

Tahltan Indian Band
Consolidated Financial Statements
For the year ended March 31, 2019

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Management's Responsibility for the Consolidated Financial Statements

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 Councillor 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 TBD. 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



Councillor

Independent Auditor's Report

To the Chief and Council of
Tahltan Indian Band

Qualified Opinion

We have audited the consolidated financial statements of Tahltan Indian Band (the "Band") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statement of operations, the consolidated statement of changes in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2019, and its consolidated results of operations, its consolidated change in net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As described in Note 4, the Group indirectly controls Stikine River Song Cafe and General Store Ltd. and Tahltan Centre Ltd., by virtue of its control of Tahltan Band Development Corporation. Stikine River Song Cafe and General Store Ltd. and Tahltan Centre Ltd. are government organizations and should be reported on consolidated basis, however the Group has recorded these entities using the modified equity method. This constitutes a departure from Canadian public sector accounting standards. In addition, because the Group does not have audited financial information for these entities, we were unable to determine whether any adjustments might be necessary to revenue, expenditures, and annual surplus of the Group for the years ended March 31, 2019 and 2018, assets and liabilities as at March 31, 2019 and 2018, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion on the consolidated financial statements for the year ended March 31, 2018 was modified accordingly because of the possible of this limitation in scope.

The Group has a 33.3% ownership in the Tahltan Nation Development Limited Partnership. Tahltan Nation Development Limited Partnership is a government business partnership and the modified equity method should be used to record the Group's interest in the partnership. The Group has not received financial information with respect to this investment for the year ended March 31, 2019. Accordingly, no income or loss from the investment has been included in these consolidated financial statements for the year ended March 31, 2019. This constitutes a departure from Canadian public sector accounting standards. In addition, because the Group does not have audited financial information, we were unable to determine whether any adjustments might be necessary to revenue and annual surplus for the years ended March 31, 2019 and 2018, long-term investments as at March 31, 2019, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion on the consolidated financial statements for the year ended March 31, 2018 was modified accordingly because of the effects of this limitation in scope.

As described in note 4, by virtue of its control of Tahltan Legacy Corporation, the Group has an indirect interest in Volcano Creek Limited Partnership, which acquired an investment in Coast Mountain Hydro Limited Partnership prior to April 1, 2018. The investment in Coast Mountain Hydro Limited Partnership was recorded in the consolidated financial statements for the year ended March 31, 2019 without the inclusion of this investment in the comparative financial information for the year ended March 31, 2018. This constitutes a departure from Canadian public sector accounting standards. Using the modified equity method, accounting for the investment in Coast Mountain Hydro Limited Partnership would have resulted in an increase in the long-term investments by \$666,667 and an increase in accumulated surplus by the same amount as at March 31, 2018. In addition, because the Group does not have audited financial information of Tahltan Legacy Corporation, we were unable to determine whether any adjustments might be necessary to revenue and annual surplus for the years ended March 31, 2019 and 2018, long-term investments as at March 31, 2019 and 2018, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years.

Independent Auditor's Report (continued)

The Group is a 33.3% beneficiary of Tahltan Heritage Trust. As a beneficiary of the Trust, the Group is required to record its share of income when allocated. The Group does not have audited financial information of Tahltan Heritage Trust for the year ended March 31, 2019, and we were unable to determine whether any adjustments may be necessary to the long-term investments as at March 31, 2019 and 2018, revenue and annual surplus for the years ended March 31, 2019 and 2018, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion for the year ended March 31, 2018 was modified accordingly because of the effects of this limitation in scope.

As described in note 4, the Group 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 to long-term investments as at March 31, 2019 and 2018, revenue and annual surplus for the years ended March 31, 2019 and 2018, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion for the year ended March 31, 2018 was modified accordingly because of the effects of this limitation in scope.

The Group's tangible capital assets listing is incomplete and it may contain assets that are no longer in use by the Group. As a result, we were unable to determine whether any adjustments may be necessary to amortization expense, gain on disposal of tangible capital assets, and annual surplus for the years ended March 31, 2019 and March 31, 2018, net book value of tangible capital assets as at March 31, 2019 and March 31, 2018, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion for the year ended March 31, 2018 was modified accordingly because of the effects of this limitation in 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

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

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

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

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

Independent Auditor's Report (continued)

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

BDO Canada LLP
Chartered Professional Accountants

Edmonton, Alberta
August 23, 2019

Tahltan Indian Band

Consolidated Statement of Financial Position

March 31	2019	2018
Financial Assets		
Cash	\$ 2,530,401	\$ 3,115,925
Restricted cash and investments (Note 2)	78,161	72,455
Accounts receivable (Note 3)	7,610,466	662,385
Trust assets (Note 5)	221,575	212,290
Long-term investments (Note 4)	17,508,654	8,022,095
	<u>27,949,257</u>	<u>12,085,150</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	1,983,593	1,319,862
Long-term debt (Note 8)	1,423,114	907,771
Deferred revenue (Note 7)	192,642	197,180
Obligation under capital lease (Note 9)	30,751	-
	<u>3,630,100</u>	<u>2,424,813</u>
Net Financial Assets	<u>24,319,157</u>	<u>9,660,337</u>
Non-financial Assets		
Prepaid expenses	2,630	2,629
Tangible capital assets (Note 10)	9,098,928	7,181,452
Other non-financial assets (Note 11)	-	100,000
Total Non-financial Assets	<u>9,101,558</u>	<u>7,284,081</u>
Accumulated Surplus	<u>\$ 33,420,715</u>	<u>\$ 16,944,418</u>

Approved on behalf of Chief & Council



Chief



Councillor

Tahltan Indian Band Consolidated Statement of Operations

For the year ended March 31

2019

2018

Revenue (Note 18)

Federal Government:

Indigenous Services Canada (ISC)	\$ 15,368,384	\$ 4,738,064
First Nations Health Authority (FNHA) (Note 19)	2,303,650	1,921,522
Department of Fisheries and Oceans Canada	145,062	175,952
Canada Mortgage and Housing Corporation (CMHC)	34,451	22,893
Ottawa Trust (Note 5)	9,285	8,973

Provincial Government:

Ministry of Forests, Lands and Natural Resources	1,873,603	-
Ministry of Children and Family Development	351,435	312,955
Ministry of Justice	240,904	292,945

Other:

Insurance proceeds (Note 15)	5,090,000	-
Donations and other income	958,049	788,377
Rental income	805,074	172,048
Tahltan Central Government	462,776	657,008
Stikine Wholistic Working Group (SWWG)	347,500	362,420
Canada Post	302,837	163,463
Aboriginal Housing Management Association (AHMA)	101,747	90,840
First Nations Education Steering Committee (FNESC) (Note 18)	6,706	17,181

	28,401,463	9,724,641
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Expenditures (Note 16)

Economic development	530,207	370,125
Education	812,896	831,942
Government development and administration	1,633,762	1,751,155
Stikine Wholistic Working Group	222,341	146,446
Housing	1,181,593	244,024
Public works operations and maintenance	221,398	210,193
Social and community services	1,021,162	963,300
Capital development	282,091	200,486
Health (Note 19)	1,870,264	1,729,259
Emergency Shelter	563,998	499,033
Wildfire (Note 15)	14,655,226	-

	22,994,938	6,945,963
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Surplus of revenue before the undernoted

	5,406,525	2,778,678
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Other income (loss)

Income from long-term investments (Note 4)	9,163,665	959,388
Write-down of other non-financial assets (Note 11)	(100,000)	-
Gain on disposal of tangible capital assets (Note 15)	2,006,107	20,285

	11,069,772	979,673
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Surplus of revenue for the year

	16,476,297	3,758,351
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Accumulated surplus, beginning of year

	16,944,418	13,186,067
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Accumulated surplus, end of year

	\$ 33,420,715	\$ 16,944,418
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Tahltan Indian Band

Consolidated Statement of Changes in Net Financial Assets

For the year ended March 31	2019	2018
Surplus of revenue for the year	\$ 16,476,297	\$ 3,758,351
Tangible capital assets and other nont-financial assets:		
Purchase of tangible capital assets (Note 10)	(3,536,612)	(1,004,058)
Amortization of tangible capital assets (Note 10)	494,435	338,873
Write-down of other non-financial assets (Note 11)	100,000	-
Gain on disposal of tangible capital assets (Note 15)	(2,006,107)	(20,285)
Proceeds on disposal of tangible capital assets (Note 15)	3,130,807	83,257
Increase in net financial assets	14,658,820	3,156,138
Net financial assets, beginning of year	9,660,337	6,504,199
Net financial assets, end of year	\$ 24,319,157	\$ 9,660,337

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	2019	2018
Operating activities		
Surplus of revenue for the year	\$ 16,476,297	\$ 3,758,351
Items not affecting cash:		
Amortization of tangible capital assets	494,435	338,873
Write-down of other non-financial assets	100,000	-
Gain on disposal of tangible capital assets	(2,006,107)	(20,285)
Income from investments in government business enterprises and government business partnerships	(9,163,665)	(959,388)
Changes in operating balances:		
Increase in restricted cash and investments	(5,706)	(786)
Increase in accounts receivable	(6,948,084)	(216,372)
Increase in trust assets	(9,285)	(8,973)
Increase in accounts payable and accrued liabilities	663,731	623,248
Decrease in deferred revenue	(4,537)	(96,654)
	<u>(402,921)</u>	<u>3,418,014</u>
Capital activities		
Purchase of tangible capital assets	(3,504,893)	(1,004,058)
Proceeds on disposal of tangible capital assets (Note 15)	3,130,810	83,257
Repayment of obligation under capital lease	(969)	-
	<u>(375,052)</u>	<u>(920,801)</u>
Investing activity		
Advances to government business enterprises, net	<u>(322,894)</u>	<u>(48,578)</u>
Financing activities		
Proceeds from long-term debt	627,614	124,146
Repayment of long-term debt	(112,271)	(102,582)
	<u>515,343</u>	<u>21,564</u>
Increase (decrease) in cash for the year	(585,524)	2,470,199
Cash, beginning of year	<u>3,115,925</u>	<u>645,726</u>
Cash, end of year	\$ 2,530,401	\$ 3,115,925

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

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

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 (the "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 CPA Canada.

**Reporting Entity and
Principles of
Consolidation**

The Band's reporting entity includes Tahltan Indian Band operations and all related entities that are controlled by the Band. The financial statements include the following entities:

	<u>% ownership</u>
- Tahltan Band Development Corporation	100%
- Tahltan Heritage Trust	33.33%
- Tahltan Legacy Corporation	33.33%
- Tahltan Nation Development Corporation	33.33%
- Tahltan Nation Development Limited Partnership	33.33%

The financial statements include the following controlled government not-for-profit organizations:

- Stikine Housing Authority Society
- Tahltan Health and Social Services Authority

All controlled entities are fully consolidated on a line-by-line basis and inter-organizational balances and transactions are eliminated, except for the entities described above, which meet the definitions of government business enterprises and government business partnerships. Entities that meet the definitions of 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 and the Band's portion of the enterprises' accumulated net income or loss and other changes in equity are recorded. Losses are recorded until the investment is reduced to nil. No adjustment is made for accounting policies of the business entities that are different from those of the Band and inter-organizational balances and transactions are not eliminated.

Stikine Housing Authority Society was organized on January 19, 2018 in the Province of British Columbia.

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 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.

Cash 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 investments.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

Restricted Investments Restricted investments are recorded at cost. Detail of the restrictions are described in Note 2.

Long-term Investments Long-term investments are in business entities and limited partnerships owned, controlled or significantly influenced by the Band.

Leases Leases entered into, that transfer substantially all of 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.

Use of Estimates 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.

Tangible Capital Assets Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital 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:

Automotive equipment	30%
Buildings	4%
Furniture and fixtures	20%
Computer equipment	45%-100%
Infrastructure	5%
Equipment under lease	30%

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

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.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

Asset Retirement Obligations

During the year the Band adopted PS 3280 - Asset Retirement Obligations, which requires a recognition of a liability for an asset retirement obligation in the period in which it is incurred at an amount that is the best estimate of the expenditure required to settle the present obligation at the balance sheet date. This obligation is subsequently reviewed at each balance sheet date and adjusted for the passage of time and for any revisions to the timing or amount required to settle the obligation. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related long-lived asset. This cost is amortized on the same basis as the related asset.

The Band identified an asset retirement obligation related to asbestos removal from certain residential housing units. No asset retirement obligation has been recognized since the settlement date has not been determined, a plan for renovation and demolition has not been established and therefore a reliable estimate of the liability cannot be made.

The Band also identified an asset retirement obligation related to landfill that is no longer in productive use. Asset retirement obligation activities have not commenced and these costs will be expensed as incurred.

Government Transfers

Government funding and transfers, including wildfire related amounts, 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.

Revenue Recognition

Proceeds from insurance that are receivable as a result of a destruction of an insured tangible capital asset are recognized in the consolidated statement of operations to the extent of a loss incurred. Anticipated proceeds in excess of such loss are recognized as gain on disposal of tangible capital assets in the consolidated statement of operations when the Band obtains the insurance company's approval for the proceeds to be received. All other proceeds from insurance are recognized in the consolidated statement of operations when the Band obtains the insurance company's approval for the proceeds to be received.

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 on behalf of the Band. Trust assets are recorded at cost and any investment income is recognized when earned.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

2. Restricted Cash and Investments

	2019	2018
Restricted cash and investments	\$ 76,881	\$ 71,187
Short-term investments	1,280	1,268
	\$ 78,161	\$ 72,455

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the Band is required to establish a replacement reserve to be used to fund future renovations and replacement expenditures to the buildings and equipment held by Section 95 On-Reserve Housing Program Not-for-Profit Project of the Band. The replacement reserve funds are required to 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. Restricted cash and investments include the replacement reserve funds that are held on deposit in a separate interest bearing bank account in the amount of \$4,018 (2018 - \$4,033) and a term deposit of \$72,863 (2018 - \$67,154), bearing interest at a rate of 1.9% per annum and maturing on December 1, 2021.

Short-term investments includes a term deposit, bearing interest at a rate of 1.4% per annum and maturing on November 13, 2019.

3. Accounts Receivable

	2019	2018
Loans and trade accounts receivable	\$ 742,399	\$ 485,875
Indigenous Services Canada	4,441,711	52,068
Canada Mortgage and Housing Corporation	12,025	1,937
Ministry of Forests, Lands and Natural Resources	2,345,043	-
Due from band members	1,458,079	1,452,371
GST/HST	28,306	35,080
Security deposit - B.C. Government	50,000	50,000
	9,077,563	2,077,331
Less: allowance for doubtful accounts	(1,467,097)	(1,414,946)
Net accounts receivable	\$ 7,610,466	\$ 662,385

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

4. Long-term Investments

The Band has investments in the following entities:

Tahltan Band Development Corporation ("TBDC")

TBDC has two wholly-owned subsidiaries, Tahltan Centre Ltd., and Stikine River Song Cafe and General Store Ltd. Tahltan Centre Ltd. operates a grocery store and gas bar in Telegraph Creek, British Columbia. Stikine River Song Cafe and General Store Ltd. operates a seasonal motel and restaurant in Telegraph Creek, British Columbia. TBDC's subsidiaries are government organizations and are required to be reported on a consolidated basis. However, the Band considered these entities to be government business enterprises ("GBE") and accounted for them using the modified equity method. Amounts advanced to TBDC 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.

Tahltan Heritage Trust ("THT")

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, along with investments in marketable securities. The management of these funds are primarily governed by the Tahltan Nation leadership. See note 8 for a disclosure of a loan obligation the Band has with THT.

Tahltan Legacy Corporation ("TLC")

TLC owns 100% of the shares of 1045365 B.C. Ltd., a general partner that holds a 0.01% interest in the Volcano Creek Limited Partnership ("VCLP"); TLC is also the limited partner and it holds a 99.99% interest in VCLP. VCLP owns a 2.7% investment in Volcano Creek Hydroelectric Facility of Coast Mountain Hydro Limited Partnership, a partnership which operates a run-of-river plant facilities initially constructed and developed by AltaGas Ltd. in collaboration with BC Hydro (the "partnership"). Subsequent to March 31, 2019, the ownership of VCLP was transferred to THT and VCLP acquired a 5% interest in the partnership for approximately \$124 million. As part of the purchase, VCLP obtained related party and external debt to finance a part of this acquisition. The Band is presently assessing the impact of the acquisition on the consolidated financial statements.

TLC is a GBP and the Band accounted for it using the modified equity method.

Tahltan Nation Development Corporation ("TNDC")

Tahltan Nation Development Corporation is a general partner that holds 0.01% of Tahltan Nation Development Limited Partnership. TNDC is a GBP and the Band accounted for it using the modified equity method.

Tahltan Nation Development Limited Partnership ("TNDLP")

TNDLP has entered into a number of joint venture agreements providing a wide range of support and construction services to various industries and government. TNDLP meets the definition of a GBP and the Band accounted for it using the modified equity method.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

4. Long-term Investments (continued)

Tahltan Nation Community Development Corporation ("TNCDC")

Prior to TNCDC's dissolution on January 18, 2016, the Band held a 33.33% investment in this entity. 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 financial statements, which at March 31, 2019 was \$nil (2018 - \$nil).

	TBDC	THT	TLC	TNDC	TNDLP	2019 Total
Long-term investments, beginning of year	\$ 3	\$ 3,327,622	\$ -	\$ 525	\$ 4,693,945	\$ 8,022,095
Income (loss)	(322,894)	1,594,643	8,000,000	-	(108,084)	9,163,665
Advances	322,894	-	-	-	-	322,894
Long-term investments, end of year	\$ 3	\$ 4,922,265	\$ 8,000,000	\$ 525	\$ 4,585,861	\$ 17,508,654

	TBDC	THT	TNDC	TNDLP	2018 Total
Long-term investments, beginning of year	\$ 3	\$ 2,280,904	\$ 525	\$ 4,732,697	\$ 7,014,129
Income (loss)	(48,578)	1,046,718	-	(38,752)	959,388
Advances	48,578	-	-	-	48,578
Long-term investments, end of year	\$ 3	\$ 3,327,622	\$ 525	\$ 4,693,945	\$ 8,022,095

The net change the Band's long-term investments for the current year is an increase of \$9,486,560 (2018 - increase of \$1,555,892). Condensed financial information for the government business enterprises and government business partnerships is presented in Note 20.

5. Trust Assets

	Balance, March 31, 2018	Additions	Withdrawals	Balance, March 31, 2019
Ottawa Trust Funds				
Revenue	\$ 210,996	\$ 9,285	\$ -	\$ 220,281
Capital	1,294	-	-	1,294
	\$ 212,290	\$ 9,285	\$ -	\$ 221,575

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.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

6. Accounts Payable and Accrued Liabilities

	2019	2018
Trade payables	\$ 1,153,774	\$ 584,722
Accrued liabilities	232,353	217,782
Contributions repayable	404,073	404,073
Accrued salaries and employee benefits payable	185,674	105,566
CMHC payable	7,719	7,719
	\$ 1,983,593	\$ 1,319,862

7. Deferred Revenue

	Balance, March 31, 2018	Funding Received	Revenue Recognized	Balance, March 31, 2019
Indigenous Services Canada	\$ 197,180	\$ -	\$ (91,058)	\$ 106,122
Ministry of Forests, Lands and Natural Resources	-	86,520	-	86,520
	\$ 197,180	\$ 86,520	\$ (91,058)	\$ 192,642

Deferred revenue from Indigenous Services Canada relates to funding received in 2014 that was restricted to capital projects in the Band's infrastructure and housing programs. During the year, \$91,058 (2018 - \$nil) has been recognized towards capital projects, with the remaining amount to be deferred.

The \$86,520 received from the Ministry of Forests, Lands and Natural Resources is to be used for a post-wildfire economic development assessment.

Tahltan Indian Band Notes to Consolidated Financial Statements

March 31, 2019

8. Line of Credit and Long-term Debt

Under its credit agreement with RBC, the Band has access to a line of credit, with a maximum limit of \$100,000. 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. At March 31, 2019, \$nil was outstanding on this facility (2018 - \$nil).

Under the same credit agreement, the Band has established a revolving facility by way of a series of term loans. The revolving facility is due on demand and its maximum limit is \$750,000. At year end, the balance of this facility was \$484,350 (2018 - \$532,641) and is included below:

	2019	2018
Ford Credit		
Loan, repaid during the year	\$ -	\$ 7,982
GW Finance		
Loan, repayable in monthly instalments of \$3,016 including interest at 5.25% per annum, maturing December 2023, secured by specific equipment with a net book value of \$198,475	189,175	-
RBC		
Revolving facility term loan, 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	77,968	86,031
Revolving facility term loan, 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 \$1,071,030	406,382	446,610
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 \$11,320	8,113	16,430
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 \$63,723	59,798	74,427
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 \$30,704	40,114	52,900
Tahltan Heritage Trust		
Loan, repayable in annual instalments of \$100,000, bearing no interest, unsecured, maturing March 2022	300,000	-
CMHC		
Mortgage, with monthly payments of \$1,872 including interest at 1.31% per annum, maturing August 2026, secured by ministerial guarantee from Indigenous Services Canada	156,979	177,245
Renovation and rehabilitation loan, repayable in annual payments of \$92,293, bearing no interest, maturing May 2020, repayments commenced May 2019, if the Band is in compliance with the terms of the loan agreement at the date a loan repayment is due, the loan repayment will be forgiven, secured by ministerial guarantee from Indigenous Services Canada	184,585	46,146
	\$ 1,423,114	\$ 907,771

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

8. Line of Credit and Long-term Debt (continued)

Provided RBC does not demand repayment of the revolving facility term loans and the CMHC mortgage is renewed on similar terms, principal repayments on long-term debt for the next five years and thereafter are as follows:

2020	\$	337,992
2021		336,342
2022		248,282
2023		137,767
2024		115,905
Thereafter		246,826
	\$	<u>1,423,114</u>

9. Obligation Under Capital Lease

	2019	2018
Obligation under capital lease for a multi-functional photocopier, blended monthly payments of \$550, with interest at 5.113% per annum, maturing July 2024, secured by specific equipment with a net book value of \$24,582	<u>\$ 30,751</u>	<u>\$ -</u>

Interest expense for the year, related to the obligation under capital lease, is \$133 (2018 - \$nil).

Estimated lease payments are as follows:

2020	\$	6,600
2021		6,600
2022		6,600
2023		6,600
2024		6,600
Thereafter		2,200
		<u>35,200</u>
Less interest		<u>(4,449)</u>
	\$	<u>30,751</u>

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

10. Tangible Capital Assets

	Automotive Equipment	CMHC Housing	Buildings*	Furniture and Fixtures	Computer Equipment	Infrastructure	Leasehold Improvements	Equipment Under Lease	Transfer Station**	Land	2019 Total
Cost, beginning of year	\$ 1,784,229	\$ 773,727	\$ 10,946,260	\$ 544,848	\$ 67,160	\$ 2,417,055	\$ 178,784	\$ -	\$ 534,207	\$ 55,093	\$ 17,301,363
Additions	526,304	-	2,426,248	-	-	15,519	-	31,719	536,822	-	3,536,612
Disposals	(280,115)	-	(2,066,489)	(492,726)	-	-	-	-	-	-	(2,839,330)
Cost, end of year	2,030,418	773,727	11,306,019	52,122	67,160	2,432,574	178,784	31,719	1,071,029	55,093	17,998,645
Accumulated amortization, beginning of year	1,220,118	234,828	6,597,976	457,175	64,365	1,476,768	68,681	-	-	-	10,119,911
Amortization	230,385	20,266	175,351	5,872	1,259	47,014	7,151	7,137	-	-	494,435
Disposals	(231,877)	-	(1,048,340)	(434,412)	-	-	-	-	-	-	(1,714,629)
Accumulated amortization, end of year	1,218,626	255,094	5,724,987	28,635	65,624	1,523,782	75,832	7,137	-	-	8,899,717
Net book value, end of year	\$ 811,792	\$ 518,633	\$ 5,581,032	\$ 23,487	\$ 1,536	\$ 908,792	\$ 102,952	\$ 24,582	\$ 1,071,029	\$ 55,093	\$ 9,098,928

* Buildings include residential buildings owned by the Stikine Housing Authority Society, purchased for a cost of \$1.

** Transfer Station includes \$1,071,029 which is construction in progress and no amortization has been recorded at year end.

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2019

10. Tangible Capital Assets (continued)

	Automotive Equipment	CMHC Housing	Buildings*	Furniture and Fixtures	Computer Equipment	Infrastructure	Leasehold Improvements	Equipment Under Lease	Transfer Station**	Land	2018 Total
Cost, beginning of year	\$ 1,550,203	\$ 773,727	\$ 10,883,392	\$ 544,848	\$ 67,160	\$ 2,417,055	\$ 178,784	\$ -	\$ -	\$ 55,093	\$ 16,470,262
Additions	406,983	-	62,868	-	-	-	-	-	534,207	-	1,004,058
Disposals	(172,957)	-	-	-	-	-	-	-	-	-	(172,957)
Cost, end of year	1,784,229	773,727	10,946,260	544,848	67,160	2,417,055	178,784	-	534,207	55,093	17,301,363
Accumulated amortization, beginning of year	1,180,318	214,825	6,509,942	435,056	62,079	1,427,278	61,530	-	-	-	9,891,028
Amortization	149,787	20,003	88,034	22,119	2,286	49,490	7,151	-	-	-	338,870
Disposals	(109,987)	-	-	-	-	-	-	-	-	-	(109,987)
Accumulated amortization, end of year	1,220,118	234,828	6,597,976	457,175	64,365	1,476,768	68,681	-	-	-	10,119,911
Net book value, end of year	\$ 564,111	\$ 538,899	\$ 4,348,284	\$ 87,673	\$ 2,795	\$ 940,287	\$ 110,103	\$ -	\$ 534,207	\$ 55,093	\$ 7,181,452

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

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

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

11. Other Non-financial Assets

On December 15, 2015, the Band acquired ownership of the assets of a gas station that is located on reserve at Dease Lake. 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 certain equipment. There have been no operations since the acquisition and during the year the Band recorded a \$100,000 write-down of the carrying amount because there is no intention to rebuild and renovate the gas station at this time.

12. Economic Dependence

The Band receives a major portion of its revenue from Indigenous Services Canada and First Nations Health Authority. The nature and extent of this revenue is of such significance that the Band is economically dependent on these sources of revenue. During the year, the Band received 54% of its revenue from Indigenous Services Canada (2018 - 49%) and 8% from First Nations Health Authority (2018 - 18%).

13. Comparative Figures

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

14. 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 \$85,091 (2018 - \$86,795) for retirement benefits.

15. Wildfire

Beginning in August 2018, the Band's traditional lands, assets and communities were affected by the Alkali Lake wildfire. This wildfire caused the evacuation of the Telegraph Creek community for approximately four months and during that time wildfire response and cleanup efforts were conducted with financial support from the federal and British Columbia provincial governments, as well as insurers. The wildfire destroyed certain tangible capital assets in buildings and automotive equipment categories and caused damage to other tangible capital assets in various categories. Included in gain on disposal of tangible capital assets in the consolidated statement of operations is a gain on the disposal of tangible capital assets of \$1,979,675, representing proceeds from insurance in excess of the loss incurred as a result of destruction of insured tangible capital assets. Revenues and expenses relating to the wildfire have been disclosed as a segment in Note 18. In addition to these expenses, the Band replaced and acquired tangible capital assets.

Subsequent to March 31, 2019, approximately \$1.1 million was received by the Band from its insurance company and approximately the same amount was incurred on the continuing cleanup efforts. The amount of the expenditures yet to be incurred by the Band and the amount of future payments of the insurance proceeds are not determinable.

The Band is presently assessing the environmental impact caused by the wildfire. Upon completion of the assessment, it will be determined whether a recognition of the liability associated with the remediation is necessary.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

15. Wildfire (continued)

Clean up efforts were ongoing at March 31, 2019. The costs, recoveries and asset disposals recorded represent management's best estimate of the impacts of the wildfire. These amounts are dependent on several factors, such as negotiations between the Band, its insurance company, and its service providers, as well as the determination of what services were received by the Band up to March 31, 2019. The final impact on the Band's financial position, changes in net financial assets and operations could vary.

16. Statement of Expenditures by Object

	2019	2018
Expenditures		
Administration	\$ 38,994	\$ 191,310
Advertising	1,641	48,329
Amortization	494,435	338,870
Automotive	35,942	20,611
Contract services	13,669,347	791,056
Honoraria	25,932	31,675
Insurance	143,578	106,004
Interest	39,719	33,670
Materials and supplies	898,576	277,883
Office and miscellaneous	330,934	141,185
Other	1,137,448	212,105
Professional fees	850,775	500,738
Rental	159,222	96,076
Repairs and maintenance	134,206	74,238
Room and board	568,905	505,279
Salaries and benefits	2,681,399	2,042,369
Telephone and utilities	489,901	288,118
Travel and accommodation	967,662	858,272
Tuition and training	326,322	388,175
Total expenditures for the year	\$ 22,994,938	\$ 6,945,963

17. First Nations Education Steering Committee

First Nations Education Steering Committee (FNESC) programs are part of the Education segment as described in Note 18.

	2019 SWEP	2018 SWEP
Revenue		
FNESC	\$ 6,706	\$ 7,338
Expenditures		
Other	2,241	-
Salaries and benefits	2,358	7,005
	4,599	7,005
Surplus of revenue for the year	2,107	333
Accumulated deficit, beginning of year	(2,623)	(2,956)
Accumulated deficit, end of year	\$ (516)	\$ (2,623)

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

18. 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 functions or programs. Functions and programs were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations. Services are provided and their activities are reported in these functions and programs. Certain financial information has been separately disclosed, along with the services provided, and are detailed in the schedule that follows.

Health

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

Economic Development

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

Government Development and Administration

This function covers the funding and expenditures of the Band related to fulfillment of environmental obligations, administration of water resources in the Band's territory, fisheries, employee benefits and emergency benefits.

Stikine Wholistic Working Group (SWWG)

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

Housing

This function provides on-reserve assistance to eligible members under the Canada Mortgage and Housing Corporation housing programs for First Nations.

Public Works Operations and Maintenance

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

Social and Community Services

This function 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 function provides for development of capital projects and land development.

Trust

This function contains the trust investments as described in Note 5.

Emergency Shelter

This function operates the Three Sisters Haven House emergency shelter.

Wildfire

During the year, the Band was affected by a wildfire that caused significant damage to the community. This function provides disaster response services to the wildfire and recovery services that are due to needs arising from the wildfire.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

18. Segmented Information (continued)

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance
Revenue							
ISC	\$ -	\$ 128,123	\$ 1,008,752	\$ 723,934	\$ -	\$ 362,959	\$ 389,750
ISC recovery	-	-	-	-	-	-	-
AHMA	-	-	-	-	-	-	-
Canada Post	-	302,837	-	-	-	-	-
CMHC	-	-	-	-	-	34,451	-
FNESC	-	-	6,706	-	-	-	-
FNHA	2,303,650	-	-	-	-	-	-
Fisheries and Oceans							
Canada	-	-	-	145,062	-	-	-
Insurance proceeds	-	-	-	-	-	-	-
Ministry of Children	-	-	-	-	-	-	-
Ministry of Justice	-	-	-	-	-	-	-
Ministry of Forests	-	-	-	-	-	-	-
Ottawa Trust	-	-	-	-	-	-	-
Rental	-	702,868	27,216	94,243	-	111,796	-
SWWG	-	-	-	-	347,500	-	-
Tahltan Central							
Government	-	462,776	-	-	-	-	-
Donations and other income	160,727	106,075	3,956	347,390	42,667	1,536	6,000
Gross segment revenue	2,464,377	1,702,679	1,046,630	1,310,629	390,167	510,742	395,750
Inter-segment transfers	(249,770)	(41,049)	-	(556,309)	-	-	-
Net segment revenue	2,214,607	1,661,630	1,046,630	754,320	390,167	510,742	395,750
Expenditures							
Administration	384,439	-	-	-	8,515	-	-
Advertising	-	-	-	1,641	-	-	-
Amortization	-	-	-	425,583	-	68,852	-
Automotive	56,510	-	-	554	441	-	-
Contract services	353,062	20,383	3,187	109,420	86,114	678,578	63,020
Honoraria	1,482	-	-	24,450	-	-	-
Insurance	10,278	11,078	3,422	29,391	1,635	47,774	18,501
Interest	264	4,230	2,896	790	-	29,032	2,507
Materials and supplies	65,975	245,149	2,320	15,978	41,579	137,909	5,702
Office and miscellaneous	69,379	5,427	-	42,881	17,129	15,780	3,105
Other	-	-	5,929	8,281	13,550	1,195	-
Professional fees	-	989	-	260,471	-	65,346	-
Rental	8,837	23,705	8,400	41,164	-	-	8,400
Repairs and maintenance	15,678	61,871	1,218	10,920	-	-	17,773
Room and board	-	-	568,905	-	-	-	-
Salaries and benefits	710,935	139,515	39,587	547,193	17,134	54,152	72,944
Telephone and utilities	49,232	9,714	3,327	45,677	3,785	77,967	49,549
Travel and accommodation	584,149	15,602	10,050	82,408	37,521	5,708	11,483
Tuition and training	20,196	944	213,110	4,960	9,408	-	63
Gross segment expenditures	2,330,416	538,607	862,351	1,651,762	236,811	1,182,293	253,047
Inter-segment transfers	(460,152)	(8,400)	(49,455)	(18,000)	(14,470)	(700)	(31,649)
Net segment expenditures	1,870,264	530,207	812,896	1,633,762	222,341	1,181,593	221,398
Surplus of revenue (expenditures) for the year*	\$ 344,343	\$ 1,131,423	\$ 233,734	\$ (879,442)	\$ 167,826	\$ (670,851)	\$ 174,352

* Before other income (expenditures)

	Social & Community Services	Capital Development	Trusts	Emergency Shelter	Wildfire	Subtotal prior to Eliminations	Eliminations	2019 Total
\$	493,366	\$ 398,803	\$ -	\$ 605,559	\$ 11,234,161	\$ 15,345,407	\$ -	\$ 15,345,407
	22,977	-	-	-	-	22,977	-	22,977
	-	-	-	101,747	-	101,747	-	101,747
	-	-	-	-	-	302,837	-	302,837
	-	-	-	-	-	34,451	-	34,451
	-	-	-	-	-	6,706	-	6,706
	-	-	-	-	-	2,303,650	-	2,303,650
	-	-	-	-	-	145,062	-	145,062
	-	-	-	-	5,090,000	5,090,000	-	5,090,000
	351,435	-	-	-	-	351,435	-	351,435
	240,904	-	-	-	-	240,904	-	240,904
	-	-	-	-	1,873,603	1,873,603	-	1,873,603
	-	-	9,285	-	-	9,285	-	9,285
	-	-	-	-	-	936,123	(131,049)	805,074
	-	-	-	-	-	347,500	-	347,500
	-	-	-	-	-	462,776	-	462,776
	220,040	9,390	-	-	817,890	1,715,671	(757,622)	958,049
	1,328,722	408,193	9,285	707,306	19,015,654	29,290,134	(888,671)	28,401,463
	(31,543)	(10,000)	-	-	-	(888,671)	888,671	-
	1,297,179	398,193	9,285	707,306	19,015,654	28,401,463	-	28,401,463
	95,754	-	-	83,990	-	572,698	(533,704)	38,994
	-	-	-	-	-	1,641	-	1,641
	-	-	-	-	-	494,435	-	494,435
	2,492	-	-	11,387	-	71,384	(35,442)	35,942
	102,809	-	-	114,389	12,379,110	13,910,072	(240,725)	13,669,347
	-	-	-	-	-	25,932	-	25,932
	15,991	-	-	4,596	912	143,578	-	143,578
	-	-	-	-	-	39,719	-	39,719
	68,328	-	-	61,692	253,944	898,576	-	898,576
	26,008	-	-	8,957	142,268	330,934	-	330,934
	182,328	-	-	602	925,563	1,137,448	-	1,137,448
	-	282,091	-	-	241,878	850,775	-	850,775
	71,293	-	-	20,242	55,981	238,022	(78,800)	159,222
	6,823	-	-	9,018	10,905	134,206	-	134,206
	-	-	-	-	-	568,905	-	568,905
	511,923	-	-	268,770	319,246	2,681,399	-	2,681,399
	48,072	-	-	22,760	179,818	489,901	-	489,901
	46,037	-	-	16,503	158,201	967,662	-	967,662
	32,099	-	-	45,542	-	326,322	-	326,322
	1,209,957	282,091	-	668,448	14,667,826	23,883,609	(888,671)	22,994,938
	(188,795)	-	-	(104,450)	(12,600)	(888,671)	888,671	-
	1,021,162	282,091	-	563,998	14,655,226	22,994,938	-	22,994,938
\$	276,017	\$ 116,102	\$ 9,285	\$ 143,308	\$ 4,360,428	\$ 5,406,525	\$ -	\$ 5,406,525

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

18. Segmented Information (continued)

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance
Revenue							
ISC	\$ -	\$ 178,204	\$ 828,066	\$ 845,007	\$ -	\$ 250,000	\$ 235,862
ISC recovery	-	-	-	(30,000)	-	-	-
AHMA	-	-	-	-	-	-	-
Canada Post	-	163,463	-	-	-	-	-
CMHC	-	-	-	-	-	22,893	-
FNESC	-	-	17,181	-	-	-	-
FNHA	1,921,522	-	-	-	-	-	-
Fisheries and Oceans Canada	-	-	-	175,952	-	-	-
Ministry of Children	-	-	-	-	-	-	-
Ministry of Justice	-	-	-	-	-	-	-
Northern Health	-	-	-	-	-	-	-
Ottawa Trust	-	-	-	-	-	-	-
Rental	-	70,190	48,150	69,812	-	109,600	12,081
SWWG	-	-	-	-	362,420	-	-
Tahltan Central Government	-	657,008	-	-	-	-	-
Other income	135,869	290,749	11,158	404,919	15,179	4,463	2,325
Gross segment revenue	2,057,391	1,359,614	904,555	1,465,690	377,599	386,956	250,268
Inter-segment transfers	(108,296)	(87,927)	-	(396,015)	-	-	(10,681)
Net segment revenue	1,949,095	1,271,687	904,555	1,069,675	377,599	386,956	239,587
Expenditures							
Administration	242,625	-	48,497	7,605	26,545	-	-
Advertising	245	-	-	48,084	-	-	-
Amortization	-	-	-	297,303	-	41,568	-
Automotive	39,352	-	128	1,999	-	-	-
Contract services	271,189	43,686	6,699	325,392	28,141	18,369	66,725
Honoraria	1,260	-	-	20,300	6,030	-	-
Insurance	4,932	11,104	3,154	27,670	-	25,624	15,060
Interest	50	-	-	601	-	33,019	-
Materials and supplies	65,272	91,171	5,012	23,668	25,430	10,845	1,334
Office and miscellaneous	82,011	753	-	28,293	3,624	1,164	238
Other	-	6,269	9,324	20,234	19,157	1,208	-
Professional fees	780	36,373	-	250,921	-	27,199	210
Rental	455	10,707	8,400	37,568	247	-	8,400
Repairs and maintenance	7,726	4,815	1,107	28,377	-	8,386	5,718
Room and board	-	-	505,279	-	-	-	-
Salaries and benefits	524,867	132,048	65,753	567,198	4,654	50,427	87,233
Telephone and utilities	57,037	14,486	3,422	47,859	1,562	21,259	60,051
Travel and accommodation	690,910	30,864	15,076	47,635	18,317	4,956	(4,475)
Tuition and training	20,676	899	216,988	10,892	12,739	-	-
Gross segment expenditures	2,009,387	383,175	888,839	1,791,599	146,446	244,024	240,494
Inter-segment transfers	(280,128)	(13,050)	(56,897)	(40,444)	-	-	(30,301)
Net segment expenditures	1,729,259	370,125	831,942	1,751,155	146,446	244,024	210,193
Surplus of revenue (expenditures) for the year*	\$ 219,836	\$ 901,562	\$ 72,613	\$ (681,480)	\$ 231,153	\$ 142,932	\$ 29,394

* Before other income (expenditures)

Social & Community Services	Capital Development	Trusts	Emergency Shelter	Wildfire	Subtotal prior to Eliminations	Eliminations	2018 Total
\$ 417,595 (92,569)	\$ 1,546,912 -	\$ - -	\$ 558,987 -	\$ - -	\$ 4,860,633 (122,569)	\$ - -	\$ 4,860,633 (122,569)
-	-	-	90,840	-	90,840	-	90,840
-	-	-	-	-	163,463	-	163,463
-	-	-	-	-	22,893	-	22,893
-	-	-	-	-	17,181	-	17,181
-	-	-	-	-	1,921,522	-	1,921,522
-	-	-	-	-	175,952	-	175,952
312,955	-	-	-	-	312,955	-	312,955
292,945	-	-	-	-	292,945	-	292,945
3,000	-	-	-	-	3,000	-	3,000
-	-	8,973	-	-	8,973	-	8,973
-	-	-	-	-	309,833	(137,785)	172,048
-	-	-	-	-	362,420	-	362,420
-	-	-	-	-	657,008	-	657,008
205,027	226,299	-	6,190	-	1,302,178	(516,801)	785,377
1,138,953 (28,317)	1,773,211 (23,350)	8,973 -	656,017 -	- -	10,379,227 (654,586)	(654,586) 654,586	9,724,641 -
1,110,636	1,749,861	8,973	656,017	-	9,724,641	-	9,724,641
111,727	-	-	99,217	-	536,216	(344,907)	191,309
-	-	-	-	-	48,329	-	48,329
-	-	-	-	-	338,871	-	338,871
2,030	-	-	9,163	-	52,672	(32,061)	20,611
129,778	7,574	-	97,140	-	994,693	(203,637)	791,056
3,550	535	-	-	-	31,675	-	31,675
16,384	-	-	2,076	-	106,004	-	106,004
-	-	-	-	-	33,670	-	33,670
20,707	10,355	-	24,089	-	277,883	-	277,883
20,883	2,900	-	12,000	-	151,866	(10,681)	141,185
155,327	-	-	586	-	212,105	-	212,105
4,971	180,284	-	-	-	500,738	-	500,738
93,599	-	-	-	-	159,376	(63,300)	96,076
11,918	-	-	6,191	-	74,238	-	74,238
-	-	-	-	-	505,279	-	505,279
356,502	285	-	253,402	-	2,042,369	-	2,042,369
55,087	141	-	27,214	-	288,118	-	288,118
37,203	972	-	16,814	-	858,272	-	858,272
75,992	-	-	49,989	-	388,175	-	388,175
1,095,658	203,046	-	597,881	-	7,600,549	(654,586)	6,945,963
(132,358)	(2,560)	-	(98,848)	-	(654,586)	654,586	-
963,300	200,486	-	499,033	-	6,945,963	-	6,945,963
\$ 147,336	\$ 1,549,375	\$ 8,973	\$ 156,984	\$ -	\$ 2,778,678	\$ -	\$ 2,778,678

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2019

19. First Nations Health Authority Financial Information

	Canada Prenatal Nutrition	Community Health Promotion	Mental Health and Addictions	Culture Programs	Operations and Maintenance	FNHA Aboriginal Diabetes Initiative	Aboriginal Head Start	Aboriginal Head Start Renovations	Brighter Futures
Revenue									
Administration fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
First Nations Health Authority	25,920	91,882	78,265	97,936	84,416	70,664	138,278	-	110,314
Recovery	-	-	-	-	-	-	-	-	-
Other income	-	5,633	-	58,749	-	-	-	-	-
	25,920	97,515	78,265	156,685	84,416	70,664	138,278	-	110,314
Expenditures									
Administration	9,201	23,327	14,401	24,950	12,050	27,327	30,160	-	33,658
Advertising	-	-	-	-	-	-	-	-	-
Automotive	778	3,660	2,348	-	2,532	6,868	4,148	-	3,309
Client and community service	-	-	-	-	23,824	-	2,160	-	-
Contract services	5,775	5,201	23,025	36,650	9,696	16,585	9,728	-	11,894
Equipment and furniture purchases	-	-	-	-	2,742	365	-	-	1,797
Equipment rental and maintenance	-	-	-	-	-	-	-	-	420
Groceries and household supplies	599	3,116	-	-	-	3,489	958	-	601
Insurance, licenses and dues	-	2,590	-	-	-	-	1,524	-	-
Materials and supplies	-	1,576	-	1,780	11,655	5,759	2,738	-	2,271
Office supplies	-	275	-	-	-	-	716	-	461
Patient transportation	-	-	-	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	-	-	-
Program resource	798	2,589	3,040	-	845	6,745	7,643	-	5,306
Telephone	-	4,305	80	-	5,928	420	1,014	-	890
Training and workshops	2,522	982	-	-	-	-	200	-	1,800
Travel	1,539	715	2,047	34,196	-	2,318	1,984	-	2,383
Utilities	-	2,205	244	-	15,118	695	1,036	-	57
Salaries and benefits	4,705	46,973	33,081	6	27	93	74,269	-	45,465
	25,917	97,514	78,266	97,582	84,417	70,664	138,278	-	110,312
Surplus of revenue (expenditures) for the year	3	1	(1)	59,103	(1)	-	-	-	2

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2019

19. First Nations Health Authority Financial Information (continued)

	FNIHCC	FNHA Solvent Abuse	COHI	FNHA Communicable Diseases	FNHA NNADAP	Health Management and Support	Healthy Drinking Water	NIHB Patient Transport	NIHB Visiting Health Professional
Revenue									
Administration fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,235	\$ -	\$ -	\$ -
First Nations Health Authority	169,990	16,997	3,698	13,232	140,000	185,730	16,810	584,471	37,422
Recovery	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	3,050	-	-	-
	169,990	16,997	3,698	13,232	140,000	265,015	16,810	584,471	37,422
Expenditures									
Administration	41,875	8,824	444	1,588	35,868	33,884	2,017	76,235	4,490
Advertising	-	-	-	-	-	-	-	-	-
Automotive	5,100	509	111	397	6,574	13,679	504	-	1,123
Client and community service	-	-	-	-	-	-	-	-	-
Contract services	16,670	1,456	3,143	11,247	6,593	48,696	-	-	-
Equipment and furniture purchases	816	2,206	-	-	-	4,520	-	-	-
Equipment rental and maintenance	-	-	-	-	-	169	-	-	-
Groceries and household supplies	1,158	-	-	-	-	-	-	-	-
Insurance, licenses and dues	92	-	-	-	-	4,818	-	-	-
Materials and supplies	312	-	-	-	-	6,543	-	-	-
Office supplies	365	-	-	-	-	625	-	-	-
Patient transportation	-	-	-	-	-	-	-	451,280	-
Professional fees	-	-	-	-	-	-	-	-	-
Program resource	5,965	2,810	-	-	5,572	10,000	-	-	-
Telephone	2,460	-	-	-	1,650	1,333	-	-	-
Training and workshops	-	-	-	-	11,860	1,760	-	-	-
Travel	534	-	-	-	2,701	13,138	262	-	7,669
Utilities	1,572	-	-	-	1,449	504	-	-	-
Salaries and benefits	93,072	1,192	-	-	67,733	125,348	14,027	-	-
	169,991	16,997	3,698	13,232	140,000	265,017	16,810	527,515	13,282
Surplus of revenue (expenditures) for the year	(1)	-	-	-	-	(2)	-	56,956	24,140

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2019

19. First Nations Health Authority Financial Information (continued)

	NIHB Dental Care	Nurses' Transport	Mobile Support Team	Subtotal prior to Eliminations	Eliminations	2019 Total	2018 Total
Revenue							
Administration fees	\$ -	\$ -	\$ -	\$ 76,235	\$ (76,235)	\$ -	\$ -
First Nations Health Authority	6,000	3,017	428,608	2,303,650	-	2,303,650	1,829,740
Recovery	-	-	-	-	-	-	91,782
Other income	-	17,060	-	84,492	(173,535)	(89,043)	27,573
	6,000	20,077	428,608	2,464,377	(249,770)	2,214,607	1,949,095
Expenditures							
Administration	720	-	5,397	386,416	(354,918)	31,498	37,082
Advertising	-	-	-	-	-	-	245
Automotive	180	-	4,689	56,509	(35,442)	21,067	7,291
Client and community service	-	-	-	25,984	-	25,984	23,818
Contract services	5,100	-	115,618	327,077	(69,791)	257,286	215,578
Equipment and furniture purchases	-	-	3,063	15,509	-	15,509	6,704
Equipment rental and maintenance	-	-	6,700	7,289	-	7,289	1,477
Groceries and household supplies	-	-	-	9,921	-	9,921	14,493
Insurance, licenses and dues	-	-	1,346	10,370	-	10,370	4,932
Materials and supplies	-	-	33,340	65,974	-	65,974	65,272
Office supplies	-	-	5,612	8,054	-	8,054	2,342
Patient transportation	-	-	-	451,280	-	451,280	605,976
Professional fees	-	-	-	-	-	-	780
Program resource	-	-	-	51,313	-	51,313	54,495
Telephone	-	-	4,017	22,097	-	22,097	23,989
Training and workshops	-	-	1,072	20,196	-	20,196	20,676
Travel	-	20,077	43,308	132,871	-	132,871	84,934
Utilities	-	-	4,258	27,138	-	27,138	33,048
Salaries and benefits	-	-	206,425	712,416	-	712,416	526,127
	6,000	20,077	434,845	2,330,414	(460,151)	1,870,264	1,729,259
Surplus of revenue (expenditures) for the year	-	-	(6,237)	133,963	210,381	344,343	219,836

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

March 31, 2019

20. Condensed Financial Information

	Tahltan Legacy Corporation	Stikine River Song Cafe and General Store Ltd.	Tahltan Nation Development Limited Partnership	Tahltan Centre Ltd.	2019 Total	2018 Total
Assets						
Financial	\$ 24,000,000	\$ 88,050	\$ 11,679,750	\$ 228,970	\$ 35,996,770	\$ 19,865,487
Non-financial		-	7,161,034	170,152	7,331,186	99,110
	\$ 24,000,000	\$ 88,050	\$ 18,840,784	\$ 399,122	\$ 43,327,956	\$ 19,964,597
Liabilities	\$ -	\$ 484,577	\$ 5,082,287	\$ 535,569	\$ 6,102,433	\$ 6,394,070
Surplus (deficit)	24,000,000	(396,527)	13,758,497	(136,447)	37,225,523	13,570,527
	\$ 24,000,000	\$ 88,050	\$ 18,840,784	\$ 399,122	\$ 43,327,956	\$ 19,964,597
Revenue	\$ 22,000,000	\$ 143,586	\$ 11,179,210	\$ 927,602	\$ 12,250,398	\$ 20,261,896
Expenditures	-	182,710	11,503,483	1,025,368	12,711,561	20,842,356
Net income (loss)	\$ 22,000,000	\$ (39,124)	\$ (324,273)	\$ (97,766)	\$ (461,163)	\$ (580,460)

Please note, the above unaudited financial information reflects 100% of the entities assets, liabilities, surplus (deficit), revenue and expenditures. The 2019 figures of Tahltan Nation Development Limited Partnership are not available and the 2018 figures have been presented.