

Iskut Band Council
Consolidated Financial Statements
For the year ended March 31, 2023

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Iskut Band Council are the responsibility of management and have been approved by the Chief and another 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 Iskut Band Council 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 expressed their qualified opinion on the consolidated financial statements dated TBD. The external auditors were given access to financial management of Iskut Band Council and met with Council when required.

Approved on behalf of Chief & Council

A handwritten signature in dark ink, appearing to read "M. Quock", is written over a horizontal line.

Chief

A handwritten signature in dark ink, appearing to read "Andrew", is written over a horizontal line.

Band Councillor



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Independent Auditor's Report

To the Members of
Iskut Band Council

Qualified Opinion

We have audited the consolidated financial statements of Iskut Band Council (the "Band") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2023, 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, 2023, 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

Effective April 1, 2022, the Band was required to adopt *PS 3280 Asset Retirement Obligations* which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended March 31, 2023 and 2022, tangible capital assets and the asset retirement obligation as at March 31, 2023 and 2022, and accumulated surplus as at April 1 and March 31 for both the 2023 and 2022 years.

As described in Note 5, the Band indirectly controls The Kluachon Centre Store, Eagle River Guide Outfitters, Kluachon Guide Outfitters, and Zetu Construction, by virtue of its control of Iskut Band Development Corporation. The Kluachon Centre Store is a government organization 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 the amount of the adjustments necessary to revenue, expenditures, and annual surplus (deficiency) of the Group for the years ended March 31, 2023 and 2022, assets and liabilities as at March 31, 2023 and 2022, and accumulated surplus as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the consolidated financial statements for the year ended March 31, 2022 was modified accordingly because of the effects of this departure from Canadian public sector accounting standards.

Independent Auditor's Report (continued)

As described in Note 5, The Band has a 33.3% ownership in the Tahltan Nation Development Limited Partnership, Tahltan Nation Development Corporation, and Tahltan Legacy Corporation. The Band accounts for these interests using the modified equity method however we were unable to obtain sufficient, appropriate audit evidence to determine whether these interests are subject to shared control to be accounted for using the modified equity method and the Band does not have access to the related financial information. As a result of these limitations in scope, we were unable to conclude on the appropriate accounting treatment under Canadian public sector accounting standards, and we are unable to determine whether any adjustments may be necessary to long-term investments as at March 31, 2023 and 2022, revenue and annual surplus (deficiency) for the years ended March 31, 2023 and 2022, and accumulated surplus as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the consolidated financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this scope limitation.

As disclosed in Note 5, the Band holds a 33% interest in the Tahltan Heritage Trust. The Band accounts for this interest using the cost method as it considers the interest to be a portfolio investment. We were unable to obtain sufficient, appropriate audit evidence to determine whether the interest is a portfolio investment or a partnership subject to shared control and were not able to conclude on the appropriate accounting treatment under Canadian public sector accounting standards. In addition, the Group does not have audited financial information for these entities. As a result of this limitation in scope we were unable to determine whether adjustments may be necessary to long-term investments as at March 31, 2023 and 2022, revenue and annual surplus (deficiency) for the years ended March 31, 2023 and 2022, and accumulated surplus as at April 1, and March 31 for both the 2023 and 2022 years. Our audit opinion for the year ended March 31, 2022 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.



Independent Auditor's Report (continued)

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
September 14, 2023

Iskut Band Council
Consolidated Statement of Financial Position

March 31	2023	2022
Financial assets		
Cash (Note 3)	\$ 23,646,672	\$ 4,649,694
Short-term investments (Note 3)	1,532,232	391,445
Accounts receivable (Note 4)	3,019,173	1,960,998
Long-term investments (Note 6)	21,701,080	16,573,761
Trust assets (Note 5)	216,657	208,448
	<u>50,115,814</u>	<u>23,784,346</u>
Liabilities		
Accounts payable and accrued liabilities	648,669	493,883
Deferred revenue (Note 14)	21,620,449	-
Long-term debt (Note 10)	1,912,428	2,250,930
Obligations under capital lease (Note 11)	178,903	265,226
	<u>24,360,449</u>	<u>3,010,039</u>
Net financial assets	<u>25,755,365</u>	<u>20,774,307</u>
Non-financial assets		
Prepaid expenses	60,850	79,032
Tangible capital assets (Note 7)	16,393,974	14,533,026
Total non-financial assets	<u>16,454,824</u>	<u>14,612,058</u>
Accumulated surplus (Note 12)	<u>\$ 42,210,189</u>	<u>\$ 35,386,365</u>

Approved on behalf of Chief & Council

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Chief

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Councillor

Iskut Band Council
Consolidated Statement of Operations

For the year ended March 31	2023	2022
Revenue (Note 18)		
Federal Government:		
Indigenous Services Canada (ISC)	\$ 6,141,336	\$ 4,932,087
Canada Mortgage and Housing Corporation (CMHC) (Note 15)	108,513	105,651
First Nations Health Authority	2,830,837	2,733,212
Provincial Government:		
First Nations Education Steering Committee (FNESC)	370,292	434,912
Province of British Columbia	457,681	280,404
Other:		
BCFN Gaming Revenue Sharing Limited Partnership (BCFNGRS LP)	920,816	390,894
Equipment rental	63,532	78,886
Housing rental	260,330	250,035
Interest and investment income	210,818	1,253,305
Local operations	858,860	708,494
Miscellaneous health contracts	80,411	71,856
Contracts, rent, contributions and miscellaneous	1,912,234	1,604,126
	<u>14,215,660</u>	<u>12,843,862</u>
Expenditures (Note 17 and 18)		
Administration	1,672,713	1,666,412
Social services	1,746,121	853,906
Education	2,696,924	2,381,846
Community health	3,952,963	3,031,828
Housing	659,025	598,394
Public works	1,173,088	920,740
Enterprise fund	1,803,307	1,110,260
	<u>13,704,141</u>	<u>10,563,386</u>
Surplus of revenue before the undernoted	511,519	2,280,476
Income from investment in government business enterprises, partnership and Tahltan Heritage Trust (Note 6)	<u>6,312,305</u>	<u>6,279,442</u>
Surplus of revenue for the year	6,823,824	8,559,918
Accumulated surplus, beginning of year	<u>35,386,365</u>	<u>26,826,447</u>
Accumulated surplus, end of year	<u>\$ 42,210,189</u>	<u>\$ 35,386,365</u>

Iskut Band Council
Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2023	2022
Surplus of revenue for the year	\$ 6,823,824	\$ 8,559,918
Tangible capital assets:		
Purchase of tangible capital assets (Note 7)	(3,020,266)	(619,590)
Amortization of tangible capital assets (Note 7)	1,100,216	1,086,974
Loss on disposal of tangible capital assets	41,102	1,000
Proceeds on disposal of tangible capital assets	18,000	228,000
	4,962,876	9,256,302
Decrease (increase) in prepaid expenses	18,182	(17,411)
Increase in net financial assets	4,981,058	9,238,891
Net financial assets, beginning of year	20,774,307	11,535,416
Net financial assets, end of year	\$ 25,755,365	\$ 20,774,307

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

Iskut Band Council
Consolidated Statement of Cash Flows

For the year ended March 31	2023	2022
Operating activities		
Surplus of revenue for the year	\$ 6,823,824	\$ 8,559,918
Items not affecting cash:		
Amortization of tangible capital assets	1,100,216	1,086,974
Loss on disposal of tangible capital assets	41,102	1,000
Income from investment in Ottawa Trust Funds	(8,209)	(5,656)
Income from investment in government business enterprises, partnership and Tahltan Heritage Trust	(6,312,305)	(6,279,442)
Changes in operating balances:		
Increase (decrease) in accounts receivable	(1,058,175)	854,764
Decrease (increase) in prepaid expenses	18,182	(17,411)
Increase (decrease) in accounts payable and accrued liabilities	154,786	(157,060)
Increase (decrease) in deferred revenue (Note 14)	21,620,449	-
	<u>22,379,870</u>	<u>4,043,087</u>
Capital activities		
Purchase of tangible capital assets	(3,020,266)	(619,590)
Proceeds on disposal of tangible capital assets	18,000	228,000
	<u>(3,002,266)</u>	<u>(391,590)</u>
Investing activities		
Net decrease in short-term investments	(1,140,787)	-
Advances to Iskut Band Development Corporation	(59,654)	(12,694)
Distributions received from Tahltan Nation Development Limited Partnership	1,244,640	165,541
	<u>44,199</u>	<u>152,847</u>
Financing activities		
Proceeds from long-term debt	106,758	279,485
Repayment of long-term debt	(445,261)	(264,451)
Repayment of obligations under capital lease	(86,322)	(82,775)
	<u>(424,825)</u>	<u>(67,741)</u>
Increase in cash for the year	18,996,978	3,736,603
Cash, beginning of year	<u>4,649,694</u>	<u>913,091</u>
Cash, end of year	<u>\$ 23,646,672</u>	<u>\$ 4,649,694</u>

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

Iskut Band Council

Notes to Consolidated Financial Statements

March 31, 2023

1. Change in Accounting Policy

Financial instruments

Effective April 1, 2022, the Band adopted the Public Sector Accounting Board's (PSAB) new recommendation for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities, and derivatives under Section PS 3450 *Financial Instruments*. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

Asset retirement obligations

Effective April 1, 2022, the Band adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under *PS 3280 Asset Retirement Obligations*. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements. As at March 31, 2023, management has not completed its assessment of the tangible capital assets held by the Band for potential asset retirement obligations.

2. Summary of Significant Accounting Policies

Nature of Business	Iskut Band Council (the "Band") provides services and support to its band members.
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	The Band is exempt from income tax under Section 87 of the Indian Act.
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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.
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Reporting Entity and Principles of Consolidation	
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	The Band's reporting entity includes the Iskut Band Council operations and all related entities that are controlled by the Band, including Iskut Energy Limited Partnership. The financial statements include the following entities:
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	<u>% ownership</u>
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- Iskut Band Development Corporation	100%
- Tahltan Nation Development Limited Partnership	33.33%
- Tahltan Nation Development Corporation	33.33%
- Tahltan Legacy Corporation	33.33%

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

2. Summary of Significant Accounting Policies (continued)

Reporting Entity and
Principles of
Consolidation
(continued)

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 business partnerships. Entities that meet the definitions of government business enterprises and 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.

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 and prepaid expenses.

Cash

Cash includes cash on hand and balances with banks.

Short-term
Investments

Short-term investments include guaranteed investment certificates ("GIC's") maturing at various times during the next fiscal year. These investments are recorded at cost.

Long-term
Investments

Long-term investments are in business entities and limited partnerships controlled or subject to shared control 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.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

2. Summary of Significant Accounting Policies (continued)

Use of Estimates The preparation of the 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 straight-line basis over the estimated life of the tangible capital asset, commencing once the asset is available for productive use as follows:

Automotive equipment	5 years
Band-owned housing	40 years
Buildings and improvements	25 years
Community equipment	5 years
Office equipment	5 years
Infrastructure	50 years
Assets under capital lease	Term of the lease

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.

Revenue Recognition Revenue in operating activities is recognized as it becomes receivable under the terms of applicable funding agreements. Revenue received under funding agreements, which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the consolidated statement of financial position.

Revenue in the commercial enterprise activities is recognized when ownership of products is transferred to a third party or services are provided, and collection is reasonably assured.

Revenue from rental and other income is recognized when services are provided, and collection is reasonably assured. When payments are received in advance of contracted services, the Band records this as deferred revenue.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition
(continued)

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

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.

Fiscal Plan

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

Asset Retirement
Obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

As at March 31, 2023, management has not completed its assessment of the tangible capital assets held by the Band for potential asset retirement obligations.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

2. Summary of Significant Accounting Policies (continued)

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

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

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

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

3. Cash and Short-term Investments

	2023	2022
Cash	\$ 23,646,672	\$ 4,649,694
Short-term investments	1,532,232	391,445
	<u>\$25,178,904</u>	<u>\$ 5,041,139</u>
Internally restricted reserves - replacement reserves (Note 12):		
Health replacement reserve	\$ 50,330	\$ 50,191
Elders' replacement reserve	86,521	41,061
	<u>136,851</u>	<u>91,252</u>
Externally restricted reserves (Note 12):		
CMHC replacement reserve	405,492	329,867
CMHC operating reserve	194,443	\$ 213,000
Externally restricted reserves - deferred revenue (Note 14)	21,620,449	-
	<u>22,220,384</u>	<u>542,867</u>
Total restricted reserves	22,357,235	634,119
Unrestricted	<u>2,821,669</u>	<u>4,407,020</u>
Total cash and short-term investments	<u>\$ 25,178,904</u>	<u>\$ 5,041,139</u>

Short-term investments consist of one year cashable GIC's at rates of 4.35% and 5.32% (2022 - 0.1%) per annum, maturing February 2024.

CMHC Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the housing replacement reserve account is to be credited annually in an amount as specified by CMHC. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC. Withdrawals are credited to interest first and then principal.

The housing replacement reserve funds are held for the purpose of normal maintenance and repairs of the Band-owned housing currently under CMHC funding.

CMHC Operating Reserve

Under the terms of the agreement with CMHC, the housing operating reserve account is to be credited with any surplus amount in phase 8 to 15, based on minimum rent calculation.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

3. Cash and Short-term Investments (continued)

Deferred Revenue

Under the terms of the agreement with Indigenous Services Canada, the contributions received by the Band are to be spent for certain purposes as stipulated by the terms and conditions of the agreement.

4. Accounts Receivable

	2023	2022
Band member rent	1,269,433	1,174,741
Canada Mortgage and Housing Corporation	9,281	8,804
GST	44,939	5,733
Interest receivable	102,349	-
Miscellaneous	33,129	24,428
Tahltan Central Government	1,564,779	1,162,531
Trade accounts receivable	1,474,688	980,033
	4,498,598	3,356,270
Less: Allowance for doubtful accounts	(1,479,425)	(1,395,272)
Net accounts receivable	<u>\$ 3,019,173</u>	<u>\$ 1,960,998</u>

5. Trust Assets

	March 31, 2022	Interest Earned	March 31, 2023
Ottawa Trust Funds			
Revenue	\$ 208,432	\$ 8,209	\$ 216,641
Capital	16	-	16
	<u>\$ 208,448</u>	<u>\$ 8,209</u>	<u>\$ 216,657</u>

The Ottawa Trust Funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government 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.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

6. Long-term Investments

Iskut Band Development Corporation ("IBDC")

IBDC is a wholly-owned entity, which includes four operating divisions. The Kluachon Centre Store (operating a cafe and retail store selling groceries, gas, and general merchandise) is the only active division. The inactive divisions include Eagle River Guide Outfitters, Kluachon Guide Outfitters, and Zetu Construction. IBDC is a government organization and is required to be reported on a consolidated basis. The Band considers this entity to be a government business enterprise and has accounted for its investment in IBDC using the modified equity method. The Band has not received updated information with respect to this investment for 2022 and 2023; therefore, no equity income has been reported and no summary financial information has been presented. Amounts advanced to IBDC bear no interest and have no fixed terms of repayment.

Tahltan Nation Development Corporation ("TNDC")

TNDC is a general partner that holds 0.01% of Tahltan Nation Development Limited Partnership. TNDC is a business partnership (BP) 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 BP and the Band accounted for it using the modified equity method.

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. The Band is not a beneficiary of THT and the Band's investment in THT is accounted for at cost.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

6. Long-term Investments (continued)

Tahltan Legacy Corporation (TLC)

TLC owns 100% of the shares of 1045365 B.C. Ltd.; presently both entities are inactive.

The Band considers TLC a business partnership (BP) and is accounted for using the modified equity method.

B.C. First Nations (BCFN) Gaming Revenue Sharing Limited Partnership ("BCFN GRSLP")

The Band has entered into the BCFN Gaming Revenue Sharing and Financial Agreement with the Province of British Columbia. The partnership is to provide a share of the Province's gaming revenue to First Nations in British Columbia.

Long-term investments consist of the following:

	<u>2023</u>	<u>2022</u>
Iskut Band Development Corporation	\$ 1,649,995	\$ 1,590,341
Tahltan Nation Development Corporation	251	251
Tahltan Nation Development Limited Partnership	20,050,724	14,983,059
BCFN Gaming Revenue Sharing Limited Partnership	<u>110</u>	<u>110</u>
	<u>\$ 21,701,080</u>	<u>\$ 16,573,761</u>

Included in Iskut Band Development Corporation long-term investment is \$873,727 (2022 - \$819,465) accounts receivable from Iskut Band Development Corporation. The balance is unsecured, non-interest bearing and without terms of repayment.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

6. Long-term Investments (continued)

The following table summarizes the unaudited condensed financial information for TNDLP. The 2023 financial results of TNDLP are not available, and the 2022 financial results have been presented based on the unaudited financial statements prepared by a public accountant.

	2022	2021
Assets:		
Cash	\$24,143,971	\$11,067,874
Marketable securities	1,643,761	1,344,150
Accounts receivable	20,404,272	20,918,925
Inventory	309,366	305,782
Property and equipment	30,517,305	21,127,167
Other	7,404,503	5,205,466
	<u>\$84,423,178</u>	<u>\$59,969,364</u>
Liabilities:		
Accounts payable and accruals	\$ 5,201,956	\$ 2,487,465
Governmental payables	295,830	293,394
Demand loan	1,925,840	2,121,325
Long-term debt	16,843,086	10,114,972
	<u>24,266,712</u>	<u>15,017,156</u>
Surplus	<u>60,156,466</u>	<u>44,952,208</u>
	<u>\$84,423,178</u>	<u>\$59,969,364</u>
Revenue	\$64,103,616	\$50,159,874
Direct expenses	(46,189,035)	(33,933,692)
General and administrative expenses	(4,824,474)	(3,780,733)
Other income	5,848,071	6,394,133
Total net income	<u>\$18,938,178</u>	<u>\$18,839,582</u>
Band's share of income	<u>\$ 6,312,305</u>	<u>\$ 6,279,442</u>

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

7. Tangible Capital Assets

2023

	Automotive Equipment	Band- Owned Housing	Buildings and Improvements	Community Equipment	Office Equipment	Infrastructure	Construction in Progress	Social Housing	Total
Cost, beginning of year	\$2,531,260	\$ 5,861,969	\$ 8,587,550	\$ 1,341,082	\$ 573,488	\$ 5,025,055	\$ 1,055,171	\$ 4,787,922	\$29,763,497
Additions	661,685	-	-	209,700	60,206	-	2,088,675	-	3,020,266
Disposals	(73,852)	-	-	(28,863)	(98,695)	-	-	-	(201,410)
Cost, end of year	3,119,093	5,861,969	8,587,550	1,521,919	534,999	5,025,055	3,143,846	4,787,922	32,582,353
Accumulated amortization, beginning of year	1,600,231	4,343,107	4,117,069	1,098,070	380,712	2,132,335	-	1,558,947	15,230,471
Amortization	289,792	142,329	319,849	59,578	69,503	100,503	-	118,662	1,100,216
Disposals	(14,749)	-	-	(28,863)	(98,696)	-	-	-	(142,308)
Accumulated amortization, end of year	1,875,274	4,485,436	4,436,918	1,128,785	351,519	2,232,838	-	1,677,609	16,188,379
Net book value, end of year	\$1,243,819	\$ 1,376,533	\$ 4,150,632	\$ 393,134	\$ 183,480	\$ 2,792,217	\$ 3,143,846	\$ 3,110,313	\$16,393,974

Included in automotive equipment is \$nil of tangible capital assets acquired during the year by way of capital lease. The leased tangible capital assets cost included in automotive equipment is \$552,383 (2022 - \$552,383) and the accumulated amortization is \$271,031 (2022 - \$160,554).

The tangible capital assets have not been assessed for asset retirement obligations as required by PS 3280 Asset Retirement Obligations. The assets listed may be understated by the amounts of any existing asset retirement obligations.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

7. Tangible Capital Assets (continued)

2022

	Automotive Equipment	Band- Owned Housing	Buildings and Improvements	Community Equipment	Office Equipment	Infrastructure	Construction in Progress	Social Housing	Total
Cost, beginning of year	\$2,330,910	\$ 5,861,969	\$ 8,587,549	\$1,288,422	\$ 619,502	\$ 5,025,055	\$ 1,001,032	\$ 4,787,922	\$29,502,361
Additions	429,350	-	-	109,485	26,615	-	54,140	-	619,590
Disposals	(229,000)	-	-	(56,825)	(72,629)	-	-	-	(358,454)
Cost, end of year	2,531,260	5,861,969	8,587,549	1,341,082	573,488	5,025,055	1,055,172	4,787,922	29,763,497
Accumulated amortization, beginning of year	1,322,790	4,200,778	3,797,220	1,091,526	388,521	2,031,832	-	1,440,285	14,272,952
Amortization	277,441	142,329	319,849	63,371	64,819	100,503	-	118,662	1,086,974
Disposals	-	-	-	(56,827)	(72,628)	-	-	-	(129,455)
Accumulated amortization, end of year	1,600,231	4,343,107	4,117,069	1,098,070	380,712	2,132,335	-	1,558,947	15,230,471
Net book value, end of year	\$ 931,029	\$ 1,518,862	\$ 4,470,480	\$ 243,012	\$ 192,776	\$ 2,892,720	\$ 1,055,172	\$ 3,228,975	\$14,533,026

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

8. Line of Credit

The bank overdraft and line of credit are due on demand. The line of credit, with a maximum limit of \$200,000, and the bank overdraft bear interest at the bank's prime rate plus 1.60% per annum, calculated and payable monthly. As at March 31, 2023, the line of credit had a balance of \$nil (2022 - \$nil).

9. Pension Plan

The Band and certain of its employees contribute to the Iskut Band Pension Plan (the "Plan"). The Plan is a defined contribution plan. Pacific Employee Benefits administers the Plan through Sun Life Financial Group Retirement Services, including the payment of pension benefits on behalf of the employer and employees in accordance with the federal legislation.

During the year, the Band made contributions of \$127,228 (2022 - \$120,153) to the Plan on behalf of its employees.

10. Long-term Debt

	2023	2022
Capital Loans		
RBC loan payable, with monthly payments of \$4,949 including interest at 4.50% per annum, repaid during the year	\$ -	\$ 171,865
JCB loan payable, with monthly payments of \$1,202 including interest at 2.99% per annum, secured by specific equipment with a carrying value of \$87,588, maturing August 2027	58,549	71,019
Finning loan payable, with monthly payments of \$3,685 including interest at 3.95% per annum, secured by specific equipment with a carrying value of \$160,280, maturing July 2026	137,905	175,863
RBC loan payable, with biweekly payments of \$459 including interest at 0.00% per annum, secured by specific equipment with a carrying value of \$11,940, maturing August 2023	5,051	16,989
RBC loan payable, with monthly payments of \$698 including interest at 5.49% per annum, secured by specific equipment with a carrying value of \$13,262, maturing January 2024	6,808	14,580

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

10. Long-term Debt (continued)

	2023	2022
Capital Loans (continued)		
RBC loan payable, with monthly payments of \$1,378 including interest at 5.69% per annum, repaid during the year	-	52,350
RBC loan payable, with monthly payments of \$1,427 including interest at 5.69% per annum, secured by specific equipment with a carrying value of \$44,722, maturing September 2025	39,813	54,220
RBC loan payable, with monthly payments of \$890 including interest at 5.69% per annum, secured by specific equipment with a carrying value of \$42,825, maturing October 2025	25,590	34,531
Scotiabank loan payable, with monthly payments of \$1,534 including interest at 5.50% per annum, secured by specific equipment with a carrying value of \$83,714, maturing March 2030	105,674	-
	<u>379,390</u>	<u>591,417</u>
Social Housing Mortgages		
CMHC mortgage payable, with monthly payments of \$7,384 including interest at 3.55% per annum, maturing September 2032	714,404	779,538
CMHC mortgage payable, with monthly payments of \$5,651 including interest at 0.76% per annum, maturing November 2035	818,634	879,975
	<u>1,533,038</u>	<u>1,659,513</u>
	<u>\$ 1,912,428</u>	<u>\$ 2,250,930</u>

All Social Housing mortgages are secured by a ministerial guarantee from Indigenous Services Canada. Principal repayments on long-term debt for the next five years and thereafter are as follows:

2024	\$ 228,074
2025	223,156
2026	217,200
2027	178,763
2028	158,726
Thereafter	<u>906,509</u>
	<u>\$ 1,912,428</u>

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

11. Obligations Under Capital Lease

	2023	2022
Obligation under capital lease for a Peterbuilt hauler, with blended monthly payments totaling \$4,627 including interest at 4.91% per annum, secured by specific equipment with a net book value of \$100,152	\$ 80,141	\$ 130,391
Obligation under capital lease for a Peterbuilt hauler, with blended monthly payments totaling \$3,326 including interest at 3.24% per annum, secured by specific equipment with a net book value of \$181,152	98,762	134,835
	<u>\$ 178,903</u>	<u>\$ 265,226</u>

Interest expense for the year related to the obligations under capital lease is \$9,115 (2022 - \$12,378).

Future minimum lease payments under the capital leases for the next three years are as follows:

2024	\$ 95,437
2025	67,673
2026	<u>23,279</u>
	186,389
Less: amounts representing interest	<u>7,486</u>
	<u>\$ 178,903</u>

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

12. Accumulated Surplus

Accumulated surplus is comprised of the following:

	Balance March 31, 2022	Surplus (deficiency)	Transfers to (from)	Balance March 31, 2023
General	\$18,854,019	\$ 8,143,759	\$(3,290,031)	\$23,707,747
Non-financial assets	14,612,058	(1,118,398)	2,961,164	16,454,824
	<u>33,466,077</u>	<u>7,025,361</u>	<u>(328,867)</u>	<u>40,162,571</u>

Internally Restricted Reserves - Replacement Reserves:

Health replacement reserve	157,291	(29,163)	48,262	176,390
Education replacement reserve	146,829	(108,826)	-	38,003
Administration reserve	725,000	-	-	725,000
Elders' replacement reserve	41,062	-	48,405	89,467
Economic development replacement reserve	75,000	(75,000)	-	-
Children & family replacement reserve	-	-	200,000	200,000
	<u>1,145,182</u>	<u>(212,989)</u>	<u>296,667</u>	<u>1,228,860</u>

Externally Restricted Reserves:

Equity in Ottawa Trust Funds	208,433	8,192	-	216,625
CMHC replacement reserve	373,328	1,721	32,200	407,249
CMHC operating reserve	193,345	1,539	-	194,884
	<u>775,106</u>	<u>11,452</u>	<u>32,200</u>	<u>818,758</u>

Total Restricted Reserves	<u>1,920,288</u>	<u>(201,537)</u>	<u>328,867</u>	<u>2,047,618</u>
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Total Accumulated Surplus	<u>\$35,386,365</u>	<u>\$ 6,823,824</u>	<u>\$ -</u>	<u>\$42,210,189</u>
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Internally restricted reserves - replacement reserves were underfunded by \$1,092,009 at March 31, 2023 (2022 - underfunded \$1,053,930). Underfunded replacement reserves are partially covered by operating GIC's totaling \$1,396,797 in 2023 (2022 - \$256,648) that are included within short-term investments.

The CMHC housing reserves in general were underfunded by \$2,198 in 2023 (2021 - underfunded \$23,806).

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

13. 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 42% (2022 - 37%) of its revenue from Indigenous Services Canada and 20% (2022 - 21%) from First Nations Health Authority.

14. Deferred Revenue

Deferred revenue consists of excess contributions received from Indigenous Services Canada for the Band's various funding programs.

Included in deferred revenue as at March 31, 2023 is contribution carried forward of \$18,807,528 for construction of ICMS 126470 Klappan Independent Day School Replacement, which commenced during the year. The Band received \$20,896,097 for this construction project, from the total expected contribution of \$22,703,338 and \$534,700 for contingency funds as relates to unforeseeable and unknown events that may happen during construction. The funding is provided by Indigenous Services Canada and it is to be distributed to the Band over two year period, with anticipation for the funds to be expended by October 31, 2024.

15. Federal Assistance Payments

The Iskut Rental Housing Operations receives federal assistance through CMHC to reduce mortgage interest expense to 2% to enable the project to provide housing to low income individuals. The amount of assistance received for the year was \$108,513 (2022 - \$105,651).

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

16. Financial Instrument Risk

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Band is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or if financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Band's financial instruments that are exposed to concentrations of credit risk relate to the accounts receivable and cash. As at March 31, 2023, not including amounts receivable from Tahltan Central Government, the Band had four customers (2022 - three) that each on their own made up greater than 10% of total trade accounts receivable. The cash is held in one financial institution.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Band is exposed to this risk with respect to fixed rate GICs included in cash, and fixed rate capital loans included in long term debt.

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

17. Statement of Expenditures by Object

	2023	2022
Expenditures		
Administration	\$ 6,312	\$ 452
Amortization	1,100,216	1,087,974
Bad debts	84,153	128,272
Bank charges	15,458	11,506
Contract services	494,309	466,912
Cultural services	18,458	14,880
Direct social assistance	235,509	304,718
Equipment rental	122,768	38,248
Guidance and counselling (recovery)	32,329	30,480
Honoraria	56,055	34,855
Insurance	121,367	80,267
Interest on long-term debt and capital lease	56,466	71,500
Materials and supplies	510,420	473,142
Office and miscellaneous	41,102	1,313
Patient transport	1,018,274	697,195
Professional fees	524,799	564,030
Program resources	1,311,952	575,169
Rental	-	1,242
Repairs and maintenance	496,731	343,561
Salaries and benefits	5,194,663	4,381,518
Student allowance and transportation	227,831	193,209
Technology	155,732	158,296
Telephone	132,785	127,282
Travel and accommodation	1,080,384	341,343
Tuition fees	156,811	94,541
Utilities	214,690	194,463
Vehicles operations and maintenance	263,408	146,538
Workshops and training	31,159	480
Total expenditures for the year	\$ 13,704,141	\$ 10,563,386

Iskut Band Council
Notes to Consolidated Financial Statements

March 31, 2023

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 fund. Funds were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations. Services are provided by programs and their activities are reported in these funds. Certain programs have been separately disclosed in the segmented information, along with the services they provide, and are detailed in the schedule that follows.

Administration

The Administration Services program provides administration support to other band operation programs and services.

Social Services

The Social Services program provides financial benefits and services to individuals and families, resident on reserve, who are in need.

Education

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

Community Health

Iskut Valley Health Services provides health programs and services under an agreement with First Nations Health Authority.

Housing

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

Public Works

The Public Works program is responsible for the construction and maintenance of public spaces within the community.

Enterprise Fund

The Enterprise Fund is responsible for all locally initiated business activities, usually derived from non-government financial support.

Iskut Band Council
Notes to Consolidated Financial Statements
Schedule of Segmented Financial Activities

March 31, 2023

18. Segmented Information (continued)

2023

	Administration	Social Services	Education	Community Health	Housing	Public Works	Subtotal	Enterprise Fund	Total
Revenue									
ISC	\$ 578,153	\$ 1,012,852	\$ 1,799,100	\$ -	\$ 79,765	\$ 2,622,603	\$ 6,092,473	\$ 48,863	\$ 6,141,336
CMHC	-	-	-	-	108,513	-	108,513	-	108,513
FNESC	-	-	370,292	-	-	-	370,292	-	370,292
FNHA	-	-	-	2,830,837	-	-	2,830,837	-	2,830,837
Housing charges	-	-	9,075	-	251,255	-	260,330	-	260,330
Investment income	(3,399)	-	-	-	-	-	(3,399)	214,217	210,818
Investment income from BP	-	-	-	-	-	-	-	6,312,305	6,312,305
Province of B.C.	-	250,011	6,288	201,382	-	-	457,681	-	457,681
BCFNIGRS LP	-	-	-	-	-	-	-	920,816	920,816
Other	956	342,225	18,697	83,105	130	56,663	501,776	2,413,260	2,915,036
	575,710	1,605,088	2,203,452	3,115,324	439,663	2,679,266	10,618,503	9,909,461	20,527,964
Expenditures									
Amortization	17,063	51,760	68,841	227,267	253,653	481,632	1,100,216	-	1,100,216
Direct assistance	-	235,509	-	-	-	-	235,509	-	235,509
Interest	-	1,736	-	8,100	27,295	-	37,131	19,335	56,466
Materials, supplies and utilities	56,576	21,162	192,614	132,621	18,188	69,399	490,560	408,437	898,997
Operations and maintenance	774,730	724,526	564,046	453,452	295,013	307,511	3,119,278	615,712	3,734,990
Salaries, wages and benefits	640,700	463,303	1,330,848	1,732,236	47,634	282,505	4,497,226	697,437	5,194,663
Student costs	-	-	384,643	-	-	-	384,643	-	384,643
Transportation costs	183,644	248,125	155,932	1,399,287	17,242	32,041	2,036,271	62,386	2,098,657
	1,672,713	1,746,121	2,696,924	3,952,963	659,025	1,173,088	11,900,834	1,803,307	13,704,141
Surplus (deficiency)									
of revenue for the year	\$ (1,097,003)	\$ (141,033)	\$ (493,472)	\$ (837,639)	\$ (219,362)	\$ 1,506,178	\$ (1,282,331)	\$ 8,106,154	\$ 6,823,823

Iskut Band Council
Notes to Consolidated Financial Statements
Schedule of Segmented Financial Activities

March 31, 2023

18. Segmented Information (continued)

2022

	Administration	Social Services	Education	Community Health	Housing	Public Works	Subtotal	Enterprise Fund	Total
Revenue									
ISC	\$ 876,858	\$ 995,943	\$ 1,943,077	\$ -	\$ 166,685	\$ 851,151	\$ 4,833,714	\$ 98,373	\$ 4,932,087
CMHC	-	-	-	-	105,651	-	105,651	-	105,651
FNESC	-	-	434,912	-	-	-	434,912	-	434,912
FNHA	91,049	-	-	2,642,163	-	-	2,733,212	-	2,733,212
Housing charges	-	-	2,875	-	247,160	-	250,035	-	250,035
Investment income	8,665	-	-	-	-	-	8,665	1,244,640	1,253,305
Investment income from BP	-	-	-	-	-	-	-	6,279,442	6,279,442
Province of B.C.	-	249,808	-	30,596	-	-	280,404	-	280,404
BCFNGRS LP	-	-	-	-	-	-	-	390,894	390,894
Other	28,811	509,884	1,683	72,856	13,599	10,993	637,826	1,825,536	2,463,362
	1,005,383	1,755,635	2,382,547	2,745,615	533,095	862,144	9,284,419	9,838,885	19,123,304
Expenditures									
Amortization	16,584	51,760	91,385	181,050	252,169	495,026	1,087,974	-	1,087,974
Direct assistance	-	304,718	-	-	-	-	304,718	-	304,718
Interest	-	2,245	-	7,100	24,064	-	33,409	38,092	71,501
Materials, supplies and utilities	163,006	21,469	142,970	142,839	23,547	67,516	561,347	234,850	796,197
Operations and maintenance	650,990	134,976	466,644	423,494	248,334	212,703	2,137,141	458,048	2,595,189
Salaries, wages and benefits	812,069	294,388	1,347,763	1,408,296	45,072	134,926	4,042,514	339,005	4,381,519
Student costs	-	-	287,750	-	-	-	287,750	-	287,750
Transportation costs	23,763	44,350	45,334	869,049	5,208	10,569	998,273	40,265	1,038,538
	1,666,412	853,906	2,381,846	3,031,828	598,394	920,740	9,453,126	1,110,260	10,563,386
Surplus (deficiency)									
of revenue for the year	\$ (661,029)	\$ 901,729	\$ 701	\$ (286,213)	\$ (65,299)	\$ (58,596)	\$ (168,707)	\$ 8,728,625	\$ 8,559,918