

**Gwichya Gwich'in Band**

**Financial Statements**

**March 31, 2022**

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# Gwichya Gwich'in Band

## Financial Statements

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March 31, 2022

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## **Management's Responsibility for Financial Reporting**

The accompanying financial statements of the Gwichya Gwich'in Band (the "Band") are the responsibility of management.


The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they are based on estimates and judgments according to the information that was available. When alternate accounting methods exist, management has chosen those it deems to be most appropriate in these circumstances, in order to ensure that the financial statements are presented fairly, in all respects.

The Band maintains systems of internal accounting and administrative controls of quality, consistent with reasonable costs. Such systems are designed to provide reasonable assurance the financial information is relevant, reliable and accurate and that all assets are appropriately accounted for and adequately protected.

Management is responsible for reviewing and approving these financial statements.

Council has reviewed the Band's financial statements and recommend their approval. They also meet with management and external auditors, to discuss internal controls over the financial reporting process, auditing issues and financial reporting matters, to ensure that each party is properly discharging their responsibilities, and to review the financial statements and the external auditors' report.

The financial statements have been audited by Crowe MacKay LLP, Chartered Professional Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the Band. Crowe MacKay LLP has full and free access to the records of the Gwichya Gwich'in Band.



**Jeff Mercier**  
**Band Manager**  
**Gwichya Gwich'in Band**

**November 28, 2022**

## **Independent Auditors' Report**

### **To Chief and Council of the Gwichya Gwich'in Band**

#### *Opinion*

We have audited the accompanying financial statements of the Gwichya Gwich'in Band (the "Band"), which comprise the statement of financial position as at March 31, 2022, the statements of operations by project, changes in net financial debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Band present fairly, in all material respects, the financial position of the Band as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Band in accordance with the ethical requirements that are relevant to our audit of the 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 opinion.

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

Management is responsible for the preparation and fair presentation of these 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 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 Band or to cease operations, or has no realistic alternative but to do so.

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



## Independent Auditors' Report (continued)

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our 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 auditors' 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 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 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 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 Band's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the 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.

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.

*Crowe MacKay LLP*

Yellowknife, Canada  
November 28, 2022

Chartered Professional Accountants

**Gwichya Gwich'in Band****STATEMENT 1****Statement of Financial Position****For the year ended March 31,****2022****2021****Financial Assets**

Cash	\$	698,904	\$	777,033
Accounts receivable (note 5)		-		5,741
Contributions receivable (note 6)		54,343		4,500
Interest in business partnership (note 7)		121		121

**753,368****787,395****Liabilities**

Accounts payable and accrued liabilities (note 8)	32,489	35,152
Deferred revenue (note 9)	173,158	239,356
Due to related party (note 10)	928,958	889,302

**1,134,605****1,163,810****Net financial debt****(381,237)****(376,415)****Non-financial assets**

Tangible capital assets (schedule 1)	117,887	110,772
Prepaid expenses	7,730	7,149

**Total non-financial assets****125,617****117,921****Accumulated deficit (schedule 2)****\$ (255,620) \$ (258,494)**

Approved by:

  
Chief  
Band Manager

**Gwichya Gwich'in Band****STATEMENT 2****Statement of Operations by Project**

<b>For the year ended March 31,</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Crown-Indigenous Relations and Northern Affairs Canada ("CIRNAC")	\$ 91,102	\$ 277,827	\$ 319,305
Government of the Northwest Territories	130,800	162,917	169,024
Other revenues and recoveries	3,650	5,730	5,161
Heritage Canada	-	37,500	-
Rental	14,400	8,400	8,925
	<b>239,952</b>	<b>492,374</b>	<b>502,415</b>
<b>Expenses</b>			
General Operations	-	128,693	117,003
Community Wellness	-	119,869	137,724
100 Year Treaty Celebration	-	63,663	-
Home Renovation Project	-	44,343	-
Strategic Plan	-	43,354	-
Community Development	-	39,375	112,341
Interim Band Manager	-	31,696	15,000
Climate Change	-	10,105	-
Summer Students Program	-	4,839	80,999
Tourist Center Operations	-	3,563	3,527
Election Code	-	-	12,180
Literacy Daycare Program	-	-	11,310
Wellness Camp Restoration	-	-	10,000
Community Food Centres Canada	-	-	9,826
United Way - Seniors and Residents	-	-	9,360
Take A Family On The Land	-	-	9,160
Literacy Program	-	-	3,736
Elder's Tea	-	-	559
	<b>234,939</b>	<b>489,500</b>	<b>532,725</b>
<b>Annual surplus (deficit)</b>	<b>5,013</b>	<b>2,874</b>	<b>(30,310)</b>
<b>Accumulated deficit, beginning of year</b>	<b>(258,494)</b>	<b>(258,494)</b>	<b>(228,184)</b>
<b>Accumulated deficit, end of year</b>	<b>\$ (253,481)</b>	<b>\$ (255,620)</b>	<b>\$ (258,494)</b>

**Statement of Change in Net Financial Debt**

For the year ended March 31,

		<b>2022 Budget</b>	<b>2022 Actual</b>	2021 Actual
<b>Annual surplus (deficit)</b>	\$	5,013	\$ 2,874	\$ (30,310)
Amortization of tangible capital assets		-	12,298	15,122
Change in prepaid expenses		-	(581)	(921)
Acquisition of tangible capital assets		-	(19,413)	-
<b>Increase in Net Financial Debt</b>		5,013	(4,822)	(16,109)
<b>Net Financial Debt, beginning of year</b>		<b>(376,415)</b>	<b>(376,415)</b>	(360,306)
<b>Net Financial Debt, end of year</b>		<b>(371,402)</b>	<b>\$ (381,237)</b>	<b>\$ (376,415)</b>

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**Gwichya Gwich'in Band****STATEMENT 4****Statement of Cash Flows**

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<b>For the year ended March 31,</b>	<b>2022</b>	<b>2021</b>
<b>Cash Provided by (used for)</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	\$ 2,874	\$ (30,310)
Items not affecting Cash		
Amortization	12,298	15,122
Change in non-cash working capital items		
Accounts receivable	5,741	(5,000)
Contributions receivable	(49,843)	1,470
Accounts payable and accrued liabilities	(2,663)	15,338
Deferred revenue	(66,198)	(2,924)
Prepaid expenses	(581)	(921)
	<b>(98,372)</b>	<b>(7,225)</b>
<b>Financing activity</b>		
Advances from related party	<b>39,656</b>	6,658
<b>Investing activities</b>		
Acquisition of tangible capital assets	<b>(19,413)</b>	-
<b>Decrease in cash</b>	<b>(78,129)</b>	(567)
<b>Cash, beginning of year</b>	<b>777,033</b>	777,600
<b>Cash, end of year</b>	<b>\$ 698,904</b>	<b>\$ 777,033</b>

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# Gwichya Gwich'in Band

## Notes to Financial Statements

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March 31, 2022

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### 1. Nature of Organization

Gwichya Gwich'in Band (the "Band") is established pursuant to the *Indian Act of Canada* and represents the Gwich'in people in Tsiigehtchic, Northwest Territories. The Council is classified as an Indian Band and as such is a non-taxable entity under section 149 of the *Income Tax Act*.

### 2. COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length of these developments and the impact on the financial results and condition of the Band and its operations in future periods.

On April 1, 2022, the Northwest Territories' Chief Public Health Officer lifted all COVID-19 public health orders and the Band resumed its pre-pandemic activities.

### 3. Significant Accounting Policies

The financial statements of the Band are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Band are as follows:

#### (a) Reporting entity

These financial statements reflect the assets, liabilities, revenues and expenditures, changes in net financial debt and change in financial position of the reporting entity. This entity is comprised of the operations of the Band.

#### (b) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

#### (c) Cash

Cash includes cash on hand and bank deposits.

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 3. Significant Accounting Policies (continued)

##### (d) Interest in business partnership

The Band records its interest in business partnerships using the modified equity method. Under this method, the interest is initially recorded at cost and increased (decreased) by the proportionate share of earnings (loss) and are decreased by any distributions paid to the Band.

At the end of each reporting period the Band assesses whether there are any indications that an interest may be impaired, and if such is the case, the impairment loss is expensed.

##### (e) Revenue recognition

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

Operating transfers are recognized as revenue in the period in which the events giving rise to the transaction occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Capital transfers or transfers of restricted funding tangible capital assets are initially recognized as deferred revenue and subsequently recognized as revenue when the related tangible capital assets are acquired or built or eligible expenses incurred.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Other revenues and recoveries, and rental revenue are recognized in the period in which they are received, or when receivable and collection is reasonably assured.

##### (f) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial debt for the year.

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 3. Significant Accounting Policies (continued)

##### (g) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. The cost, less residual value, of each tangible capital asset is amortized using the declining balance method using annual rates as follow:

	Rate
Computer equipment	30%
Office equipment	20%
Building	10%

A half year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

##### (h) Financial instruments

The Band records its financial instruments at cost and amortized cost. The Band's accounting policy for financial instruments is as follows:

Cash, accounts receivable, contributions receivable, accounts payable and accrued liabilities, and due to related party are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instruments.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations by Project.

##### (i) Funds

The Band maintains the general operating fund, investment fund, and equity in tangible capital assets. Transfers between funds are recorded as adjustments to the appropriate fund balance.

- (i) General Operating Fund  
Reports the excess of revenues over expenses relating to the general operations of the Band excluding equity earnings and capital purchases.
- (ii) Investment Fund  
Reports the excess of revenues over expenses relating specifically to the investment in Gwich'in Investments Limited Partnership.
- (iii) Tangible Capital Assets Fund  
Reports the investment in capital assets, less any related debt and accumulated amortization.

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 3. Significant Accounting Policies (continued)

##### (j) Related Party transactions

Related party transactions occurred 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.

##### (k) Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. These estimates include allowance of doubtful accounts, accrued liabilities, amortization rates and deferred revenue. Actual results could differ from those estimates.

##### (l) Segment disclosure

The Schedule of Revenues and Expenses By Program has been prepared in accordance with PS Handbook Section PS 2700 – Segment Disclosures. The segments selected are to enable users to better understand the government reporting entity and the major revenue and expense activities of the Band. For each reported segment, revenues and expenses represent amounts directly attributable to each segment. Segments include:

General Operations: includes the revenues and expenses pertaining to administration, and Chief and Council.

100 Year Treaty Celebration: includes the revenues and expenses pertaining to the centennial celebration for the signing of Treaty 11.

Climate Change: includes the revenues and expenses pertaining to climate change initiatives that would positively impact the members' daily life.

Community Development: includes the revenues and expenses pertaining to development of the community's infrastructure.

Community Wellness: includes the revenues and expenses pertaining to health based programs to promote physical activity, healthy eating, positive relationships within families, and time on the land.

Elder's Tea: includes the revenue and expenses pertaining to providing care to seniors and elders in the community.

Home Renovation Project: includes the revenues and expenses pertaining the the restoration and maintenance of community members' houses.

Interim Band Manager: includes the revenues and expenses pertaining to hiring an interim band manager.

Strategic Plan: includes the revenues and expenses pertaining to the creation of a strategic plan for the Band.

Summer Students Program: includes the revenues and expenses incurred for hiring summer students.

Tourist Centre Operations: includes the revenues and expenses pertaining to operating the Tourist Centre.

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 4. Future Accounting Changes

##### Revenue, Section PS 3400

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This section applies to fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted. The impact of this standard on the financial statements is currently being assessed.

#### 5. Accounts Receivable

	Balance	Allowance	<b>2022</b>		2021
Accounts receivable	\$ 97,068	\$ (97,068)	\$ -	\$	741
Goods and service tax receivable	5,000	(5,000)	-		5,000
	<b>\$ 102,068</b>	<b>\$ (102,068)</b>	<b>\$ -</b>	<b>\$</b>	<b>5,741</b>

#### 6. Contributions Receivable

	Balance	Allowance	<b>2022</b>		2021
Crown-Indigenous Relations and Northern Affairs Canada	\$ 10,000	\$ -	\$ 10,000	\$	4,500
Northwest Territories Housing Corporation	44,343	-	44,343		-
	<b>\$ 54,343</b>	<b>\$ -</b>	<b>\$ 54,343</b>	<b>\$</b>	<b>4,500</b>

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 7. Interest in Business Partnership

The Band owns 1,035 of the 4,004,150 limited partnership units in Gwich'in Investments Limited Partnership (GILP). GILP was formed on November 30, 2006 to carry a 13.34% investment in Denendeh Investments Limited Partnership.

Summarized financial information of Gwich'in Investments Limited Partnership is as follows:

	2022	2021
<b>Financial Position</b>		
Current assets	\$ 3,354	\$ 3,414
Investment in Denendeh Limited Partnership	81,985	100,196
	<b>\$ 85,339</b>	<b>\$ 103,610</b>
Total liabilities	\$ 86,620	\$ 81,270
Total partner's equity	(1,281)	22,340
	<b>\$ 85,339</b>	<b>\$ 103,610</b>
<b>Financial Performance</b>		
Loss from investment in Denendeh Limited Partnership	\$ (18,211)	\$ (23,842)
Total expenses	(5,410)	(5,410)
Net loss	<b>\$ (23,621)</b>	<b>\$ (29,252)</b>
Portion attributable to Gwichya Gwich'in Band	<b>\$ (6)</b>	<b>\$ (8)</b>
<b>Investment</b>		
Investment at cost	\$ 1,035	\$ 1,035
Investment impairment	(1,034)	(1,034)
Accumulated earnings	120	120
<b>Total net investment</b>	<b>\$ 121</b>	<b>\$ 121</b>

#### 8. Accounts Payable and Accrued Liabilities

	2022	2021
Trade payables and accrued liabilities	\$ 28,416	\$ 32,078
Government remittances payable	4,073	3,074
	<b>\$ 32,489</b>	<b>\$ 35,152</b>

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 9. Deferred Revenue

Deferred revenue consists of the unexpended portions of contributions received as follows:

	Deferred revenue, beginning of the year	Contributions received	Contributions recognized	Deferred revenue, end of the year
CIRNAC				
Climate Change	\$ 60,500	\$ -	\$ (29,519)	\$ 30,981
Strategic Plan	40,500	-	(40,500)	-
Interim Band Manager	64,459	-	(31,696)	32,763
Leadership Government Community Development	5,685	-	-	5,685
Summer Students Program	-	48,306	-	48,306
GNWT				
On the Land Collaborative	10,000	-	-	10,000
Status of Women Council - Family Violence	1,250	-	-	1,250
Wellness Initiatives - Community Wellness	28,837	15,336	-	44,173
Heritage Canada				
100 Year Treaty Celebration	28,125	9,375	(37,500)	-
	<b>\$ 239,356</b>	<b>\$ 73,017</b>	<b>\$ (139,215)</b>	<b>\$ 173,158</b>

Deferred revenue consists of amounts received for which program completion dates extend beyond the fiscal year end, and conditions attached to the use of the funds have not yet been met. These amounts will be recognized in revenue as expenses are incurred or conditions of funding are satisfied. The Crown-Indigenous Relations and Northern Affairs Canada ("CIRNAC") fundings are all schedule to expire on March 31, 2023 while the GNWT programs continues until March 31, 2024.

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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**March 31, 2022**

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#### 10. Related party

The Band is related to Tsiigehtchic Charter Community by virtue of common management. During the year, the Band's transactions with Tsiigehtchic Charter Community were as follows:

	2022	2021
Materials and supplies	\$ 44,343	\$ -
Building rental fees	8,400	8,400
	<b>\$ 52,743</b>	<b>\$ 8,400</b>

At year end, the related party balances were as follows:

	2022	2021
Due to related party	<b>\$ 928,958</b>	<b>\$ 889,302</b>

Amounts due to related party are unsecured, non-interest bearing and have no set terms of repayment.

#### 11. Equity in Tangible Capital Assets

	2022	2021
Tangible capital assets (Schedule 1)	\$ 297,486	\$ 278,073
Accumulated amortization (Schedule 1)	(179,599)	(167,301)
	<b>\$ 117,887</b>	<b>\$ 110,772</b>

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## Gwichya Gwich'in Band

### Notes to Financial Statements

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March 31, 2022

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#### 12. Risk Management

The Band is exposed to credit, interest rate, and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the Band's financial instruments is provided by type of risk below.

i) Credit risk

Credit risk is the risk of financial loss to the Band if a debtor fails to make payments of interest and principal when due. The Band is exposed to this risk relating to its cash, accounts receivable and contributions receivable. The Band holds its cash with federally regulated chartered banks that are insured by the Canadian Deposit Insurance Corporation up to the prescribed limits.

Credit risk related to accounts receivable is mitigated by controls over arrears accounts for ultimate collection and policies in place for debt collection.

The Band's maximum exposure to credit risk at March 31, 2022 is as follows:

Cash	\$ 698,904
Contributions receivable	54,343
Maximum credit risk exposure	<u>\$ 753,247</u>

At March 31, 2022, the Band had accounts receivable and contributions receivable which were past due but not impaired:

	30 days	60 days	90 days
Contributions receivable	\$ 44,343	\$ -	\$ 10,000
	<u>\$ 44,343</u>	<u>\$ -</u>	<u>\$ 10,000</u>

At March 31, 2022, the Band's management has determined that all accounts receivable were impaired. Management's assessment was based on specific identification and age of receivables. The portion impaired is \$102,068 (2021 - \$96,328).

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and method used to measure the risk.

(ii) Liquidity risk

Liquidity risk is the risk that the Band will not be able to meet all cash outflow obligations as they come due. The Band does have liquidity risk in its accounts payable and accrued liabilities of \$32,489 (2021 - \$35,152) and amount due to related party of \$928,958 (2021 - \$889,302).

The Band mitigates this risk by monitoring cash activities and expected outflows by maintaining an adequate amount of cash to cover unexpected cash outflows should they arise.

#### 13. Budget Information

Canadian public sector accounting standards ("PSAS") require the disclosure of budget information for comparison to the Band's actual revenues and expenses. The budgeted revenues and expenses, and surplus (deficit) has not been reported in the Statement of Operations by Project as the budget was not prepared in a format consistent with the statement. The Budget has been included in the schedule of revenue and expenses by program. The Band Council approved the budget on March 25, 2021.