

Tahltan Indian Band
Consolidated Financial Statements
For the year ended March 31, 2021

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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 of CPA Canada. 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 November 2, 2021. 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, 2021, 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, 2021, and its consolidated results of operations, its consolidated changes 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 Band 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 a 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 (deficiency) of the Group for the years ended March 31, 2021 and 2020, assets and liabilities as at March 31, 2021 and 2020, and accumulated surplus as at April 1, 2019 and 2020 and March 31 for both the 2021 and 2020 years. Our audit opinion on the consolidated financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

The Band 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 Band's interest in the partnership. The Band has not received financial information with respect to this investment for the year ended March 31, 2021. Accordingly, no income or loss from the investment has been included in these consolidated financial statements for the year ended March 31, 2021. This constitutes a departure from Canadian public sector accounting standards. In addition, because the Band does not have audited financial information, we were unable to determine whether any adjustments might be necessary to revenue and annual surplus (deficiency) for the years ended March 31, 2021 and 2020, long-term investments as at March 31, 2021 and 2020, and accumulated surplus as at April 1, 2019 and 2020 and March 31, 2021 and 2020. Our audit opinion on the consolidated financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

Effective April 1, 2019, the Band changed its method of accounting for its interest in Tahltan Heritage Trust from the modified equity method to the cost method, with prospective application. Sufficient audit evidence was not available to determine whether the Band has shared control of the Tahltan Heritage Trust and, if not, whether this was a change in the circumstances during the year that supports prospective application of this method of accounting. As a result, we were unable to conclude on the appropriateness of the accounting treatment, including whether the change in accounting treatment should have actually been applied retroactively. In addition, the Band does not have audited financial information for the Trust for the current or prior years. As a result of these two limitations in scope with respect to Tahltan Heritage Trust, we were unable to determine whether any adjustments may be necessary to long-term investments as at March 31, 2021 and 2020, revenue and annual surplus (deficiency) for the years ended March 31, 2021 and 2020, and accumulated surplus as at April 1, 2019 and 2020 and March 31, 2021 and 2020. Our audit opinion for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

Independent Auditor's Report (continued)

The Band previously had an indirect interest in Volcano Creek Limited Partnership, by virtue of its control of Tahltan Legacy Corporation. During the year ended March 31, 2020, the investment in Volcano Creek Limited Partnership was transferred to Tahltan Heritage Trust. Sufficient audit evidence was not available to determine the appropriate accounting treatment of Tahltan Heritage Trust, and we were unable to conclude whether additional adjustments are needed to the consolidated financial statements as a result of the transfer of the investment in Volcano Creek Limited Partnership. In addition, because the Band does not have audited financial information for Volcano Creek Limited Partnership and Tahltan Legacy Corporation, we were unable to determine whether any adjustments might be necessary to long-term investments as at March 31, 2021 and 2020, revenue and annual surplus (deficiency) for the years ended March 31, 2021 and 2020, and accumulated surplus as at April 1, 2019 and 2020 and March 31, 2021 and 2020. Our audit opinion for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 to long-term investments as at March 31, 2021 and 2020, revenue and annual surplus (deficiency) for the years ended March 31, 2021 and 2020, and accumulated surplus as at April 1, 2019 and 2020 and March 31, 2021 and 2020. Our audit opinion for the year ended March 31, 2020 was modified accordingly because of the possible 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 expenditure, gain or loss on disposal of tangible capital assets, and annual deficiency for the years ended March 31, 2021 and 2020, net book value of tangible capital assets as at March 31, 2021 and 2020 and accumulated surplus as at April 1, 2019 and 2020 and March 31, 2021 and 2020. Our audit opinion for the year ended March 31, 2020 was modified accordingly because of the possible 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.

Independent Auditor's Report (continued)

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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
November 2, 2021

Tahltan Indian Band Consolidated Statement of Financial Position

March 31	2021	2020
Financial Assets		
Cash	\$ 4,547,532	\$ 4,117,937
Restricted cash and investments (Note 2)	835,162	1,341,290
Accounts receivable (Note 3)	4,792,130	4,650,660
Trust assets (Note 5)	236,678	229,563
Long-term investments (Note 4)	8,869,687	5,919,929
	<u>19,281,189</u>	<u>16,259,379</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	2,223,871	2,137,839
Revolving facility and loans payable (Note 8)	941,233	1,578,319
Deferred revenue (Note 7)	106,122	106,122
Obligations under capital lease (Note 9)	80,709	100,614
	<u>3,351,935</u>	<u>3,922,894</u>
Net Financial Assets	<u>15,929,254</u>	<u>12,336,485</u>
Non-financial Assets		
Prepaid expenses	2,632	2,632
Tangible capital assets (Note 10)	17,782,607	12,377,840
Total Non-financial Assets	<u>17,785,239</u>	<u>12,380,472</u>
Accumulated Surplus	<u>\$ 33,714,493</u>	<u>\$ 24,716,957</u>

Approved on behalf of Chief & Council



Chief



Councillor

Tahltan Indian Band

Consolidated Statement of Operations

For the year ended March 31	2021	2020
Revenue (Note 20)		
Federal Government:		
Indigenous Services Canada (ISC)	\$ 6,451,946	\$ 7,240,018
First Nations Health Authority (FNHA) (Note 20)	4,099,901	2,356,960
Department of Fisheries and Oceans Canada	-	286,741
Canada Mortgage and Housing Corporation (CMHC)	140,323	178,986
Ottawa Trust (Note 5)	7,115	7,988
Provincial Government:		
Ministry of Forests, Lands and Natural Resources	259,157	260,237
Ministry of Children and Family Development	405,729	359,100
Ministry of Justice	266,118	278,574
Northern Health Authority	10,000	-
BCFN Gaming Revenue Sharing LP	1,003,715	933,670
Other:		
Insurance proceeds (Note 14)	670,312	3,152,749
Donations and other income	1,721,115	991,103
Rental income	480,510	476,104
Tahltan Central Government	-	84,000
Stikine Wholistic Working Group (SWWG)	811,000	811,000
Canada Post	376,170	311,018
Aboriginal Housing Management Association (AHMA)	107,552	105,088
First Nations Education Steering Committee (FNESC) (Note 16)	78,701	14,217
Debt forgiveness (Note 8)	54,000	-
	<u>16,943,364</u>	<u>17,847,553</u>
Expenditures (Note 15)		
Economic development	921,317	793,976
Education	683,891	774,136
Government development and administration	2,437,182	2,627,656
Stikine Wholistic Working Group	305,820	730,203
Housing	655,095	939,036
Public works operations and maintenance	277,132	370,730
Social and community services	1,458,800	1,183,095
Capital development	296,197	197,666
Health (Note 20)	2,124,341	2,376,999
Emergency shelter	601,937	539,170
Wildfire (Note 14)	502,110	4,446,983
COVID-19 (Note 20)	631,764	-
	<u>10,895,586</u>	<u>14,979,650</u>
Surplus of revenue before the undernoted	<u>6,047,778</u>	<u>2,867,903</u>
Other income (loss)		
Income (loss) from long-term investments (Note 4)	2,949,758	(11,588,725)
Gain on disposal of tangible capital assets (Note 15)	-	17,064
	<u>2,949,758</u>	<u>(11,571,661)</u>
Surplus (deficiency) of revenue for the year	8,997,536	(8,703,758)
Accumulated surplus, beginning of year	<u>24,716,957</u>	<u>33,420,715</u>
Accumulated surplus, end of year	<u>\$ 33,714,493</u>	<u>\$ 24,716,957</u>

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	2021	2020
Surplus (deficiency) of revenue for the year	\$ 8,997,535	\$ (8,703,758)
Tangible capital assets and other non-financial assets:		
Purchase of tangible capital assets (Note 10)	(6,246,280)	(3,953,757)
Amortization of tangible capital assets (Note 10)	841,513	669,466
Gain on disposal of tangible capital assets (Note 14)	-	(17,064)
Proceeds on disposal of tangible capital assets (Note 14)	-	22,441
Increase (decrease) in net financial assets	3,592,768	(11,982,672)
Net financial assets, beginning of year	12,336,485	24,319,157
Net financial assets, end of year	\$ 15,929,253	\$ 12,336,485

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	2021	2020
Operating activities		
Surplus (deficiency) of revenue for the year	\$ 8,997,536	\$ (8,703,758)
Items not affecting cash:		
Amortization of tangible capital assets	841,513	669,466
Gain on disposal of tangible capital assets	-	(17,064)
Loss (income) from investments in government business enterprises and government business partnerships	(2,949,758)	11,588,725
Debt forgiveness (Note 8)	(146,293)	-
Changes in operating balances:		
Decrease (increase) in restricted cash and investments	506,129	(1,263,129)
Decrease (increase) in accounts receivable	(141,470)	2,959,806
Increase in trust assets	(7,115)	(7,988)
Increase in accounts payable and accrued liabilities	86,032	154,246
Decrease in deferred revenue	-	(86,520)
	<u>7,186,574</u>	<u>5,293,784</u>
Capital activities		
Purchase of tangible capital assets	(6,246,280)	(3,867,309)
Proceeds on disposal of tangible capital assets (Note 14)	-	22,441
Repayment of obligation under capital lease	(19,905)	(16,585)
	<u>(6,266,185)</u>	<u>(3,861,453)</u>
Financing activities		
Proceeds from revolving facility and loans payable	-	650,433
Repayment of revolving facility and loans payable	(490,792)	(495,228)
	<u>(490,792)</u>	<u>155,205</u>
Increase in cash for the year	429,597	1,587,536
Cash, beginning of year	<u>4,117,937</u>	<u>2,530,401</u>
Cash, end of year	<u>\$ 4,547,534</u>	<u>\$ 4,117,937</u>

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

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

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 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 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. Such entities 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.

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 prepaid expenses and tangible capital assets.

Cash, and Restricted

Cash and Investments Cash includes cash on hand and balances with banks, net of bank indebtedness. Cash, held in segregated bank accounts that prevent its use for current purposes, and term deposits, subject to restriction of their use, are included in restricted cash and investments.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

1. Summary of Significant Accounting Policies (continued)

Long-term Investments	Long-term investments are in business entities and limited partnerships controlled or significantly influenced by the Band.												
Leases	Leases 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 expensed 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	<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, including CMHC Housing</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> <p>Leasehold improvements are amortized on a straight-line basis over 25 years.</p> <p>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.</p>	Automotive equipment	30%	Buildings, including CMHC Housing	4%	Furniture and fixtures	20%	Computer equipment	45%-100%	Infrastructure	5%	Equipment under lease	30%
Automotive equipment	30%												
Buildings, including CMHC Housing	4%												
Furniture and fixtures	20%												
Computer equipment	45%-100%												
Infrastructure	5%												
Equipment under lease	30%												

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

1. Summary of Significant Accounting Policies (continued)

Asset Retirement Obligations

The Band recognizes 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 consolidated statement of financial position date. This obligation is subsequently reviewed at each consolidated statement of financial position 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. A reliable estimate of the liability cannot be made and no asset retirement obligation has been recognized since the settlement date has not been determined and a plan for renovation and demolition has not been established.

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 the relevant 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 consolidated statement of operations as the stipulation liabilities are settled.

Fiscal Plan

Canadian public sector accounting standards require that the Band's budget be presented in the consolidated financial statements. As the Band currently does not prepare a budget, no budgeted figures have been presented.

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.

The forgivable portion of the loans payable is recorded as income in the consolidated statement of operations once the terms and conditions of the relevant debt agreements are met and reasonable assurance that the debt will be forgiven exists.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

1. Summary of Significant Accounting Policies (continued)

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

2. Restricted Cash and Investments

	2021	2020
Restricted cash and investments - replacement reserve	\$ 79,728	\$ 78,276
Short-term investments	220,439	439,542
BCFN GRS Partnership permitted investments	534,995	823,472
	<u>\$ 835,162</u>	<u>\$ 1,341,290</u>

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 or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise from time to time be approved by CMHC. 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 \$3,990 (2020 - \$4,029) and a term deposit of \$75,738 (2020 - \$74,247), bearing interest at 2.3% (2020 - 2.0%) per annum and maturing on December 1, 2021.

Short-term investments consist of term deposits bearing interest between 0.15% - 0.2% (2020 - 1.4% - 1.9%) per annum and maturing on various dates in November 2021.

Under the terms of the agreement with BCFN GRS Partnership (BCFN Gaming), the Band is required to hold funds in a Canadian bank account in the sum of any unspent funds received from BCFN Gaming. These funds must be spent in accordance with the BCFN GRS Partnership Agreement, but the Band has control over how the funds are spent so long as it is in accordance with the BCFN GRS Partnership Agreement. The restricted cash is held within the Band's operating accounts, bearing no interest.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

3. Accounts Receivable

	2021	2020
Loans and trade accounts receivable	\$ 801,736	\$ 608,289
Indigenous Services Canada	3,978,422	4,024,750
Canada Mortgage and Housing Corporation	1,908	1,908
Due from band members	1,439,889	1,453,599
GST/HST	14,614	24,366
Security deposit - B.C. Government	50,000	50,000
	6,286,569	6,162,912
Less: allowance for doubtful accounts	(1,494,439)	(1,512,252)
Net accounts receivable	\$ 4,792,130	\$ 4,650,660

Included in loans and trade accounts receivable is \$1,800 (2020 - \$nil) due from Stikine River Song Cafe and General Store Ltd., \$nil (2020 - \$345) due from Tahltan Centre Ltd., and \$120,728 (2020 - \$6,464) due from Tahltan Nation Development Limited Partnership.

4. Long-term Investments

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)

THT 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. Previously, the Band was considered a 33.3% beneficiary of THT and the Band recorded its allocation of THT's income. During the year ended March 31, 2020, it was concluded the Band was no longer a beneficiary of THT and as at March 31, 2020, the Band's investment in THT was accounted for at cost. This change in accounting treatment was applied prospectively and the Band's investment in THT was reduced to \$nil and a loss of \$4,922,265 was recorded in the consolidated statement of operations during the year ended March 31, 2020.

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 Altgas Ltd. in collaboration with BC Hydro (the "partnership"). During the year ended March 31, 2020, the ownership of VCLP was transferred to THT for \$nil consideration and, as a result, TLC's investment in VCLP was reduced to \$nil and a loss of \$8,000,000 was recorded in the consolidated statement of operations during the year ended March 31, 2020.

TLC is a government business partnership (GBP) and the Band accounted for it using the modified equity method.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

4. Long-term Investments (continued)

Tahltan Nation Development Corporation (TNDC)

TNDC 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 the government. TNDLP meets the definition of a GBP and the Band accounted for it using the modified equity method.

	TBDC		THT		TLC		TNDC		TNDLP		2021 Total
Long-term investments, beginning of year	\$	3	\$	-	\$	-	\$	525	\$	5,919,401	\$ 5,919,929
Income (loss)		-		-		-		-		2,949,758	2,949,758
Long-term investments, end of year	\$	3	\$	-	\$	-	\$	525	\$	8,869,159	\$ 8,869,687

	TBDC		THT		TLC		TNDC		TNDLP		2020 Total
Long-term investments, beginning of year	\$	3	\$	4,922,265	\$	8,000,000	\$	525	\$	4,585,861	\$ 17,508,654
Income (loss)		-		(4,922,265)		(8,000,000)		-		1,333,540	(11,588,725)
Long-term investments, end of year	\$	3	\$	-	\$	-	\$	525	\$	5,919,401	\$ 5,919,929

The net change on the Band's long-term investments for the current year is an increase of \$2,949,758 (2020 - decrease of (\$11,588,725)). Condensed financial information for the government business enterprises and government business partnerships is presented in Note 23.

5. Trust Assets

	Balance, March 31, 2020		Additions		Withdrawals		Balance, March 31, 2021
Ottawa Trust Funds							
Revenue	\$	228,269	\$	7,115	\$	-	\$ 235,384
Capital		1,294		-		-	1,294
	\$	229,563	\$	7,115	\$	-	\$ 236,678

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, 2021

6. Accounts Payable and Accrued Liabilities

	2021	2020
Trade payables	\$ 696,488	\$ 1,301,893
Accrued liabilities	180,929	182,472
Contributions repayable	1,186,027	492,665
Accrued salaries and employee benefits payable	152,708	153,090
CMHC payable	7,719	7,719
	<u>\$ 2,223,871</u>	<u>\$ 2,137,839</u>

Included in trade payables is \$30,000 (2020 - \$87,000) due to Stikine River Song Cafe and General Store Ltd., \$73,576 (2020 - \$13,668) due to Tahltan Centre Ltd., and \$nil (2020 - \$158,971) due to TNDLP.

7. Deferred Revenue

	Balance, March 31, 2020	Funding Received	Revenue Recognized	Balance, March 31, 2021
Indigenous Services Canada	\$ 106,122	\$ -	\$ -	\$ 106,122

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.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

8. Revolving Facility and Loans Payable

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, 2021, \$nil was outstanding on this facility (2020 - \$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 \$131,841 (2020 - \$202,501) and is included below.

	2021	2020
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 \$97,252	\$ 113,725	\$ 152,437
Toyota Credit		
Loan, repayable in monthly instalments of \$1,720 including interest at 2.99% per annum, maturing April 2021, secured by a specific vehicle with a net book value of \$32,416	3,049	23,278
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 \$nil	59,238	69,546
Revolving facility term loan, repayable in monthly instalments of \$5,365 including interest at prime plus 1.55% per annum, maturing February 2026, secured by specific buildings with a net book value of \$842,262	72,603	132,955
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 \$31,224	28,871	44,619
Loan, repayable in monthly instalments of \$1,145 including interest at 5.99% per annum, maturing April 2025, secured by a specific vehicle with a net book value of \$45,897	49,684	60,112
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 \$15,045	12,419	26,632
Tahltan Heritage Trust		
Loan, repaid during the year	-	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	115,644	136,447
Renovation and rehabilitation loan forgiven during the year	-	92,292

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

8. Revolving Facility and Loans Payable (continued)

	2021	2020
British Columbia Housing Management Commission Mortgage, repayable in annual payments of \$54,000, or forgivable in annual decrements of \$54,000 if the Band is in compliance with the terms of the related operating agreement, bearing no interest, maturing August 2030, and secured by properties with a net book value of \$nil, since the Band is in compliance with the terms of the related operating agreement, the loan is being forgiven as described above	486,000	540,000
	\$ 941,233	\$ 1,578,318

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

2022	\$ 230,130
2023	166,710
2024	128,779
2025	100,499
2026	89,330
Thereafter	225,785
	\$ 941,233

9. Obligations Under Capital Lease

	2021	2020
Obligation under capital lease for a multi-functional photocopier, blended monthly payments of \$550, with interest at 5.11% per annum, maturing July 2024, secured by specific equipment with a net book value of \$12,406	\$ 20,188	\$ 25,604
Obligation under capital lease for a multi-functional photocopier, blended monthly payments of \$600, with interest at 5.11% per annum, maturing December 2024, secured by specific equipment with a net book value of \$20,588	24,522	30,306
Obligation under capital lease for a multi-functional photocopier, blended monthly payments of \$500, with interest at 5.11% per annum, maturing November 2024, secured by specific equipment with a net book value of \$13,690	20,022	24,863
Obligation under capital lease for a multi-functional photocopier, blended monthly payments of \$399, with interest at 5.11% per annum, maturing November 2024, secured by specific equipment with a net book value of \$17,157	15,977	19,841
	\$ 80,709	\$ 100,614

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

9. Obligations Under Capital Lease (continued)

Interest expense for the year, related to the obligations under capital lease, is \$4,683 (2020 - \$4,405).

Estimated lease payments are as follows:

2022	\$	24,588
2023		24,588
2024		24,588
2025		<u>14,792</u>
		88,556
Less: interest		<u>(7,847)</u>
	\$	<u>80,709</u>

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

10. Tangible Capital Assets

	Automotive Equipment	CMHC Housing	Buildings*	Furniture and Fixtures	Computer Equipment	Infrastructure	Leasehold Improvements	Equipment Under Lease	Transfer Station**	Land	2021 Total
Cost, beginning of year	\$ 2,165,940	\$ 773,727	\$ 14,122,896	\$ 193,838	\$ 67,160	\$ 2,652,910	\$ 178,784	\$ 118,167	\$ 1,550,384	\$ 55,093	\$ 21,878,899
Additions	562,706	-	5,181,879	344,647	-	157,048	-	-	-	-	6,246,280
Disposals	-	-	-	-	-	-	-	-	-	-	-
Cost, end of year	2,728,646	773,727	19,304,775	538,485	67,160	2,809,958	178,784	118,167	1,550,384	55,093	28,125,179
Accumulated amortization, beginning of year	1,420,457	275,627	6,004,003	47,504	66,317	1,576,690	82,983	27,478	-	-	9,501,059
Amortization	304,727	20,802	276,168	63,584	378	141,496	7,151	27,207	-	-	841,513
Accumulated amortization, end of year	1,725,184	296,429	6,280,171	111,088	66,695	1,718,186	90,134	54,685	-	-	10,342,572
Net book value, end of year	\$ 1,003,462	\$ 477,298	\$ 13,024,604	\$ 427,397	\$ 465	\$ 1,091,772	\$ 88,650	\$ 63,482	\$ 1,550,384	\$ 55,093	\$ 17,782,607

**Transfer station is undergoing construction, it has not been in use, and no amortization has been recorded.

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

10. Tangible Capital Assets (continued)

	Automotive Equipment	CMHC Housing	Buildings*	Furniture and Fixtures	Computer Equipment	Infrastructure	Leasehold Improvements	Equipment Under Lease	Transfer Station**	Land	2020 Total
Cost, beginning of year	\$ 2,030,417	\$ 773,727	\$ 11,306,019	\$ 52,122	\$ 67,160	\$ 2,432,574	\$ 178,784	\$ 31,719	\$ 1,071,030	\$ 55,093	\$ 17,998,645
Additions	209,026	-	2,816,877	141,716	-	220,336	-	86,448	479,354	-	3,953,757
Disposals	(73,503)	-	-	-	-	-	-	-	-	-	(73,503)
Cost, end of year	2,165,940	773,727	14,122,896	193,838	67,160	2,652,910	178,784	118,167	1,550,384	55,093	21,878,899
Accumulated amortization, beginning of year	1,218,626	255,094	5,724,987	28,635	65,624	1,523,782	75,832	7,137	-	-	8,899,717
Amortization	269,955	20,533	279,016	18,869	693	52,908	7,151	20,341	-	-	669,466
Disposals	(68,124)	-	-	-	-	-	-	-	-	-	(68,124)
Accumulated amortization, end of year	1,420,457	275,627	6,004,003	47,504	66,317	1,576,690	82,983	27,478	-	-	9,501,059
Net book value, end of year	\$ 745,483	\$ 498,100	\$ 8,118,893	\$ 146,334	\$ 843	\$ 1,076,220	\$ 95,801	\$ 90,689	\$ 1,550,384	\$ 55,093	\$ 12,377,840

*Buildings include residential buildings owned by the Stikine Housing Authority Society, purchased for a nominal cost.

**Transfer Station is undergoing construction, it has not been in use, and no amortization has been recorded.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

11. 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 39% (2020 - 41%) of its revenue from Indigenous Services Canada and 23% (2020 - 13%) from First Nations Health Authority.

12. Comparative Figures

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

13. 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 \$118,198 (2020 - \$112,617) for retirement benefits.

14. 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 took place. The wildfire destroyed certain tangible capital assets in buildings and automotive equipment categories and caused damage to other tangible capital assets in various categories. Revenue and expenditures relating to the wildfire have been disclosed as a segment in Note 20. In addition to these expenditures, expenditures were incurred to acquire tangible capital assets.

The Band has assessed the environmental impact caused by the wildfire, and determined that no further remediation is necessary beyond the cleanup costs paid during the year.

Rebuilding efforts were ongoing around March 31, 2021. 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, and its service providers, as well as the determination of what services were received by the Band up to March 31, 2021. The final impact on the Band's financial position, changes in net financial assets and operations could vary.

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

15. Statement of Expenditures by Object

	2021	2020
Expenditures		
Administration	\$ 560,825	\$ 226,135
Advertising	6,439	311,488
Amortization	841,513	669,466
Automotive	35,869	28,276
Contract services	1,411,566	5,255,292
Honoraria	20,968	36,900
Insurance	400,081	366,444
Interest	28,378	43,525
Materials and supplies	685,260	613,604
Office and miscellaneous	469,929	290,468
Other	827,953	354,925
Professional fees	505,898	1,006,576
Rental	151,161	114,677
Repairs and maintenance	114,957	149,491
Room and board	407,789	486,837
Salaries and benefits	3,067,199	3,141,834
Telephone and utilities	389,546	399,058
Travel and accommodation	653,709	1,031,911
Tuition and training	316,547	454,752
Total expenditures for the year	<u>\$ 10,895,587</u>	<u>\$ 14,981,659</u>

Included in contract services is \$157,048 (2020 - \$167,493) of expenditures incurred from TNDLP and \$78,010 (2020 - \$87,000) of expenditures incurred from Stikine River Song Cafe and General Store Ltd. Included in materials and supplies is \$347,394 (2020 - \$113,806) of expenditures incurred from Tahltan Centre Ltd. These transactions are in the normal course of operations and have been measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

16. First Nations Education Steering Committee

First Nations Education Steering Committee (FNESC) SWEP program is part of the Education segment as described in Note 20.

	2021	2020
Revenue		
SWEP funds	\$ 4,518	\$ 6,717
COVID-19 education	74,183	-
Expenditures		
Salaries and benefits	4,365	6,717
Surplus of revenue for the year	<u>\$ 153</u>	<u>\$ -</u>

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

17. Tricorp Employment, Skills & Training Services

Tricorp Employment, Skills & Training Services (Tricorp) program is part of the Education segment as described in Note 20.

	2021	2020
Revenue		
Tricorp	\$ 12,759	\$ 11,027
Expenditures		
Salaries and benefits	12,759	10,602
Surplus of revenue for the year	\$ -	\$ 425

18. Three Sisters Haven House

Three Sisters Haven House in Telegraph Creek is funded by the Aboriginal Housing Management Association (AHMA) and this program is part of the Emergency Shelter segment as described in Note 20.

	2021	2020
Revenue		
AHMA	\$ 107,552	\$ 105,088
Expenditures		
Administration	7,016	6,200
Automotive	5,157	4,165
Materials and supplies	1,472	1,225
Office and miscellaneous	2,598	2,500
Salaries and benefits	84,897	83,693
Telephone and utilities	6,112	6,334
Tuition and training	300	970
	107,552	105,087
Surplus of revenue for the year	\$ -	\$ -

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

19. Stikine Housing Authority Society

The condensed financial information of Stikine Housing Authority Society is presented below. The Housing segment includes the financial information of Stikine Housing Authority Society, see Note 20.

Statement of Financial Position

March 31	2021	2020
Financial Assets		
Cash	\$ 180,986	\$ 141,359
Due from Band	140,145	140,145
	<u>321,131</u>	<u>281,504</u>
Liabilities		
Accounts payable and accrued liabilities	13,255	10,000
Loan payable	486,000	540,000
	<u>499,255</u>	<u>550,000</u>
Net Financial Assets	<u>(178,124)</u>	<u>(268,496)</u>
Non-financial Assets		
Tangible capital assets (Note 10)	<u>1,474</u>	<u>1</u>
Total Non-financial Assets	<u>1,474</u>	<u>1</u>
Accumulated Deficit	<u>\$ (176,650)</u>	<u>\$ (268,495)</u>

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Notes to Consolidated Financial Statements

March 31, 2021

19. Stikine Housing Authority Society (continued)

Statement of Operations

For the year ended March 31	2021	2020
Revenue		
Rental	\$ 129,198	\$ 159,621
Interest	-	12
Debt forgiveness (Note 8)	54,000	-
	<u>183,198</u>	<u>159,633</u>
Expenditures		
Contract services	800	30,424
Insurance	14,249	18,897
Materials and supplies	41,269	6,778
Office and miscellaneous	1,540	1,624
Other	14,075	14,369
Professional fees	3,478	3,899
Salaries and benefits	-	124
Telephone and utilities	15,942	39,156
	<u>91,353</u>	<u>115,271</u>
Surplus of revenue for the year	91,845	44,362
Accumulated deficit, beginning of year	(268,495)	(312,857)
Accumulated deficit, end of year	<u>\$ (176,650)</u>	<u>\$ (268,495)</u>

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

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 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 emergency shelter in Telegraph Creek and Three Sisters Haven House program.

Wildfire

As described in Note 14, the Band was affected by a wildfire that caused significant damage to the community. This function provides disaster response and recovery services related to the wildfire.

COVID-19

This function provides for the needs of programs related to pandemic response.

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

20. Segmented Information (continued)

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance
Revenue							
ISC	\$ -	\$ 255,932	\$ 918,460	\$ 678,463	\$ -	\$ 390,180	\$ 471,577
ISC recovery	-	-	(124,464)	-	-	(65,348)	(7,231)
AHMA	-	-	-	-	-	-	-
BCFN Gaming	-	-	-	1,003,715	-	-	-
Canada Post	-	376,170	-	-	-	-	-
CMHC	-	-	-	-	-	48,030	-
FNESC	-	-	78,701	-	-	-	-
FNHA	3,824,755	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-
Ministry of Children	-	-	-	-	-	-	-
Ministry of Justice	-	-	-	-	-	-	-
Ministry of Forests	-	-	-	-	-	-	-
Ottawa Trust	-	-	-	-	-	-	-
Rental	-	212,504	35,471	79,000	-	300,588	22,321
SWWG	-	-	-	-	811,000	-	-
Northern Health	-	-	-	-	-	-	-
Debt forgiveness (Note 8)	-	-	-	-	-	54,000	-
Donations and other income	76,235	579,779	12,759	1,721,334	44,510	95,455	(6,200)
Gross segment revenue	3,900,990	1,424,385	920,927	3,482,512	855,510	822,905	480,467
Inter-segment transfers	(856,518)	(201,076)	-	(535,096)	-	(136,723)	(22,071)
Net segment revenue	3,044,472	1,223,309	920,927	2,947,416	855,510	686,182	458,396
Expenditures							
Administration	404,544	1,200	158,418	463,042	88,780	200	-
Advertising	245	-	-	6,194	-	-	-
Amortization	-	-	-	721,821	-	119,692	-
Automotive	45,086	-	-	427	-	541	-
Contract services	250,552	66,268	400	405,604	87,142	25,299	50,947
Honoraria	447	-	-	21,521	(1,000)	-	-
Insurance	11,241	24,230	3,937	46,456	1,801	218,035	14,045
Interest	233	7,080	2,270	906	-	12,763	1,388
Materials and supplies	41,447	323,933	8,352	36,873	28,216	25,596	9,824
Office and miscellaneous	88,378	60,440	-	56,058	14,117	5,510	1,222
Other	22,492	157,852	2,500	32,973	-	17,684	-
Professional fees	50,252	32,582	-	289,851	-	8,478	-
Rental	38,029	20,066	8,400	27,065	12,400	-	8,400
Repairs and maintenance	18,889	64,825	1,000	(47,256)	13,317	42,986	-
Room and board	-	-	407,789	-	-	-	-
Salaries and benefits	797,427	171,877	54,046	764,562	46,392	110,523	170,519
Telephone and utilities	93,118	27,427	2,878	40,400	11,075	67,788	43,954
Travel and accommodation	567,765	13,537	25,142	8,424	2,825	-	2,482
Tuition and training	4,360	-	175,377	1,219	755	-	63
Gross segment expenditures	2,434,505	971,317	850,509	2,876,140	305,820	655,095	302,844
Inter-segment transfers	(310,164)	(50,000)	(166,618)	(438,958)	-	-	(25,712)
Net segment expenditures	2,124,341	921,317	683,891	2,437,182	305,820	655,095	277,132
Surplus (deficiency) of revenue for the year*	\$ 920,131	\$ 301,992	\$ 237,036	\$ 510,234	\$ 549,690	\$ 31,087	\$ 181,264

* Before other income (loss)

Social & Community Services	Capital Development	Trusts	Emergency Shelter	Wildfire	COVID-19	Subtotal Prior to Eliminations	Eliminations	2021 Total
\$ 587,233 (170,945)	\$ 1,353,555 (359,930)	\$ -	\$ 812,871	\$ 176,337 (17)	\$ 1,535,273	\$ 7,179,881 (727,935)	\$ -	\$ 7,179,881 (727,935)
-	-	-	107,552	-	-	107,552	-	107,552
-	-	-	-	-	-	1,003,715	-	1,003,715
-	-	-	-	-	-	376,170	-	376,170
92,293	-	-	-	-	-	140,323	-	140,323
-	-	-	-	-	-	78,701	-	78,701
126,404	-	-	-	-	148,742	4,099,901	-	4,099,901
-	-	-	-	670,312	-	670,312	-	670,312
405,729	-	-	-	-	-	405,729	-	405,729
266,118	-	-	-	-	-	266,118	-	266,118
-	134,362	-	-	124,795	-	259,157	-	259,157
-	-	7,11	-	-	-	7,115	-	7,115
-	-	-	-	-	-	649,884	(169,374)	480,510
-	-	-	-	-	-	811,000	-	811,000
10,000	-	-	-	-	-	10,000	-	10,000
-	-	-	-	-	-	54,000	-	54,000
383,381	207,000	-	5,000	345,291	8,617	3,473,161	(1,752,046)	1,721,115
1,700,213 (28,800)	1,334,987 (141,137)	7,11	925,423	1,316,718	1,692,632	18,864,784 (1,921,421)	(1,921,420) 1,921,421	16,943,364 -
1,671,413	1,193,850	7,11	925,423	1,316,718	1,692,632	16,943,363	1	16,943,364
166,959	200	-	167,040	26,521	79,774	1,556,678	(995,853)	560,825
-	-	-	-	-	-	6,439	-	6,439
-	-	-	-	-	-	841,513	-	841,513
16,534	-	-	11,706	-	-	74,294	(38,425)	35,869
161,398	127,934	-	79,016	80,487	244,453	1,579,500	(167,934)	1,411,566
-	-	-	-	-	-	20,968	-	20,968
61,709	7,798	-	10,829	-	-	400,081	-	400,081
3,738	-	-	-	-	-	28,378	-	28,378
73,218	42,201	-	32,846	37,974	24,780	685,260	-	685,260
54,755	29,054	-	39,567	39,046	88,982	477,129	(7,200)	469,929
213,755	627	-	356	814,709	145,005	1,407,953	(580,000)	827,953
-	67,475	-	-	55,490	1,770	505,898	-	505,898
91,142	59	-	-	22,400	22,071	250,032	(98,871)	151,161
14,844	1,538	-	4,814	-	-	114,957	-	114,957
-	-	-	-	-	-	407,789	-	407,789
566,897	81,241	-	318,789	400	17,663	3,100,336	(33,137)	3,067,199
56,410	10,370	-	28,860	-	7,266	389,546	-	389,546
24,012	666	-	8,136	720	-	653,709	-	653,709
77,860	-	-	56,913	-	-	316,547	-	316,547
1,583,231 (124,431)	369,163 (72,966)	-	758,872 (156,935)	1,077,747 (575,637)	631,764	12,817,007 (1,921,421)	(1,921,420) 1,921,421	10,895,587 -
1,458,800	296,197	-	601,937	502,110	631,764	10,895,586	1	10,895,587
\$ 212,613	\$ 897,653	\$ 7,115	\$ 323,486	\$ 814,608	1,060,868	\$ 6,047,777	\$ -	\$ 6,047,777

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

20. Segmented Information (continued)

	Health	Economic Development	Education	Government Development & Administration	SWWG	Housing	Public Works Operations & Maintenance	Social & Community Services
Revenue								
ISC	\$ -	\$ 121,903	\$ 935,581	\$ 1,090,331	\$ -	\$ 230,211	\$ 257,622	\$ 526,305
ISC recovery	-	-	-	(34,063)	-	-	(184)	(84,017)
AHMA	-	-	-	-	-	-	-	-
BCFN Gaming	-	-	-	933,670	-	-	-	-
Canada Post	-	311,018	-	-	-	-	-	-
CMHC	-	-	-	-	-	86,693	-	92,293
FNESC	-	-	14,217	-	-	-	-	-
FNHA	2,315,118	-	-	-	-	-	-	-
Fisheries and Oceans Canada	-	-	-	286,741	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-
Ministry of Children	-	-	-	-	-	-	-	359,100
Ministry of Justice	-	-	-	-	-	-	-	278,574
Ministry of Forests	-	-	-	-	-	-	-	-
Ottawa Trust	-	-	-	-	-	-	-	-
Rental	-	194,346	46,825	73,200	-	338,211	784	-
SWWG	-	-	-	-	811,000	-	-	-
Tahltan Central Government	-	84,000	-	-	-	-	-	-
Donations and other income	186,457	306,520	11,027	612,000	159,960	91,661	66,000	516,409
Gross segment revenue	2,501,575	1,017,787	1,007,650	2,961,879	970,960	746,776	324,222	1,688,664
Inter-segment transfers	(341,930)	(77,662)	-	(480,075)	-	(145,972)	(16,000)	(121,600)
Net segment revenue	2,159,645	940,125	1,007,650	2,481,804	970,960	600,804	308,222	1,567,064
Expenditures								
Administration	286,867	300	105,538	89,272	65,796	100	1,693	115,376
Advertising	490	-	-	310,998	-	-	-	-
Amortization	-	-	-	545,921	-	123,545	-	-
Automotive	47,788	-	-	261	-	-	-	8,358
Contract services	271,695	96,852	4,575	190,049	174,642	299,981	87,870	121,763
Honoraria	-	-	-	29,250	5,900	-	-	1,750
Insurance	13,861	21,207	3,515	50,189	318	209,107	12,473	37,393
Interest	449	9,311	3,002	1,499	-	21,567	1,957	5,740
Materials and supplies	14,492	271,042	5,885	37,696	65,647	31,301	12,279	99,325
Office and miscellaneous	121,693	7,517	50	72,181	22,378	8,905	3,340	32,437
Other	-	61,565	6,350	5,120	92,587	15,562	-	101,890
Professional fees	97,800	89,562	-	503,856	-	8,899	4,234	2,194
Rental	44,905	13,400	7,700	36,584	8,200	-	8,400	56,159
Repairs and maintenance	17,353	39,948	5,976	20,698	5,424	-	17,233	7,144
Room and board	-	-	486,837	-	-	-	-	-
Salaries and benefits	874,817	155,539	52,786	712,224	63,852	126,340	180,154	518,845
Telephone and utilities	79,443	16,887	2,791	43,865	9,503	92,159	49,179	57,005
Travel and accommodation	750,383	21,333	26,918	88,302	74,033	5,890	(857)	27,136
Tuition and training	26,973	1,660	176,051	2,863	141,923	-	8,927	82,180
Gross segment expenditures	2,649,009	806,123	887,974	2,740,828	730,203	943,356	386,882	1,274,695
Inter-segment transfers	(272,010)	(12,147)	(113,838)	(113,172)	-	(4,320)	(16,152)	(91,600)
Net segment expenditures	2,376,999	793,976	774,136	2,627,656	730,203	939,036	370,730	1,183,095
Surplus (deficiency) of revenue for the year*	\$ (217,354)	\$ 146,149	\$ 233,514	\$ (145,852)	\$ 240,757	\$ (338,232)	\$ (62,508)	\$ 383,969

* Before other income (loss)

Capital Development	Trust	Emergency Shelter	Wildfire	Subtotal Prior to Eliminations	Eliminations	2020 Total
\$ 2,925,371	\$ -	\$ 581,884	\$ 689,074	\$ 7,358,282	\$ -	\$ 7,358,282
-	-	-	-	(118,264)	-	(118,264)
-	-	105,088	-	105,088	-	105,088
-	-	-	-	933,670	-	933,670
-	-	-	-	311,018	-	311,018
-	-	-	-	178,986	-	178,986
-	-	-	-	14,217	-	14,217
-	-	-	41,842	2,356,960	-	2,356,960
-	-	-	-	286,741	-	286,741
1,730,000	-	-	3,152,749	4,882,749	(1,730,000)	3,152,749
-	-	-	-	359,100	-	359,100
-	-	-	-	278,574	-	278,574
-	-	-	260,237	260,237	-	260,237
-	7,988	-	-	7,988	-	7,988
-	-	-	-	653,366	(177,262)	476,104
-	-	-	-	811,000	-	811,000
-	-	-	-	84,000	-	84,000
90,113	-	10,000	166,439	2,216,586	(1,225,483)	991,103
4,745,484	7,988	696,972	4,310,341	20,980,298	(3,132,745)	17,847,553
(1,808,167)	-	-	(141,339)	(3,132,745)	3,132,745	-
2,937,317	7,988	696,972	4,169,002	17,847,553	-	17,847,553
100	-	103,774	139,660	908,476	(682,342)	226,134
-	-	-	-	311,488	-	311,488
-	-	-	-	669,466	-	669,466
-	-	10,294	-	66,701	(38,425)	28,276
-	-	128,365	4,050,431	5,426,223	(170,931)	5,255,292
-	-	-	-	36,900	-	36,900
2,500	-	15,881	-	366,444	-	366,444
-	-	-	-	43,525	-	43,525
-	-	17,106	60,510	615,283	(1,679)	613,604
-	-	23,761	5,406	297,668	(7,200)	290,468
-	-	324	2,149,519	2,434,925	(2,080,000)	354,925
152,463	-	-	147,568	1,006,576	-	1,006,576
-	-	-	63,329	238,677	(124,000)	114,677
-	-	3,941	31,774	149,491	-	149,491
-	-	-	-	486,837	-	486,837
89,531	-	319,234	76,679	3,170,001	(28,167)	3,141,834
97	-	29,444	18,685	399,058	-	399,058
2,975	-	30,670	5,128	1,031,911	-	1,031,911
-	-	14,175	-	454,752	-	454,752
247,666	-	696,969	6,748,689	18,112,394	(3,132,744)	14,979,650
(50,000)	-	(157,799)	(2,301,706)	(3,132,744)	3,132,744	-
197,666	-	539,170	4,446,983	14,979,650	-	14,979,650
\$ 2,739,651	\$ 7,988	\$ 157,802	\$ (277,981)	\$ 2,867,903	\$ -	\$ 2,867,903

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

21. First Nations Health Authority Financial Information

	Canada Prenatal Nutrition	Community Health Promotion	Mental Health and Addictions	Operations and Maintenance	FNHA Aboriginal Diabetes Initiative	Aboriginal Head Start	Brighter Futures	FNHCC	FNHA Solvent Abuse
Revenue									
Administration fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
First Nations Health Authority	26,438	93,720	79,830	117,627	72,077	141,044	112,520	173,390	17,337
Other income	-	-	-	-	-	-	-	-	-
	26,438	93,720	79,830	117,627	72,077	141,044	112,520	173,390	17,337
Expenditures									
Administration	7,573	12,650	26,231	10,130	10,699	20,937	29,077	21,367	2,310
Advertising	-	-	-	-	-	245	-	-	-
Automotive	778	4,710	2,348	2,532	2,120	4,598	3,309	5,519	510
Client and community service	-	-	-	25,992	-	180	-	-	-
Contract services	8,765	901	10,795	9,769	7,065	8,550	17,371	5,225	13,974
Equipment and furniture purchases	-	2,760	-	3,938	-	-	-	2,760	-
Equipment rental and maintenance	-	-	-	-	-	-	-	-	-
Groceries and household supplies	-	44	680	-	2,250	1,165	8,502	565	-
Insurance, licenses and dues	-	-	-	-	-	-	-	2,054	-
Materials and supplies	-	4,003	-	17,790	-	2,882	6,419	-	-
Office supplies	-	-	948	25	852	1,456	3,687	-	-
Patient transportation	-	-	-	-	-	-	-	-	-
Payment to recipients	640	2,382	-	-	1,610	1,960	-	3,630	-
Professional fees	-	-	-	-	-	-	-	-	-
Program resource	1,224	436	6,759	6,217	2,409	9,542	13,083	1,603	-
Telephone	-	5,880	-	10,864	-	393	1,517	2,840	-
Training and workshops	-	-	-	-	-	1,334	-	-	-
Travel	-	1,985	2,441	-	200	2,573	1,476	1,577	-
Utilities	-	2,199	5,514	16,327	130	1,457	11,240	1,504	529
Salaries and benefits	7,455	55,770	24,115	910	45,104	83,532	16,840	127,871	14
	26,435	93,720	79,831	104,494	72,439	140,804	112,521	176,515	17,337
Surplus (deficiency) of revenue for the year	\$ 3	\$ -	\$ (1)	\$ 13,133	\$ (362)	\$ 240	\$ (1)	\$ (3,125)	\$ -

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

21. First Nations Health Authority Financial Information (continued)

	COHI	FNHA Communicable Diseases	FNHA NNADAP	Health Management and Support	Healthy Drinking Water	NIHB Patient Transport	NIHB Visiting Health Professional	NIHB Dental Care	Mobile Support Team
Revenue									
Administration fees	\$ -	\$ -	\$ -	\$ 76,235	\$ -	\$ -	\$ -	\$ -	\$ -
First Nations Health Authority	3,698	13,497	142,800	338,620	17,146	588,809	37,422	6,000	482,608
Other income	-	-	-	-	-	-	-	-	-
	3,698	13,497	142,800	414,855	17,146	588,809	37,422	6,000	482,608
Expenditures									
Administration	3,587	6,805	40,168	22,195	2,217	76,235	4,490	720	10,710
Advertising	-	-	-	-	-	-	-	-	-
Automotive	111	397	6,787	8,443	504	-	1,123	180	1,117
Client and community service	-	-	-	-	-	-	-	-	-
Contract services	-	4,849	33,701	31,900	-	-	-	-	52,420
Equipment and furniture purchases	-	-	2,760	5,533	-	-	-	-	618
Equipment rental and maintenance	-	-	7,719	4,500	-	-	-	-	15,000
Groceries and household supplies	-	-	2,589	925	-	-	-	-	-
Insurance, licenses and dues	-	-	2,370	2,475	-	-	-	-	4,342
Materials and supplies	-	-	766	-	-	-	-	-	1,621
Office supplies	-	-	683	2,938	-	-	-	-	-
Patient transportation	-	-	-	-	-	506,984	-	-	-
Payment to recipients	-	-	800	7,130	1,400	-	-	-	2,940
Professional fees	-	-	-	3,000	-	-	-	-	22,176
Program resource	-	208	9,912	4,575	-	-	-	5,100	-
Telephone	-	-	2,296	922	-	-	-	-	11,688
Training and workshops	-	-	-	-	-	-	-	-	3,025
Travel	-	200	5,051	14,974	-	-	10,369	-	19,929
Utilities	-	1,038	4,556	770	-	-	-	-	5,243
Salaries and benefits	-	-	22,641	172,504	13,025	-	-	-	228,743
	3,698	13,497	142,799	282,784	17,146	583,219	15,982	6,000	379,572
Surplus (deficiency) of revenue for the year	\$ -	\$ -	\$ 1	\$ 132,071	\$ -	\$ 5,590	\$ 21,440	\$ -	\$ 103,036

Tahltan Indian Band
Notes to Consolidated Financial Statements

March 31, 2021

21. First Nations Health Authority Financial Information (continued)

	Nursing Residence	AHSOR Land- Based Quality Improvement	Subtotal Prior to Eliminations	Eliminations	2021 Total	2020 Total
Revenue						
Administration fees	\$ -	\$ -	\$ 76,235	\$ (76,235)	\$ -	\$ -
First Nations Health Authority	1,314,494	45,678	3,824,755	-	3,824,755	2,296,129
Other income	-	-	-	(780,283)	(780,283)	(253,884)
	<u>1,314,494</u>	<u>45,678</u>	<u>3,900,990</u>	<u>(856,518)</u>	<u>3,044,472</u>	<u>2,042,245</u>
Expenditures						
Administration	108,000	-	416,101	(230,478)	185,623	111,621
Advertising	-	-	245	-	245	490
Automotive	-	-	45,086	(38,425)	6,661	9,362
Client and community service	-	-	26,172	-	26,172	25,984
Contract services	19,098	-	224,383	(22,061)	202,322	149,474
Equipment and furniture purchases	-	-	18,369	-	18,369	13,292
Equipment rental and maintenance	-	-	27,219	(19,200)	8,019	10,062
Groceries and household supplies	-	-	16,720	-	16,720	30,676
Insurance, licenses and dues	-	-	11,241	-	11,241	13,861
Materials and supplies	7,965	-	41,446	-	41,446	13,936
Office supplies	-	-	10,589	-	10,589	7,318
Patient transportation	-	-	506,984	-	506,984	706,847
Payment to recipients	-	-	22,492	-	22,492	-
Professional fees	25,075	-	50,251	-	50,251	97,800
Program resource	-	-	61,068	-	61,068	73,527
Telephone	-	-	36,400	-	36,400	32,848
Training and workshops	-	-	4,359	-	4,359	26,972
Travel	5	-	60,780	-	60,780	45,443
Utilities	6,211	-	56,718	-	56,718	45,735
Salaries and benefits	55	-	798,579	-	798,579	874,160
	<u>166,409</u>	<u>-</u>	<u>2,435,202</u>	<u>(310,164)</u>	<u>2,125,038</u>	<u>2,289,408</u>
Surplus (deficiency) of revenue for the year	\$ 1,148,085	\$ 45,678	\$ 1,465,788	\$ (546,354)	\$ 919,434	\$ (247,163)

Tahltan Indian Band

Notes to Consolidated Financial Statements

March 31, 2021

22. Uncertainty Due to COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus and the risks of the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve throughout the world including Canada. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the impact on the Band will not be known with certainty for months to come.

Although the Band cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material adverse effect on the Band's results of financial operations, financial position, and liquidity in fiscal 2022. The Band had undertaken efforts to combat the pandemic by initially assessing and estimating the potential impact COVID-19 could have on the community. As a result of the assessment, amongst other measures, services provided by certain of the non-essential programs were temporarily suspended, whereas, certain new programs to address the needs of the community during this pandemic were initiated by the Band.

See Note 20 for additional information related to revenue and expenditures incurred during the year.

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

March 31, 2021

23. Condensed Financial Information

	Stikine River Song Cafe and General Store Ltd.	Tahltan Nation Development Limited Partnership	Tahltan Centre Ltd.	2021 Total	2020 Total
Assets					
Financial	\$ 54,799	\$ 24,759,347	\$ 215,715	\$ 25,029,861	\$ 16,800,962
Non-financial	26,719	12,424,440	146,245	12,597,404	12,361,100
	\$ 81,518	\$ 37,183,787	\$ 361,960	\$ 37,627,265	\$ 29,162,062
Liabilities	\$ 529,577	\$ 10,574,538	\$ 457,477	\$ 11,561,592	\$ 11,821,944
Surplus (deficit)	(448,059)	26,609,249	(95,517)	26,065,673	17,340,118
	\$ 81,518	\$ 37,183,787	\$ 361,960	\$ 37,627,265	\$ 29,162,062
Revenue	\$ 208,839	\$ 31,022,032	\$ 1,386,664	\$ 32,617,535	\$ 23,935,923
Expenditures	199,345	22,172,168	1,520,468	23,891,981	19,976,774
Net income (loss)	\$ 9,494	\$ 8,849,864	\$ (133,804)	\$ 8,725,554	\$ 3,959,149

The unaudited financial information above reflects the entities' assets, liabilities, surplus (deficit), revenue and expenditures. The 2021 financial information of Tahltan Nation Development Limited Partnership is not available and the 2020 financial information has been presented.