



# Paul Fleury

Chartered Professional Accountant - CGA

## Independent Auditor's Report,

To the Members of

Tulita Dene Band

### **Qualified Opinion**

I have audited the accompanying consolidated financial statements of the Tulita Dene Band which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, consolidated statement of changes in net assets, and consolidated statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of my report the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Tulita Dene Band as at March 31, 2019, and the consolidated results of its operations consolidated changes in net financial assets consolidated changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### **Basis for Qualified Opinion**

In common with many non-profit organizations, the Tulita Dene Band derives revenues from donations and fund raising activities which are not susceptible to satisfactory audit verification. Also I was not able to obtain the necessary information to account for the investment in the Tulita District Investment Co. and the Two Rivers Development Group under the modified equity method. Therefore I was not able to determine whether any adjustments might be necessary to record excess of revenues over expenses for fund raising activities and to account for the investment in the Tulita District Investment Co. and the Two Rivers Development Group, cash flows from operation for the years ended March 31, 2019 and 2018, current assets as at March 31, 2019 and 2018 and net assets as at April 1 and March 31 for both the 2019 and 2018 years. My audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this scope limitation.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Tulita Dene Band in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Tulita Dene Band's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Tulita Dene Band or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's responsibilities for the Audit of the Financial Statements**

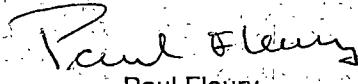
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 Tulita Dene Band's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Tulita Dene's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Tulita Dene Band to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

Yellowknife, Northwest Territories  
July 25, 2019

  
Paul Fleury  
Chartered Professional Accountant

**STATEMENT 1****Tulita Dene Band****Consolidated Statement of Financial Position****As At March 31,****2019****2018**

<b>Financial Assets</b>			
Cash in bank	\$ 9,774	\$ 5,478	
Accounts receivable (Note 3)	108,508	97,627	
Employee advances	1,240	200	
GST	57,856	49,154	
Investments (Note 4)	122,000	122,000	
<b>Total Financial Assets</b>	<b>299,378</b>	<b>274,459</b>	
<b>Liabilities</b>			
Bank indebtedness	\$ 114,793	\$ 86,562	
Accounts payable and accrued liabilities	154,054	216,091	
Deposits	6,312		
Government Payroll Remittances	2,771	35,429	
Corporate taxes	2,765	3,403	
Short-term debt	30,000		
Deferred income (Note 6)	108,956	24,538	
Current Portion of Long-Term Debt	76,002	75,284	
Long-Term Debt (Note 7)	60,849	145,625	
Due To Related Parties (Note 8)	205,879	205,879	
<b>Total Liabilities</b>	<b>762,381</b>	<b>792,811</b>	
<b>Net Financial Assets</b>	<b>(463,003)</b>	<b>(518,352)</b>	
<b>Non-Financial Assets</b>			
Tangible Capital Assets (Note 5)	1,143,396	1,206,799	
Prepaid Expenses	6,812	1,500	
<b>Total Non-Financial Assets</b>	<b>1,150,208</b>	<b>1,208,299</b>	
<b>Accumulated Surplus</b>	<b>\$ 687,205</b>	<b>\$ 689,947</b>	

Approved on behalf of the directors

Chief

Director

STATEMENT II

Tulita Dene Band

Consolidated Statement of Operations

YEAR ENDED MARCH 31, 2018	Budget	2019	2018
<b>REVENUE</b>			
DIAND-Core	\$ 400,000	\$ 399,774	\$ 366,244
DIAND-Other	-	32,443	21,715
Deferred Revenue-Current Year	-	(65,938)	-
Government of Northwest Territories	430,000	429,861	360,222
Deferred Revenue-Prior Year	-	-	59,812
Deferred Revenue-Current Year	-	(18,480)	-
Sahtu Dene Council	100,000	98,471	133,061
Sahtu Divisional Education Authority	29,800	29,800	-
Tulita Yamoria Community Self-Government	24,000	24,027	-
Yamoria	50,000	50,000	25,000
Donations	30,000	32,152	15,000
Miscellaneous Revenue	-	28,283	12,376
Administration and Management Fees	30,000	6,698	31,463
Dividends and Interest	50,000	55,000	8,310
	<b>1,143,800</b>	<b>1,102,091</b>	<b>1,033,203</b>
<b>EXPENDITURES</b>			
Core	217,317	217,347	204,799
Community Capacity Building	-	-	111,006
Basic Administration Development	-	-	25,000
Inac-Core 3	61,900	62,349	-
Inac-Core4	87,062	87,062	-
First Nation and Inuit Skill Program	45,000	-	59,020
Band Revenue	-	96,340	50,130
Brighter Futures	90,000	157,526	220,547
Community Broadcasting	157,526	10,601	-
Nib Cultural	10,000	15,125	-
Cultural Program	15,000	29,800	-
TYC Land Project	29,800	-	25,000
Community Justice Program	-	49,021	48,775
Victim Service	49,000	90,012	89,981
Nutrition North	90,000	29,930	38,220
Youth Center	29,925	-	13,141
Summer Student	15,000	15,081	11,663
Take a Kid on the Land	-	-	10,401
Tate Lake	33,520	33,520	-
Traditional Tate Lake Trail	25,410	25,409	-
Tulita Yamoria Community Self-Government	74,027	74,476	-
Inac Fishing and Hunting	-	-	2,115
Out on the Land	29,761	29,835	30,578
Cultural Language Camp	6,000	6,020	22,000
Language Coordinator	47,710	65,316	48,483
Language Resources	-	-	22,000
Total Expenses	1,113,958	1,094,770	1,032,859
Annual Operating Surplus	29,842	7,321	344
Income (loss) from Subsidiary	5,000	(10,094)	15,755
Prior Year Adjustment	-	31	-
Accumulated Surplus at the beginning of the year	673,848	689,947	673,848
<b>Accumulated Operating Surplus at the end of the year</b>	<b>\$ 708,690</b>	<b>\$ 687,205</b>	<b>\$ 689,947</b>

**STATEMENT 11A**

**TULITA DENE BAND**  
**Consolidated Financial Statement**  
**Statement of Operations-Tulita Development Limited**

<b>Year-ended March 31,</b>	<b>Budget</b>	<b>2019</b>	<b>2018</b>
<b>REVENUE</b>			
Grants	\$ -	\$ -	\$ -
Fees for Services	180,000	160,948	202,706
Rental Income	165,000	163,033	163,923
Dividends	-	-	15,400
Miscellaneous	9,000	8,854	4,000
	<b>354,000</b>	<b>332,835</b>	<b>386,029</b>
<b>EXPENSES</b>			
Cedo	\$ -	\$ -	\$ -
Forestry Contract	160,000	162,216	143,542
RDC Building	165,000	171,816	201,482
Miscellaneous	-	-	21,873
Motor Vehicles	9,000	8,897	3,377
	<b>334,000</b>	<b>342,929</b>	<b>370,274</b>
Annual operating surplus (deficit)	20,000	(10,094)	15,755
Prior year adjustment	-	(5,552)	-
Accumulated operating surplus beginning of	545,578	545,578	529,823
	<b>\$ 565,578</b>	<b>\$ 529,932</b>	<b>\$ 545,578</b>

## Consolidated Statement of Change in Net Financial Assets

<u>Year Ended March 31,</u>	<u>2019</u>	<u>2018</u>
Surplus (Deficit)	\$ 7,321	\$ 344
Loss of subsidiary	(10,094)	15,755
Prior year adjustment	31	-
Amortization of tangible capital assets	63,403	74,436
	<b>60,661</b>	<b>90,535</b>
(Increase ) decrease in prepaid expenses	(5,312)	9,175
Net Financial Assets, beginning of year	(518,352)	(618,062)
<b>Net Financial Assets end of year</b>	<b>\$ (463,003)</b>	<b>\$ (518,352)</b>

## Consolidated Statement of Change in Net Debt

<u>Year Ended March 31,</u>	<u>2019</u>	<u>2018</u>
Balance March 31,		
Current Liabilities	\$ 441,307	\$ 426,807
Long-Term Debt	145,625	227,805
Related Parties	205,879	205,879
	<b>792,811</b>	<b>860,491</b>
Balance March 31,		
Current Liabilities	499,935	441,307
Long-Term Debt	61,567	145,625
Due To Related Parties	205,879	205,879
	<b>767,381</b>	<b>792,811</b>
<b>Decrease (Increase) in Net Debt</b>	<b>\$ 25,430</b>	<b>\$ 67,680</b>

## Consolidated Statement of Cash Flow

Year Ended March 31,	2019	2018
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net income (loss)	\$ (2,773)	\$ 16,099
Prior year adjustment	31	-
Items not affecting cash		
Amortization	63,403	74,436
<b>Change in non-cash operating working capital</b>		
Accounts receivable	(11,921)	(18,533)
GST receivable	(8,702)	(8,019)
Prepaid expenses and deposits	(5,312)	9,175
Accounts payable and accrued liabilities	(62,037)	21,368
Short term loan	30,000	-
Government payroll remittances	(32,658)	33,107
Corporate taxes	(638)	3,403
Deferred income	90,730	(40,958)
	60,123	90,078
<b>Financing activities</b>		
Long-term debt	(84,058)	(81,462)
<b>Cash increase</b>	(23,935)	8,616
<b>Cash and cash equivalents, beginning of year</b>	(81,084)	(89,700)
<b>Cash and cash equivalents, end of year</b>	<b>\$ (105,019)</b>	<b>\$ (81,084)</b>
<b>Represented By</b>		
Cash in bank	9,774	5,478
Bank indebtedness	(114,793)	(86,422)
<b>Cash and cash equivalents, end of year</b>	<b>\$ (105,019)</b>	<b>\$ (81,084)</b>

**Tulita Dene Band**  
**Consolidated Financial Statements**  
**Notes to the Financial Statements**

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**March 31, 2019**

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**1. Nature of Operations**

The Tulita Band Council (“Band”) is an aboriginal organization that is registered under the *Indian Act*. Its purpose is to administer the affairs of the Tulita Dene Band. Tulita Developments Ltd (‘company’) As its 100% subsidiary functions as the business arm of the Tulita Dene Band. The major business activities of the company are forestry services and commercial rentals.

**2. Significant Accounting Policies**

These financial statements have been prepared by management in accordance with Public Sector Accounting Standards as issued by the Public Sector Accounting Board (PSAB) The Band follows guidelines for First Nations as set out by Indian and Northern Affairs Canada.

**a) Cash and cash equivalents**

Cash consists of current business bank accounts. The entity does not hold any term deposits.

**b) Measurement uncertainty**

The preparation of financial statements in accordance with Public Sector Accounting Standards requires the Band to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. At the time of the preparation of these statements, Tulita Dene Band believes the estimates and assumptions to be reasonable. Some of the more significant management estimates relate to amortization, non-monetary transactions, and revenue accruals.

**(c) Tangible capital property**

Property and equipment are recorded at cost and amortized by the declining balance method at the rates set out in Note 7.

**(d) Deferred government assistance**

Government assistance in the form of grants is capitalized and amortized at the same rate as the assets to which they relate.

Capital asset grants are accounted for in a reduction of their costs. Operational grants are accounted for in a reduction of operating expenses.

**Tulita Dene Band**  
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**March 31, 2019**

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**(e) Revenue recognition**

The Band follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenues when received or receivable if the amount to be received can be reasonably estimated and its collection is reasonably assured. Contributions which are not expensed in the current year are set up as deferred funding or refundable contributions that must be repaid to the contributor.

**(f) General revenues**

Administrative fees, donations, interest income and other miscellaneous income are recognized on an accrual basis as they are earned.

**(g) Contributed services**

Hours contributed by volunteers to assist the entities in carrying out its service delivery. Activities are not recognized in the financial statements because of the difficulty in determining their fair value.

**(h) Contract services**

Contract services acquired by the Council are recognized as expenses in the year the services are rendered.

**(i) Contingent liabilities**

A contingent liability is a potential liability which may become an actual liability when one or more future events occur or fail to occur, and a reasonable estimate of the loss can be made. An estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

**(j) Prepaid expenses**

Prepaid expenses are charged to expenses over the period expected to benefit from them.

**(k) Funds and reserves**

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved.

**Tulita Dene Band**  
**Consolidated Financial Statements**  
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**March 31, 2019**

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**(l) Income taxes**

The Band is exempt from federal, territorial, and local government taxes except federal Goods and Services Tax. Taxes reported on the accompanying consolidated financial statements represent the taxes of Tulita Developments Ltd.

**(m) Financial instruments**

A significant financial assets, financial liabilities and equity instruments of the Band are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to the fair value has been disclosed.

**(n) Going concern**

The financial statements are prepared on a going concern basis.

**(o) Employee future benefits**

Provision is made for obligations relating to unused vacation in the statement of financial Position. However no provision is made for severance pay.

**(p) Investments**

Investments subject to significant influence are recorded under the modified equity method. The investment is initially recorded at cost and adjustments are made to include the Band's share of the investee's net earnings or losses. These adjustments are included in net earnings. The amount of the investment is reduced by any dividends received or receivable from the investment.

The cost method is used to record investments in all other companies.

**3. Accounts Receivable**

	2019	2018
Contributions	\$ 89,464	\$ 82,168
Other	2,650	
Services	19,044	12,809
	<hr/> 108,508	<hr/> 97,627

**Tulita Dene Band**  
**Consolidated Financial Statements**  
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**March 31, 2019**

**4. Investments**

	2019	2018
Tulita District Investment Company	\$ 5,000	\$ 5,000
Two Rivers Development Group Ltd. 117 Class A common shares (19% interest)	117,000	117,000
	<u>\$122,000</u>	<u>\$122,000</u>

All investments are owned by Tulita Developments Ltd. The \$117,000 investment in Two Rivers Development Group Ltd. consists of 234 Class A voting shares for a 20% interest. Information is not available to present this investment under the modified equity method.

Caribou Camp Services Ltd is no longer active.

**5. Tangible Capital Assets**

	Rate	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
Land		\$ 24,903	\$ -	\$ 24,903	\$ 24,903
Arbour		71,016	25,566	45,450	56,803
Buildings	4%	2,474,286	1,393,510	1,080,776	1,125,602
Equipment	20%	38,104	36,737	1,367	1,709
Office equipment	20%	61,957	60,473	1,484	1,855
Telephone system	20%	4,841	3,413	1,428	1,784
Computer equipment	30%	24,671	20,935	3,736	6,234
Automotive	30%	58,091	48,156	9,935	14,198
Snowmachine	30%	12,000	10,800	1,200	1,714
		2,769,869	1,599,590	1,170,279	1,234,802
Deferred gov't assistance		( 45,700)	( 18,817)	( 26,883)	( 28,003)
		<b>\$2,724,169</b>	<b>\$ 1,580,773</b>	<b>\$1,143,396</b>	<b>\$ 1,206,799</b>

**Tulita Dene Band**  
**Consolidated Financial Statements**  
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**March 31, 2019**

**6 Deferred Revenue**

	2018	Taken into Revenue	Amount Returned	Additional	2019
-Cultural Committee-Building Fund	\$ 24,538	\$ -	\$ -	\$ -	24,538
Diand-Indian Government & Capacity	-	-	-	20,938	20,938
Diand-Indian Government & Capacity	-	-	-	45,000	45,000
<u>GNWT-Tate Lake</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,480</u>	<u>18,480</u>
	<u>\$ 24,538</u>	<u>\$ -</u>	<u>\$ -</u>	<u>84,418</u>	<u>\$ 108,956</u>

	2019	2018
<b>7. Long-term Debt</b>		
Business Development and Investment Corporation Loan, repayable in monthly payments of \$ 7,330.00 plus interest at 6 % fixed rate ,secured by promissory note, corporate guarantee, general security agreement, and collateral mortgage secured by a building which has a book value of \$ 1,230,476	\$ 125,362	\$ 200,985
Business Development and Investment Corporation Loan, repayable in monthly payments of \$ 757.32 plus interest at p+ 2% secured by promissory note, corporate guarantee, general security agreement, and collateral mortgage Secured by a building which has a book value of \$ 1,230,476	11,489	19,924
 Current Portion	 136,851 (76,002)	 220,909 (75,284)
	 \$ 60,849	 \$ 145,625

The estimated principal repayments on long-term debt in each of the three five years are as follows

2019	-	75,284
2020	76,002	76,002
2021	60,849	69,623
	 \$ 136,851	 \$ 220,909

**Tulita Dene Band**  
**Consolidated Financial Statements**  
**Notes to the Financial Statements**

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**March 31, 2019**

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**8. Due to Related Parties**

	2019	2018
Tulita Financial Corporation	\$ 205,879	\$ 205,879

The amounts due to related parties are non-interest bearing and have no fixed terms of repayment. Where the related company has indicated that they will not require payment within the next fiscal year, the amounts have been classified as long-term debt in the accompanying financial statements. The fair value of these amounts cannot be readily determined.

**9. Budget**

Budgets were prepared by the Band and are not audited.

**10. Financial Instruments**

The company is exposed to interest, credit and liquidity risks from its financial instruments

**Interest rate risk**

The company is exposed to interest risk with respect to the following financial instruments:

- Cash and cash equivalents;
- Bank indebtedness;
- Long-term loans.

The company has no means to mitigate this risk

**Credit risk**

The company's exposure to credit risk consists primarily of cash and accounts receivable. The Company maintains its cash with reputable and major financial institutions. Accounts receivable are from debtors with good repayment history.

**Liquidity risk**

Liquidity risk is dependent on receipt of funds from revenues and continued access to sufficient facilities to be able to pay liabilities as they become due.

**11. Comparative figures,**

The financial statements have been reclassified where applicable to conform to current year presentation.

**Tulita Dene Band**  
**Consolidated Financial Statements**  
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**March 31, 2019**

**12. Income tax reconciliation**

The reconciliation of income taxes is as follows	2019	2018
Net income (loss) before income taxes	(10,731)	19,158
Amortization differences between accounting and tax purposes	6,091	19,919
<u>Non-taxable dividend</u>		(15,400)
Taxable income	( 4,640)	23,677
<u>Statutory rates</u>	38%	38%
Expected income tax expenses	( 1,763)	8,997
Small business deduction	847	(4,173)
<u>Federal abatement</u>	464	(2,368)
Federal tax	( 452)	2,456
Provincial tax	( 186)	947
<u>Tax adjustment of prior year</u>		
<u>Tax Expense</u>	( 638)	3,403

**13. Management fees paid by Tulita Development**

	2019	2018
Management fees paid to Tulita Dene Band	\$ -	\$ 22,100
Executive Staff of the Tulita Dene Band	<u>46,750</u>	<u>37,900</u>
	\$ 46,750	\$ 60,000

Fees paid to staff exceeded the authorized amount by \$ 16,750

**Tulita Dene Band**  
**Consolidated Financial Statements**  
**14      Expenses by object-Tulita Dene Band**

The following is a summary of expenses by object

<b>YEAR ENDED MARCH 31,</b>	<b>2019</b>	<b>2018</b>
<b>EXPENDITURES</b>		
Wages and Benefits	567,749	573,958
Honoraria	44,800	28,600
Administration fees	6,698	9,363
Audit fees	9,635	8,844
Advertising and promotion	5,692	2,898
Amortization	4,468	7,513
Bank charges and interest	6,083	6,760
Bad debts	4,929	-
Communications	27,136	22,092
Donations and funerals	-	288
Equipment rental	9,260	-
Meetings and workshops	7,290	2,031
Office supplies, photocopies	7,700	8,688
Prior year adjustment	5,621	-
Refreshments, food, snacks	30,060	31,700
Rent	9,388	28,164
Travel	101,876	94,312
Utilities	13,368	9,229
Materials, crafts and supplies	11,284	2,136
Maintenance	4,921	4,399
Cultural activities	7,301	300
Insurance	865	845
Facilitators, resource people and subcontractors	50,672	52,960
Registration	-	1,220
Freight postage and local transportation	3,957	3,557
Professional fees	57,534	10,854
Community projects	96,483	122,148
	<b>\$ 1,094,770</b>	<b>\$ 1,032,859</b>

**Tulita Dene Band****Consolidated Financial Statement**  
**Notes to the Financial Statements**

<b>Year ended March</b>	<b>2019</b>	<b>2018</b>
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**14 B Expenses by object-Tulita Development Ltd**

The following is a summary of expenses by object

**EXPENSES**

Amortization	\$ 58,933	\$ 66,923
Audit fees	7,920	7,804
Automotive	3,610	1,952
Bank charges and interest	1,692	3,211
Bad debts	-	13,296
Equipment Rental	13,350	-
Honoraria	3,000	3,000
Insurance	16,788	18,765
Interest on long-term debt	11,744	23,895
Legal fees	1,350	3,532
Management fees-Note 13	46,750	60,000
Motor Vehicles	8,897	3,377
Office Supplies	318	744
Property Taxes	2,036	4,433
Repairs and maintenance	13,132	4,144
Supplies	1,412	526
Travel and accomodations	-	656
Utilities	56,798	44,935
Wages	95,837	105,678
Corporate taxes	(638)	3,403
	<b>\$ 342,929</b>	<b>\$ 370,274</b>