similar terms:

2019	\$ 112,898
2020	154,804
2021	104,672
2022	106,427
2023	93,283
Thereafter	<u>335,687</u>
	<u>\$ 907,771</u>

\* CMHC agreed to provide a loan with respect to the renovation and rehabilitation, under the shelter enhancement program for emergency accommodations to the Band, up to a maximum amount of \$184,585. The loan shall be paid out in the form of advances. 25% of the CMHC loan has been advanced as at March 31, 2018. Annual payments commence one year after the final advance, with payments in the sum of 50% of the total loan advances per annum on the anniversary date of the final advance. The loan bears no interest. If the Band is in compliance with the terms of the loan agreement at the date a loan repayment is due, then the loan repayment will be forgiven. This loan is secured by ministerial guarantee from INAC.

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**Tahltan Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**11. Tangible Capital Assets**

2018

	Automotive Equipment	CMHC Housing	Buildings*	Furniture and Fixtures	Computer Equipment	Infrastructure	Leasehold Improvements	Equipment Under Lease	Waste Station**	Land	Total
Cost, beginning of year	\$ 1,249,905	\$ 8,381,077	\$ 3,276,043	\$ 544,848	\$ 67,160	\$ 2,417,055	\$ 178,784	\$ 300,298	\$ -	\$ 55,093	\$ 16,470,263
Additions	406,983	62,868	-	-	-	-	-	-	534,207	-	1,004,058
Disposals	(172,957)	-	-	-	-	-	-	-	-	-	(172,957)
Cost, end of year	1,483,931	8,443,945	3,276,043	544,848	67,160	2,417,055	178,784	300,298	534,207	55,093	17,301,364
Accumulated amortization, beginning of year	967,572	5,615,117	1,109,650	435,056	62,079	1,427,278	61,530	212,746	-	-	9,891,028
Amortization	123,520	41,584	66,656	21,918	2,286	49,490	7,151	26,266	-	-	338,871
Disposals	(109,987)	-	-	-	-	-	-	-	-	-	(109,987)
Accumulated amortization, end of year	981,105	5,656,701	1,176,306	456,974	64,365	1,476,768	68,681	239,012	-	-	10,119,912
Net book value, end of year	\$ 502,826	\$ 2,787,244	\$ 2,099,737	\$ 87,874	\$ 2,795	\$ 940,287	\$ 110,103	\$ 61,286	\$ 534,207	\$ 55,093	\$ 7,181,452

\*Buildings include \$500,000 which is construction in progress and no amortization has been recorded as at year end.

\*\*Waste Station includes \$534,207 which is construction in progress and no amortization has been recorded as at year end.

**Tahltan Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**11. Tangible Capital Assets (continued)**

2017

	Automotive Equipment	CMHC Housing	Buildings*	Furniture and Fixtures	Computer Equipment	Infrastructure	Leasehold Improvements	Equipment Under Lease	Land	Total
Cost, beginning of year	\$ 1,176,186	\$ 8,381,077	\$ 2,776,043	\$ 511,566	\$ 67,160	\$ 2,417,055	\$ 178,784	\$ 300,298	\$ 55,093	\$ 15,863,262
Additions	73,719	-	500,000	33,282	-	-	-	-	-	607,001
Cost, end of year	1,249,905	8,381,077	3,276,043	544,848	67,160	2,417,055	178,784	300,298	55,093	16,470,263
Accumulated amortization, beginning of year	878,170	5,574,444	1,040,218	411,769	57,922	1,375,185	54,379	175,224	-	9,567,311
Amortization	89,402	40,673	69,432	23,287	4,157	52,093	7,151	37,522	-	323,717
Accumulated amortization, end of year	967,572	5,615,117	1,109,650	435,056	62,079	1,427,278	61,530	212,746	-	9,891,028
Net book value, end of year	\$ 282,333	\$ 2,765,960	\$ 2,166,393	\$ 109,792	\$ 5,081	\$ 989,777	\$ 117,254	\$ 87,552	\$ 55,093	\$ 6,579,235

\*Buildings include \$500,000 which is construction in progress and no amortization has been recorded as at year end.



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## Tahltan Indian Band

### Notes to Consolidated Financial Statements

March 31, 2018

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#### 12. Other Non-financial Assets

On December 15, 2015, the Band acquired ownership of the assets of a gas station that is located on the reserve at Dease Lake. There were no operations during the March 31, 2018 and 2017 years and extensive construction will be required before the gas station will be operational. In exchange for consideration of \$100,000, the Band received the rights to the land, a maintenance garage, a gas bar including self-contained fuel storage units, pumps and product dispensers, a retail complex and some minor equipment.

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#### 13. Economic Dependence

The Band receives a major portion of its revenue from INAC and FNHA. The nature and extent of this revenue is of such significance that the Band is economically dependent on this source of revenue. During the year, the Band received 44% of its revenue from INAC (2017 - 40%) and 18% from FNHA (2017 - 27%).

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#### 14. Comparative Figures

The comparative figures presented in the financial statements have been reclassified, where necessary, to conform to the current year's presentation.

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#### 15. Pension Plan

The Band has a defined contribution pension plan for certain specific identified members of its staff. Members are required to contribute a minimum of 5% of their salary and the Band also contributes 5% of the member's salary, contributions are directed to the member's contribution account. The amount of retirement benefit to be received by the members will be the amount of retirement annuity that can 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 Band contributed \$87,795 (2017 - \$93,884) for retirement benefits.

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#### 16. Financial Instruments

##### Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Band 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 account receivable. A portion of accounts receivable that is determined to be unlikely to be recovered has been recorded as an allowance for doubtful accounts (Note 3).

The Band maintains all of its cash and deposits with two federally regulated Canadian financial institutions 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 Band is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments subject the Band to a fair value risk while the floating rate instruments subject it to a cash flow risk. There have not been any changes in the risk from the prior year.

##### Liquidity risk

Liquidity risk is the risk that the Band will not be able to meet its financial obligations as they come due. The Band has a planning and budgeting process in place to help determine the funds required to support the normal operating requirements of the Band on an ongoing basis. The Band ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows and its holdings of cash and cash equivalents.

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# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 17. Budget

Canadian public sector accounting standards require that the Band's budget be presented in the financial statements. A budget has been prepared by management and presented in these financial statements and the Chief and Council have formally approved it. The budget prepared by management only addressed operating items and therefore no budget has been presented on the consolidated statement of changes in net financial assets.

### 18. Statement of Expenditures by Objectives

	2018	2017
<b>Expenditures</b>		
Administration	\$ 191,308	\$ 63,582
Advertising	48,329	36,507
Amortization	338,871	323,717
Automotive	20,611	6,962
Contract services	791,056	640,493
Honoraria	31,675	9,482
Insurance	106,004	119,753
Interest	33,670	15,435
Materials and supplies	277,883	194,400
Office and miscellaneous	141,185	139,965
Other	212,105	235,758
Professional fees	500,738	493,763
Rental	96,076	78,280
Repairs and maintenance	74,238	49,826
Room and board	505,279	378,288
Salaries and benefits	2,042,369	2,222,235
Telephone and utilities	288,118	285,285
Travel and accommodation	858,272	868,289
Tuition and training	388,175	246,853
<b>Total expenditures for the year</b>	<b>\$ 6,945,962</b>	<b>\$ 6,408,873</b>

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 19. FNEC Programs

FNEC programs are part of the Education segment as described in Note 20.

	Skills Link Program	SWEP	2018 Total	2017 Total
<b>Revenue</b>				
FNEC	\$ 9,843	\$ 7,338	\$ 17,181	\$ 3,749
<b>Expenditures</b>				
Administration	556	-	556	-
Contract services	4,389	-	4,389	208
Materials and supplies	3,000	-	3,000	-
Salaries and benefits	-	7,005	7,005	3,541
	7,945	7,005	14,950	3,749
<b>Surplus of revenue for the year</b>	1,898	333	2,231	-
<b>Accumulated deficit, beginning of year</b>	-	(2,956)	(2,956)	(2,956)
<b>Accumulated surplus (deficit), end of year</b>	\$ 1,898	\$ (2,623)	\$ (725)	\$ (2,956)

### 20. Segmented Information

The Band provides a wide range of services to its members including social, education, health, housing, public works and economic activities. For management reporting purposes, the Band's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations. Services are provided by programs and their activities are reported in these funds. Certain programs have been separately disclosed in the segmented information, along with the services they provide and are detailed in the Schedule of Segmented Financial Activities.

#### Health

This program covers the funding and expenditures of the Band related to funding received to operate the health program.

#### Economic Development

This program provides the Band with a range of different revenue streams and sources of employment including tourism, the post office, equipment operations and community economic development.

#### Education

This program provides services to eligible First Nation students enrolled in elementary/secondary education programs and eligible post-secondary education programs.

#### Government Development and Administration

This program covers the funding and expenditures of the Band related to administration, fisheries, employee benefits and emergency benefits.

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## Tahltan Indian Band Notes to Consolidated Financial Statements

**March 31, 2018**

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### 20. Segmented Information (continued)

The Department of Fisheries and Oceans Canada programs were moved to this segment in 2018. In 2017, these programs were reported in the Economic Development segment. Management has reviewed the programs and determined the programs are not related to development of revenue streams but relate to fulfilling environmental obligations and administration of the water resources in the Band's territory. The comparative information for 2017 has been amended to reflect this change.

#### **Stikine Wholistic Working Group ("SWWG")**

This program provides health programs and social services under an agreement with First Nations Health Authority.

#### **Housing**

This program provides on-reserve housing to eligible members under the CMHC housing programs for First Nations.

#### **Public Works Operations and Maintenance**

This program is responsible for the construction and maintenance of public spaces within the community.

#### **Social and Community Services**

This program provides for the delivery of social and community services related to special needs, adult care, national child benefits and prevention services among others.

#### **Capital Development**

This program provides for development of capital projects including the store renovation, the development of land and the ACRS project.

#### **Trusts**

This program contains the trust investments as described in Note 6.

#### **Emergency Shelter**

This program operates the Three Sisters Haven House emergency shelter.

This program was moved from the Social and Community Services segment in 2018. Management has determined that this should be a separate segment. The comparative information for 2017 has been amended to reflect this change.

**Tahltan Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**20. Segmented Information (continued)**

2018

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance	Social & Community Services	Capital Development	Trusts	Emergency Shelter	Elimination	Total
<b>Revenue</b>													
INAC	\$ -	\$ 178,204	\$ 828,066	\$ 845,007	\$ -	\$ 250,000	\$ 235,862	\$ 417,595	\$ 1,546,912	\$ -	\$ 558,987	\$ -	\$ 4,860,633
INAC recovery	-	-	-	(30,000)	-	-	-	(92,569)	-	-	-	-	(122,569)
AHMA	-	-	-	-	-	-	-	-	-	-	90,840	-	90,840
Business partnership	-	95,914	-	-	-	-	-	-	-	-	-	-	95,914
Canada Post	-	163,463	-	-	-	-	-	-	-	-	-	-	163,463
CMHC	-	-	-	-	-	22,893	-	-	-	-	-	-	22,893
FNESC	-	-	17,181	-	-	-	-	-	-	-	-	-	17,181
FNHA	1,921,522	-	-	-	-	-	-	-	-	-	-	-	1,921,522
Fisheries and Oceans Canada	-	-	-	175,952	-	-	-	-	-	-	-	-	175,952
Ministry of Children	-	-	-	-	-	-	-	312,955	-	-	-	-	312,955
Ministry of Justice	-	-	-	-	-	-	-	292,945	-	-	-	-	292,945
Northern Health	-	-	-	-	-	-	-	3,000	-	-	-	-	3,000
Ottawa Trust	-	-	-	-	-	-	-	-	-	8,973	-	-	8,973
Rental	-	70,190	48,150	69,812	-	109,600	12,081	-	-	-	-	(137,785)	172,048
SWWG	-	-	-	-	362,420	-	-	-	-	-	-	-	362,420
Tahltan Central Council	-	657,008	-	-	-	-	-	-	-	-	-	-	657,008
Tahltan Heritage Trust	-	-	-	-	-	-	-	-	-	1,046,718	-	-	1,046,718
Other income	225,046	194,835	11,158	404,919	15,179	4,463	2,325	115,850	226,299	-	6,190	(516,801)	689,463
<b>Gross segment revenue</b>	<b>2,146,568</b>	<b>1,359,614</b>	<b>904,555</b>	<b>1,465,690</b>	<b>377,599</b>	<b>386,956</b>	<b>250,268</b>	<b>1,049,776</b>	<b>1,773,211</b>	<b>1,055,691</b>	<b>656,017</b>	<b>(654,586)</b>	<b>10,771,359</b>
<b>Inter-segment transfers</b>	<b>(108,296)</b>	<b>(87,927)</b>	<b>-</b>	<b>(396,015)</b>	<b>-</b>	<b>-</b>	<b>(10,681)</b>	<b>(28,317)</b>	<b>(23,350)</b>	<b>-</b>	<b>-</b>	<b>654,586</b>	<b>-</b>
<b>Net segment revenue</b>	<b>2,038,272</b>	<b>1,271,687</b>	<b>904,555</b>	<b>1,069,675</b>	<b>377,599</b>	<b>386,956</b>	<b>239,587</b>	<b>1,021,459</b>	<b>1,749,861</b>	<b>1,055,691</b>	<b>656,017</b>	<b>-</b>	<b>10,771,359</b>

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 20. Segmented Information (continued)

2018

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance	Social & Community Services	Capital Development	Trusts	Emergency Shelter	Elimination	Total
<b>Expenditures</b>													
Administration	242,625	-	48,497	7,605	26,545	-	-	111,727	-	-	99,217	(344,907)	191,309
Advertising	245	-	-	48,084	-	-	-	-	-	-	-	-	48,329
Amortization	-	-	-	297,303	-	41,568	-	-	-	-	-	-	338,871
Automotive	39,352	-	128	1,999	-	-	-	2,030	-	-	9,163	(32,061)	20,611
Contract services	271,189	43,686	6,699	325,392	28,141	18,369	66,725	129,778	7,574	-	97,140	(203,637)	791,056
Honoraria	1,260	-	-	20,300	6,030	-	-	3,550	535	-	-	-	31,675
Insurance	4,932	11,104	3,154	27,670	-	25,624	15,060	16,384	-	-	2,076	-	106,004
Interest	50	-	-	601	-	33,019	-	-	-	-	-	-	33,670
Materials and supplies	65,272	91,171	5,012	23,668	25,430	10,845	1,334	20,707	10,355	-	24,089	-	277,883
Office and miscellaneous	82,011	753	-	28,293	3,624	1,164	238	20,883	2,900	-	12,000	(10,681)	141,185
Other	-	6,269	9,324	20,234	19,157	1,208	-	155,327	-	-	586	-	212,105
Professional fees	780	36,373	-	250,921	-	27,199	210	4,971	180,284	-	-	-	500,738
Rental	455	10,707	8,400	37,568	247	-	8,400	93,599	-	-	-	(63,300)	96,076
Repairs and maintenance	7,726	4,815	1,107	28,377	-	8,386	5,718	11,918	-	-	6,191	-	74,238
Room and board	-	-	505,279	-	-	-	-	-	-	-	-	-	505,279
Salaries and benefits	524,867	132,048	65,753	567,198	4,654	50,427	87,233	356,502	285	-	253,402	-	2,042,369
Telephone and utilities	57,037	14,486	3,422	47,859	1,562	21,259	60,051	55,087	141	-	27,214	-	288,118
Travel and accommodation	690,910	30,864	15,076	47,635	18,317	4,956	(4,475)	37,203	972	-	16,814	-	858,272
Tuition and training	20,676	899	216,988	10,892	12,739	-	-	75,992	-	-	49,989	-	388,175
Gross segment expenditures	2,009,387	383,175	888,839	1,791,599	146,446	244,024	240,494	1,095,657	203,046	-	597,881	(654,586)	6,945,962
Inter-segment transfers	(280,128)	(13,050)	(56,897)	(40,444)	-	-	(30,301)	(132,358)	(2,560)	-	(98,848)	654,586	-
Net segment expenditures	1,729,259	370,125	831,942	1,751,155	146,446	244,024	210,193	963,299	200,486	-	499,033	-	6,945,962
<b>Surplus of revenue (expenditures) for the year*</b>	\$ 309,013	\$ 901,562	\$ 72,613	\$ (681,480)	\$ 231,153	\$ 142,932	\$ 29,394	\$ 58,160	\$ 1,549,375	\$ 1,055,691	\$ 156,984	\$ -	\$ 3,825,397
* Before other income (expenditures)													
Supplementary information:													
Net surplus for consolidated financial statement purposes	\$ 309,013	\$ 901,562	\$ 72,613	\$ (681,480)	\$ 231,153	\$ 142,932	\$ 29,394	\$ 58,160	\$ 1,549,375	\$ 1,055,691	\$ 156,984	\$ -	\$ 3,825,397
Inter-segment revenue transfers	108,296	87,927	-	396,015	-	-	10,681	28,317	23,350	-	-	(654,586)	-
Inter-segment expenditure transfers	(280,128)	(13,050)	(56,897)	(40,444)	-	-	(30,301)	(132,358)	(2,560)	-	(98,848)	654,586	-
Gross segment surplus (deficit)	\$ 137,181	\$ 976,439	\$ 15,716	\$ (325,909)	\$ 231,153	\$ 142,932	\$ 9,774	\$ (45,881)	\$ 1,570,165	\$ 1,055,691	\$ 58,136	\$ -	\$ 3,825,397



# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 20. Segmented Information (continued)

2017

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance	Social & Community Services	Capital Development	Trusts	Emergency Shelter	Elimination	Total
<b>Revenue</b>													
INAC	\$ -	\$ 128,545	\$ 732,231	\$ 534,067	\$ -	\$ -	\$ 231,361	\$ 388,467	\$ 108,282	\$ -	\$ 572,421	\$ -	\$ 2,695,374
AHMA	-	-	-	-	-	-	-	-	-	-	90,840	-	90,840
Business partnership	-	58,694	-	-	-	-	-	-	-	-	-	-	58,694
Canada Post	-	78,231	-	-	-	-	-	-	-	-	-	-	78,231
CMHC	-	-	-	-	-	76,618	-	-	-	-	-	-	76,618
FNESC	-	-	3,749	-	-	-	-	-	-	-	-	-	3,749
FNHA	1,832,493	-	-	-	-	-	-	-	-	-	-	-	1,832,493
Fisheries and Oceans Canada	-	-	-	122,000	-	-	-	-	-	-	-	-	122,000
Ministry of Children	-	-	-	-	-	-	-	304,699	-	-	-	-	304,699
Ministry of Justice	-	-	-	-	-	-	-	272,121	-	-	-	-	272,121
Northern Health	-	-	-	48,288	-	-	-	-	-	-	-	-	48,288
Ottawa Trust	-	-	-	-	-	-	-	-	-	10,113	-	-	10,113
Rental	-	57,364	7,500	68,100	-	93,460	42,797	-	-	-	-	(163,386)	105,835
SWWG	-	-	-	-	253,231	-	-	-	-	-	-	-	253,231
Tahltan Central Council	-	175,529	-	-	-	-	-	-	-	-	-	-	175,529
Tahltan Heritage Trust	-	-	-	-	-	-	-	-	-	219,832	-	-	219,832
Other income	150,029	52,863	12,080	420,268	153,281	9,000	52,000	45,500	61,907	-	2,200	(576,774)	382,354
Gross segment revenue	1,982,522	551,226	755,560	1,192,723	406,512	179,078	326,158	1,010,787	170,189	229,945	665,461	(740,160)	6,730,001
Inter-segment transfers	(111,573)	(87,380)	-	(456,410)	-	-	(84,797)	-	-	-	-	740,160	-
Net segment revenue	1,870,949	463,846	755,560	736,313	406,512	179,078	241,361	1,010,787	170,189	229,945	665,461	-	6,730,001

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 20. Segmented Information (continued)

2017

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance	Social & Community Services	Capital Development	Trusts	Emergency Shelter	Elimination	Total
<b>Expenditures</b>													
Administration	236,952	-	60,361	2,614	22,000	-	-	91,635	6,771	-	132,462	(489,213)	63,582
Advertising	245	-	-	20,919	-	15,060	-	283	-	-	-	-	36,507
Amortization	-	-	-	283,044	-	40,673	-	-	-	-	-	-	323,717
Automotive	37,979	-	-	1,613	-	-	-	-	-	-	-	(32,630)	6,962
Contract services	76,987	96,195	1,378	136,876	126,709	77,086	54,001	95,508	30,296	-	22,839	(77,382)	640,493
Honoraria	2,062	-	-	6,870	-	-	-	550	-	-	-	-	9,482
Insurance	7,431	13,484	1,041	31,367	-	37,457	14,170	13,524	-	-	1,279	-	119,753
Interest	-	1,763	203	532	-	12,937	-	-	-	-	-	-	15,435
Materials and supplies	22,757	55,467	9,098	27,017	17,806	7,254	12,538	27,212	9,152	-	6,099	-	194,400
Office and miscellaneous	55,760	734	231	28,391	9,350	1,654	1,391	21,006	3,559	-	18,724	(835)	139,965
Other	-	4,104	10,411	55,117	18,723	1,195	-	145,629	-	-	579	-	235,758
Professional fees	8,650	36,108	-	290,547	-	7,500	-	6,000	144,858	-	100	-	493,763
Rental	294	8,400	8,400	28,373	-	-	8,400	87,513	-	-	5,000	(68,100)	78,280
Repairs and maintenance	8,322	19,702	3,870	14,227	3,791	4,045	3,763	15,967	-	-	48,139	(72,000)	49,826
Room and board	-	-	378,288	-	-	-	-	-	-	-	-	-	378,288
Salaries and benefits	569,115	50,861	61,329	566,010	70,483	47,767	142,296	417,832	289	-	296,253	-	2,222,235
Telephone and utilities	48,507	12,575	2,117	58,738	821	22,988	65,819	43,422	1,589	-	28,709	-	285,285
Travel and accommodation	656,809	4,968	22,514	83,315	11,669	2,388	6,751	28,660	2,661	-	48,554	-	868,289
Tuition and training	18,505	-	176,298	2,902	105	-	-	38,814	625	-	9,604	-	246,853
Gross segment expenditures	1,750,375	304,361	735,539	1,638,472	281,457	278,004	309,129	1,033,555	199,800	-	618,341	(740,160)	6,408,873
Inter-segment transfers	(273,070)	(34,597)	(68,761)	(22,713)	-	-	(30,889)	(310,130)	-	-	-	740,160	-
Net segment expenditures	1,477,305	269,764	666,778	1,615,759	281,457	278,004	278,240	723,425	199,800	-	618,341	-	6,408,873
<b>Surplus of revenue (expenditures) for the year*</b>	\$ 393,644	\$ 194,082	\$ 88,782	\$ (879,446)	\$ 125,055	\$ (98,926)	\$ (36,879)	\$ 287,362	\$ (29,611)	\$ 229,945	\$ 47,120	\$ -	\$ 321,128
* Before other income (expenditures)													
Supplementary information:													
Net surplus for consolidated financial statement purposes	\$ 393,644	\$ 194,082	\$ 88,782	\$ (879,446)	\$ 125,055	\$ (98,926)	\$ (36,879)	\$ 287,362	\$ (29,611)	\$ 229,945	\$ 47,120	\$ -	\$ 321,128
Inter-segment revenue transfers	111,573	87,380	-	456,410	-	-	84,797	-	-	-	-	(740,160)	-
Inter-segment expenditure transfers	(273,070)	(34,597)	(68,761)	(22,713)	-	-	(30,889)	(310,130)	-	-	-	740,160	-
Gross segment surplus (deficit)	\$ 232,147	\$ 246,865	\$ 20,021	\$ (445,749)	\$ 125,055	\$ (98,926)	\$ 17,029	\$ (22,768)	\$ (29,611)	\$ 229,945	\$ 47,120	\$ -	\$ 321,128

# Tahltan Indian Band

## Notes to Consolidated Financial Statements

March 31, 2018

### 21. First Nations Health Authority Financial Information

	Canada Prenatal Nutrition	Community Health Promotion	Mental Health and Addictions	Health Culture Camps	Operations and Maintenance	FNHA Aboriginal Diabetes Initiative	Aboriginal Head Start	Aboriginal Head Start Renovations	Brighter Futures
<b>Revenue</b>									
Administration fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
First Nations Health Authority	25,920	91,882	78,265	38,542	84,416	70,664	138,278	147,104	110,314
Recovery	-	-	-	-	-	-	-	-	-
Other income	-	3,500	6,000	-	-	-	500	-	-
	<b>25,920</b>	<b>95,382</b>	<b>84,265</b>	<b>38,542</b>	<b>84,416</b>	<b>70,664</b>	<b>138,778</b>	<b>147,104</b>	<b>110,314</b>
<b>Expenditures</b>									
Administration	9,545	12,388	14,001	-	7,632	14,289	20,541	-	23,387
Advertising	-	-	-	-	-	-	245	-	-
Automotive	737	2,613	2,226	-	2,388	4,941	7,012	-	3,137
Client and community service	-	-	-	-	21,838	-	1,980	-	-
Contract services	5,112	10,909	20,270	-	14,890	15,876	8,950	69,062	6,629
Equipment and furniture purchases	-	-	-	-	1,328	-	2,136	-	-
Equipment rental and maintenance	-	466	-	-	-	-	455	-	-
Groceries and household supplies	1,509	1,082	277	-	502	5,467	2,195	-	2,535
Insurance, licenses and dues	-	-	-	-	-	-	2,697	-	-
Materials and supplies	29	414	537	10,937	3,572	578	-	46,822	351
Office supplies	-	-	-	1,430	-	-	-	9,555	-
Patient transportation	-	-	-	-	-	-	-	-	-
Professional fees	-	-	780	-	-	-	-	-	-
Program resource	2,235	2,116	1,453	145	5,630	6,698	2,991	-	2,624
Telephone	-	4,537	957	-	7,588	632	2,387	-	1,211
Training and workshops	1,000	163	12,047	-	-	468	419	-	-
Travel	4,017	3,139	741	582	-	3,693	2,528	-	635
Utilities	-	3,524	1,304	2,857	16,153	1,190	4,513	-	65
Salaries and benefits	1,737	52,583	27,587	18,216	1,162	14,743	75,791	-	69,446
	<b>25,921</b>	<b>93,934</b>	<b>82,180</b>	<b>34,167</b>	<b>82,683</b>	<b>68,575</b>	<b>134,840</b>	<b>125,439</b>	<b>110,020</b>
<b>Surplus of revenue (expenditures) for the year</b>	(1)	1,448	2,085	4,375	1,733	2,089	3,938	21,665	294
<b>Accumulated surplus (deficit), beginning of year</b>	10	279	133	-	-	9	(136)	-	(804)
<b>Accumulated surplus (deficit), end of year</b>	\$ 9	\$ 1,727	\$ 2,218	\$ 4,375	\$ 1,733	\$ 2,098	\$ 3,802	\$ 21,665	\$ (510)

**Tahltan Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**21. First Nations Health Authority Financial Information (continued)**

	FNHCC	FNHA Solvent Abuse	COHI	FNHA Communicable Diseases	FNHA NNADAP	Health Management and Support	Capital Reserves	Healthy Drinking Water	NIHB Patient Transport
<b>Revenue</b>									
Administration fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,235	\$ -	\$ -	\$ -
First Nations Health Authority	168,917	16,997	3,698	13,232	92,603	104,205	-	16,810	584,471
Recovery	-	-	-	-	-	-	-	-	91,782
Other income	-	-	-	-	-	3,000	59,177	-	-
	<b>168,917</b>	<b>16,997</b>	<b>3,698</b>	<b>13,232</b>	<b>92,603</b>	<b>183,440</b>	<b>59,177</b>	<b>16,810</b>	<b>676,253</b>
<b>Expenditures</b>									
Administration	31,874	6,869	444	1,505	14,243	50	-	1,912	76,235
Advertising	-	-	-	-	-	-	-	-	-
Automotive	5,133	931	111	376	2,746	5,222	-	478	-
Client and community service	-	-	-	-	-	-	-	-	-
Contract services	26,669	1,468	-	7,357	6,492	28,845	-	3,422	-
Equipment and furniture purchases	-	3,240	-	-	-	-	-	-	-
Equipment rental and maintenance	180	-	-	-	-	376	-	-	-
Groceries and household supplies	367	558	-	-	-	-	-	-	-
Insurance, licenses and dues	2,279	-	-	-	-	(44)	-	-	-
Materials and supplies	1,757	-	-	-	-	249	-	26	-
Office supplies	1,738	-	-	-	-	300	-	-	-
Patient transportation	-	-	-	-	-	-	-	-	605,976
Professional fees	-	-	-	-	-	-	-	-	-
Program resource	14,930	1,835	3,143	3,994	5,632	1,069	-	-	-
Telephone	2,676	-	-	-	2,307	1,693	-	-	-
Training and workshops	-	-	-	-	6,579	-	-	-	-
Travel	3,027	-	-	-	7,360	5,322	-	-	-
Utilities	2,193	-	-	-	562	687	-	-	-
Salaries and benefits	70,854	7	-	-	45,901	137,057	-	10,972	-
	<b>163,677</b>	<b>14,908</b>	<b>3,698</b>	<b>13,232</b>	<b>91,822</b>	<b>180,826</b>	<b>-</b>	<b>16,810</b>	<b>682,211</b>
<b>Surplus of revenue (expenditures) for the year</b>	<b>5,240</b>	<b>2,089</b>	<b>-</b>	<b>-</b>	<b>781</b>	<b>2,614</b>	<b>59,177</b>	<b>-</b>	<b>(5,958)</b>
<b>Accumulated surplus (deficit), beginning of year</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>46</b>	<b>28,907</b>	<b>35,338</b>	<b>-</b>	<b>26,050</b>
<b>Accumulated surplus (deficit), end of year</b>	<b>\$ 5,257</b>	<b>\$ 2,089</b>	<b>\$ -</b>	<b>\$ 9</b>	<b>\$ 827</b>	<b>\$ 31,521</b>	<b>\$ 94,515</b>	<b>\$ -</b>	<b>\$ 20,092</b>

**Tahltan Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**21. First Nations Health Authority Financial Information (continued)**

	NIHB Visiting Health Professional	NIHB Dental Care	Nurses' Transport	Workshops	Elimination	2018 Total	2017 Total
<b>Revenue</b>							
Administration fees	\$ -	\$ -	\$ -	\$ -	\$ (76,235)	\$ -	\$ -
First Nations Health Authority	37,422	6,000	-	-	-	1,829,740	1,832,493
Recovery	-	-	-	-	-	91,782	-
Other income	-	-	46,634	30,000	(32,061)	116,750	38,456
	<u>37,422</u>	<u>6,000</u>	<u>46,634</u>	<u>30,000</u>	<u>(108,296)</u>	<u>2,038,272</u>	<u>1,870,949</u>
<b>Expenditures</b>							
Administration	4,491	3,270	-	-	(205,593)	37,083	(780)
Advertising	-	-	-	-	-	245	245
Automotive	1,123	180	-	-	(32,061)	7,293	5,349
Client and community service	-	-	-	-	-	23,818	21,473
Contract services	-	2,550	18,871	-	(31,793)	215,579	53,642
Equipment and furniture purchases	-	-	-	-	-	6,704	5,384
Equipment rental and maintenance	-	-	-	-	-	1,477	3,231
Groceries and household supplies	-	-	-	-	-	14,492	12,807
Insurance, licenses and dues	-	-	-	-	-	4,932	7,431
Materials and supplies	-	-	-	-	-	65,272	22,757
Office supplies	-	-	-	-	(10,681)	2,342	2,534
Patient transportation	-	-	-	-	-	605,976	593,972
Professional fees	-	-	-	-	-	780	8,650
Program resource	-	-	-	-	-	54,495	39,584
Telephone	-	-	-	-	-	23,988	19,863
Training and workshops	-	-	-	-	-	20,676	18,505
Travel	26,196	-	27,691	-	-	84,931	62,837
Utilities	-	-	-	-	-	33,048	28,644
Salaries and benefits	-	-	72	-	-	526,128	571,177
	<u>31,810</u>	<u>6,000</u>	<u>46,634</u>	<u>-</u>	<u>(280,128)</u>	<u>1,729,259</u>	<u>1,477,305</u>
<b>Surplus of revenue (expenditures) for the year</b>	5,612	-	-	30,000	171,832	309,013	393,644
<b>Accumulated surplus (deficit), beginning of year</b>	21,594	-	3,741	-	161,499	276,692	(116,952)
<b>Accumulated surplus (deficit), end of year</b>	<u>\$ 27,206</u>	<u>\$ -</u>	<u>\$ 3,741</u>	<u>\$ 30,000</u>	<u>\$ 333,331</u>	<u>\$ 585,705</u>	<u>\$ 276,692</u>

**Tahltan Indian Band**  
**Notes to Consolidated Financial Statements**  
**Condensed Financial Information**  
**(Unaudited)**

**March 31, 2018**

**22. Condensed Financial Information**

	Stikine River Song Cafe and General Store Ltd.	Tahltan Nation Development Limited Partnership*	Tahltan Centre Ltd.	2018 Total	2017 Total
<b>Assets</b>					
Financial	\$ 3,101	\$ 19,772,779	\$ 89,607	\$ 19,865,487	\$ 10,376,552
Non-financial	-	-	99,110	99,110	9,784,573
	<b>\$ 3,101</b>	<b>\$ 19,772,779</b>	<b>\$ 188,717</b>	<b>\$ 19,964,597</b>	<b>\$ 20,161,125</b>
<b>Liabilities</b>	<b>\$ 395,344</b>	<b>\$ 5,690,009</b>	<b>\$ 308,717</b>	<b>\$ 6,394,070</b>	<b>\$ 6,198,865</b>
<b>Surplus (deficit)</b>	<b>(392,243)</b>	<b>14,082,770</b>	<b>(120,000)</b>	<b>13,570,527</b>	<b>13,962,260</b>
	<b>\$ 3,101</b>	<b>\$ 19,772,779</b>	<b>\$ 188,717</b>	<b>\$ 19,964,597</b>	<b>\$ 20,161,125</b>
<b>Revenue</b>	<b>\$ 64,093</b>	<b>\$ 19,158,572</b>	<b>\$ 1,039,231</b>	<b>\$ 20,261,896</b>	<b>\$ 20,640,384</b>
<b>Expenditures</b>	<b>112,671</b>	<b>19,690,454</b>	<b>1,039,231</b>	<b>20,842,356</b>	<b>21,115,668</b>
<b>Net loss</b>	<b>\$ (48,578)</b>	<b>\$ (531,882)</b>	<b>\$ -</b>	<b>\$ (580,460)</b>	<b>\$ (475,284)</b>

Please note, the above unaudited financial information reflects 100% of the entities assets, liabilities, surplus (deficit), revenue and expenditures. The 2018 figures of Tahltan Nation Development Limited Partnership are not available and the 2017 figures have been presented.

\*The Band owns 33.3% of the partnership, these figures represent 100% of the condensed unaudited financial information. The March 31, 2017 equity income of TNDLP recorded by the Band was based on internal financial statements prepared by management of TNDLP as the financial statements prepared by an independent public accountant were not available at the time that the Band's financial statements were issued. Subsequent to the release of the Band's 2017 financial statements, the TNDLP unaudited financial statements were issued on January 17, 2018. The Band's 33.3% share of the equity loss previously reported on the Band's financial statements at March 31, 2017 was \$138,528. The total equity loss should be \$177,282 as per the issued TNDLP financial statements. The difference of \$38,753 was reported on the Band's 2018 financial statements as loss from government business partnership.