

**INDEPENDENT AUDITOR'S REPORT -
SCHEDULE OF REMUNERATION AND EXPENSES - CHIEFS AND COUNCILLORS**

To the Members

Kitsumkalum Indian Band:

We have audited the consolidated financial statements of Kitsumkalum Indian Band for the year ended March 31, 2014 for the purpose of forming an opinion on the basic financial statements referred to in our independent auditor's report to the members of Kitsumkalum Indian Band dated September 4, 2014.

We have also audited the Schedule of Remuneration and Expenses - Chiefs and Councillors (the "Schedule") for the year ended March 31, 2014 which is presented as additional information pursuant to the requirements of Aboriginal Affairs & Northern Development Canada 2013-2014 Year End Reporting Handbook. The Schedule is the responsibility of the Band's management.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Schedule 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedule presents fairly the information contained therein in all respects material to the consolidated financial statements of Kitsumkalum Indian Band for the year ended March 31, 2014.

This report is to be used solely to satisfy Aboriginal Affairs & Northern Development Canada funding requirements and should not be referred to or used for any other purpose.

Terrace, B.C.

September 4, 2014

CHARTERED ACCOUNTANTS

Kitsumkalum Band Council
Schedule of Remuneration and Expenses - (Chiefs and Councillors)
Fiscal Year Ending March 31, 2014

NAME	Position	Number of Months	Remuneration	Expenses
Roberts, Don T.	Chief Councillor	12	\$ 64,697	\$ 23,969
Bohn, Cynthia	Band Councillor	12	50,763	4,937
Bolton, Wayne	Band Councillor	12	77,528	9,654
Sam, Tracy	Band Councillor	12	26,102	2,301
Sam, Troy	Band Councillor	12	61,981	2,223
Spalding, Susan	Band Councillor	12	3,900	0
Wesley, Kathy	Band Councillor	12	39,416	706
Wesley, Lisa	Band Councillor	12	40,269	295