

Kitsumkalum Indian Band
Consolidated Financial Statements
March 31, 2019

Kitsumkalum Indian Band Contents

For the year ended March 31, 2019

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	20
Schedule 2 - Schedule of Consolidated Expenses by Object.....	22
Schedule 3 - Schedule of Revenue and Expenses - Administration and Governance.....	23
Schedule 4 - Schedule of Revenue and Expenses - Social Development.....	24
Schedule 5 - Schedule of Revenue and Expenses - Public Works.....	25
Schedule 6 - Schedule of Revenue and Expenses - Education.....	26
Schedule 7 - Schedule of Revenue and Expenses - Consultations and Impact Benefits.....	27
Schedule 8 - Schedule of Revenue and Expenses - Economic Development.....	28
Schedule 9 - Schedule of Revenue and Expenses - Fisheries.....	29
Schedule 10 - Schedule of Revenue and Expenses - Health Services.....	30
Schedule 11 - Schedule of Revenue and Expenses - Capital Projects.....	31
Schedule 12 - Schedule of Revenue and Expenses - Social Housing.....	32
Schedule 13 - Schedule of Revenue and Expenses - Cultural/Title/Rights.....	33

Management's Responsibility

To the Members of Kitsumkalum Indian Band

The accompanying consolidated financial statements of Kitsumkalum Indian Band are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Kitsumkalum Indian Band Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Band's external auditors.

MNP LLP is appointed by the Chief and Council on behalf of the members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

July 31, 2019



_____ Band Manager

Director of Finance

Independent Auditor's Report

To the Members of Kitsumkalum Indian Band:

Qualified Opinion

We have audited the consolidated financial statements of Kitsumkalum Indian Band and its subsidiaries (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus and related schedules, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

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 Band as at March 31, 2019, and the results of its consolidated operations, change in its consolidated 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

Kitsumkalum Indian Band did not prepare an approved budget for the year ended March 31, 2019. Canadian public sector accounting standards requires the approved budget to be presented in the consolidated statements of operations and accumulated surplus and changes in net financial assets. Our audit opinion on the consolidated financial statements for the years ended March 31, 2019 and March 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

The Band's investment in Kalum Ventures LP, a government business enterprise accounted for by the modified equity method, is carried at \$396,071 (2018 - \$490,542) on the consolidated statement of financial position as at March 31, 2019 and the Band's share of Kalum Ventures LP's net loss of \$94,471 (2018 - net income of \$366,669) is included in the Band's earnings for the year then ended. The Band's investment in Kalum Ventures Ltd., a government business enterprise accounted for by the modified equity method, is carried at a deficit position of \$34,138 (2018 - deficit of \$111) on the consolidated statement of financial position as at March 31, 2019 and the Band's share of Kalum Ventures Ltd.'s net loss of \$34,027 (2018 - \$0) is included in the Band's earnings for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the Band's investment in Kalum Ventures LP and Kalum Ventures Ltd. as at March 31, 2019 and the Band's share of Kalum Ventures LP's and Kalum Ventures Ltd.'s net loss for the year because we did not have access to the audited financial statements or financial information of the two companies. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

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 Band 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 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 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.

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 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 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 Band 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 Band to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Terrace, British Columbia

July 31, 2019

Chartered Professional Accountants

Kitsumkalum Indian Band
Consolidated Statement of Financial Position

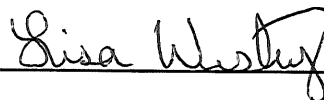
As at March 31, 2019

	2019	2018
Financial assets		
Cash	1,818,007	417,177
Accounts receivable (Note 3)	1,326,368	1,131,701
Restricted cash (Note 4)	531,783	704,165
Inventory for resale (Note 5)	196,645	235,934
Funds held in trust (Note 6)	1,349,800	1,269,587
Portfolio investments (Note 7)	3,342,694	3,249,079
Kitsumkalum Port Economic Trust Funds (Note 8)	502,202	484,971
Investment in Treaty (Note 9)	9,253,335	8,983,242
Investments in government business enterprises (Note 10)	12,268,422	11,219,834
Total financial assets	30,589,256	27,695,690
Liabilities		
Accounts payable and accruals (Note 11)	1,443,739	1,134,261
Deferred revenue (Note 12)	97,267	123,065
Long-term debt (Note 13)	4,991,905	5,322,988
Treaty note payable (Note 14)	9,326,024	9,326,024
Total liabilities	15,858,935	15,906,338
Net financial assets	14,730,321	11,789,352
Contingencies (Note 17)		
Commitments (Note 18)		
Non-financial assets		
Tangible capital assets (Schedule 1)	13,522,647	13,972,819
Prepaid expenses	207,469	154,043
Total non-financial assets	13,730,116	14,126,862
Accumulated surplus (Note 19)	28,460,437	25,916,214

Approved on behalf of the Chief and Council



Chief



Councilor

The accompanying notes are an integral part of these financial statements

Kitsumkalum Indian Band

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2019

	Schedules	2019	2018
Revenue			
Indigenous Services Canada (Note 20)		3,957,128	3,497,206
Other revenue		1,662,703	1,119,665
Province of British Columbia		1,218,852	1,660,519
First Nations Health Authority		898,556	672,750
Department of Fisheries and Oceans Canada		543,452	63,859
Economic activities		4,522,528	2,441,746
Earnings from investments in government business enterprises (Note 10)		798,650	556,486
Rental income		222,884	241,470
Investment income		225,074	422,701
Canada Mortgage and Housing Corporation		186,180	185,123
		14,236,007	10,861,525
Expenses			
Administration and Governance	3	1,254,368	1,088,804
Social Development	4	561,039	409,989
Public Works	5	706,405	728,817
Education	6	2,787,882	2,172,712
Consultations and Impact Benefits	7	1,107,856	944,428
Economic Development	8	1,548,316	1,432,125
Fisheries	9	1,534,259	1,674,763
Health Services	10	843,434	717,359
Capital Projects	11	120,684	1,789
Social Housing	12	483,706	480,121
Cultural/Title/Rights	13	743,835	582,561
Total expenses		11,691,784	10,233,468
Annual Surplus		2,544,223	628,057
Accumulated surplus, beginning of year		25,916,214	25,288,157
Accumulated surplus, end of year		28,460,437	25,916,214

The accompanying notes are an integral part of these financial statements

Kitsumkalum Indian Band
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2019

	2019	2018
Annual surplus	2,544,223	628,057
Purchases of tangible capital assets	(232,265)	(222,340)
Amortization of tangible capital assets	682,437	663,018
Acquisition of prepaid expenses	(53,426)	(17,572)
Increase in net financial assets	2,940,969	1,051,163
Net financial assets, beginning of year	11,789,352	10,738,189
Net financial assets, end of year	14,730,321	11,789,352

The accompanying notes are an integral part of these financial statements

Kitsumkalum Indian Band
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	2,544,223	628,057
Non-cash items		
Amortization	682,437	663,018
Earnings from investments in government business enterprises	(798,650)	(556,486)
Decrease in inventory for resale	39,289	21,755
	2,467,299	756,344
Changes in working capital accounts		
Accounts receivable	(194,667)	(209,156)
Investment in Treaty	(270,093)	(709,867)
Trust funds held by federal government	(80,213)	(148,445)
Kitsumkalum Port Economic Trust Funds	(17,231)	(20,450)
Accounts payable and accruals	309,478	281,035
Prepaid expenses	(53,426)	(17,572)
Deferred revenue	(25,797)	(461,159)
Advances from (to) government business enterprises	(249,938)	98,256
Transfer from restricted cash	172,379	47,365
	2,057,791	(383,649)
Financing activities		
Repayment of long-term debt	(331,083)	(251,291)
Treaty loan proceeds received	-	568,330
Decrease (increase) in portfolio investments	(93,613)	525,982
	(424,696)	843,021
Capital activities		
Purchases of tangible capital assets	(232,265)	(222,340)
Increase in cash resources	1,400,830	237,032
Cash resources, beginning of year	417,177	180,145
Cash resources, end of year	1,818,007	417,177

The accompanying notes are an integral part of these financial statements

Kitsumkalum Indian Band

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

1. Operations

The Kitsumkalum Indian Band (the "Band") is located in the province of British Columbia, and provides various services to its members. Kitsumkalum Indian Band includes the Band's members, government and all related entities that are accountable to the Band and are either owned or controlled by the Band.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Band reporting entity, except for Band business entities. Trusts administered on behalf of third parties by Kitsumkalum Indian Band are excluded from the Band reporting entity.

The Band has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Kitsumkalum Treaty Administration
- Kitsumkalum Social Housing
- House of Sim-Oi-Ghets

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Kitsumkalum Indian Band business entities, owned or controlled by the Band's Council but not dependent on the Band for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Band. Thus, the Band's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Kalum Ventures Ltd.
- Kalum Ventures Limited Partnership
- Kalum Quarry Limited Partnership
- Kitsumkalum Development Limited Partnership
- Kalum Gas Bar Limited Partnership
- Kitsumkalum Economic Development Group Ltd.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

2. **Significant accounting policies** (Continued from previous page)

Cash

Cash includes balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Inventory for resale

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Portfolio investments

Marketable securities with an original maturity date of more than one year are reported as portfolio investments. Investments are recorded using the cost method. Provisions for declines in the market value of investments are recorded when they are considered to be other than temporary.

Tangible capital assets

Tangible capital assets are initially recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible assets are recorded at their fair value at the date of contribution.

All intangible assets, historical artifacts, works of art and items inherited by the rights of the Band, such as reserve land, forests, water and mineral resources are not recognized in the Band's consolidated financial statements.

Tangible capital assets are amortized over their expected useful life using the straight-line method at the following rates:

	Rate
Land improvements	1 to 80 years
Buildings	20 to 50 years
Social housing infrastructure	20 to 25 years
Vehicle and boat equipment	5 to 30 years
Furniture, equipment and technology	3 to 30 years
Road infrastructure	70 years
Sewer infrastructure	25 to 80 years
Water infrastructure	25 to 80 years

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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

2. **Significant accounting policies** *(Continued from previous page)*

Funds held in trust

Funds held in trust on behalf of Band members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Band tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Band is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the Band reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Band continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

As at March 31, 2019, no liability for contaminated sites exist.

Investment in Treaty

Investment in treaty consists of all costs incurred during the treaty negotiations between Kitsumkalum Indian Band and the Governments of Canada and British Columbia less any grants and interest earned. Investment in treaty costs will be deferred until the date the loan from Canada becomes payable outlined in sections 13.0 and 14.0 of the Band's Negotiation Support Agreement.

Measurement uncertainty

The preparation of consolidated 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 disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

A liability for contaminated sites reflects management's best estimate of the amount required to remediate the contaminated sites. The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future site remediation.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the periods in which they become known.

Net financial assets

The Band's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Band are determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of consolidated financial position, accumulated surplus.

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

- i) **Government funding**
The Band recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Band recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.
- ii) **First Nation Capital and Revenue Trust Funds**
The Band recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.
- iii) **Canada Mortgage and Housing Corporation "CMHC"**
CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.
- iv) **Housing rental income**
Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.
- v) **Other revenue**
Other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.
- vi) **Investment income**
Investment income is recognized by the Band when earned.

Segments

The Band conducts its business through a number of reportable segments as described in Note 21. These operating segments are established by senior management to facilitate the achievement of the Band's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

2. **Significant accounting policies** (Continued from previous page)

Changes in Accounting Policy

PS 3430 Restructuring Transactions (New)

Effective April 1, 2018, the Band adopted the recommendations relating to PS 3430 Restructuring Transactions as set out in the CPA Canada Public Sector Accounting Handbook. The main features of this standard are as follows:

- A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.
- Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.

There was no material impact on the consolidated financial statements of adopting the new section.

3. **Accounts receivable**

	2019	2018
Federal contributions receivable	462,444	222,285
Provincial contributions receivable	166,708	304,571
Other contributions receivable	330,641	206,955
Rent receivable	297,390	294,054
GST recoverable	98,680	85,417
Trade and other receivables	8,629	56,543
	1,364,492	1,169,825
Less: Allowance for doubtful accounts	38,124	38,124
	1,326,368	1,131,701

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

4. Restricted cash

Under the terms of an agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited in the amount of \$46,430 (2018 - \$46,430) annually. 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 otherwise approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, the replacement reserve was adequately funded.

Under the terms of an agreement with CMHC, excess revenues over expenditures for the Post 1996 phases may be retained in an operating reserve. 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 otherwise approved by CMHC from time to time. At year end, the operating reserve was adequately funded.

Under the terms of an agreement with the British Columbia Treaty Commission and the federal and provincial governments, the Band receives funding to prepare for and administer the treaty negotiations process. The treaty funds received must be held in a separate bank account and can only be used to pay for expenditures related to the treaty negotiations process.

	2019	2018
Replacement reserve	358,946	324,933
Operating reserve	112,615	101,498
Treaty administration funds	60,222	277,734
	531,783	704,165

5. Inventory for resale

	2019	2018
Craft and grocery inventory	196,645	235,934

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

6. Funds held in trust

Trust fund accounts arise from moneys 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2019	2018
Capital Trust		
Balance - beginning of year	613,956	525,430
Minerals royalty and exploration fees from government business enterprise	7,570	88,526
<hr/>		
Balance, end of year	621,526	613,956
<hr/>		
Revenue Trust		
Balance - beginning of year	655,631	595,712
Interest	15,185	26,351
Special (BC)	1,717	1,715
Minerals royalty and exploration fees from government business enterprise	55,741	31,853
<hr/>		
Balance - end of year	728,274	655,631
<hr/>		
	1,349,800	1,269,587
<hr/>		

7. Portfolio investments

Portfolio investment securities include a diverse mix of equities, bonds, bank savings instruments and bond, equity and index funds which are invested primarily in the North American market. The carrying value of the portfolio investment securities is based on the cost method whereby the cost of the security is adjusted to reflect investment income that is accruing and any permanent decline in market value.

Carrying values and market values of the Band's portfolio investments are as follows:

	2019	2018
Carrying value		
Internally restricted	3,019,093	2,937,217
Unrestricted	323,601	311,862
<hr/>		
	3,342,694	3,249,079
<hr/>		
Market value		
Internally restricted	3,695,685	3,550,135
Unrestricted	355,061	342,118
<hr/>		
	4,050,746	3,892,253
<hr/>		

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

8. Kitsumkalum Port Economic Trust Funds

The Band entered into the Port of Prince Rupert Container Terminal Project Agreement ("the Port Agreement") with Canada and the Prince Rupert Port Authority which contains terms and conditions of a settlement related to the completion of certain phases of the Prince Rupert Port expansion project. In accordance with the Port Agreement, the Band established a trust to which the moneys paid by Canada to the Band are to be managed, administered and paid out for economic development purposes for the benefit of the Band.

	2019	2018
Balance, beginning of year	484,971	464,521
Investment income earned	21,690	25,005
Trust fund broker and other charges	(4,353)	(4,318)
Due from Band operating cash account	(106)	(237)
	502,202	484,971

9. Investment in Treaty

	2019	2018
Balance, beginning of year	8,983,242	8,273,375
Salaries, wages and benefits	288,090	263,036
Goods and services	536,079	509,632
Interest and bank charges	1,642	1,269
Contribution and interest income	(555,718)	(64,070)
	9,253,335	8,983,242

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Investments in government business enterprises

The Band has investments in the following entities:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Earnings (loss)</i>	<i>2019 Total Investment</i>
Wholly-owned Businesses:				
Kitsumkalum Economic Development Group Ltd.	38,440	272,086	33,144	343,670
Kalum Ventures Ltd.	(111)	-	(34,027)	(34,138)
	38,329	272,086	(883)	309,532
First Nation Business Partnerships:				
Kalum Quarry Limited Partnership - 99.9%	1,330,087	3,568,706	1,019,555	5,918,348
Kalum Gas Bar Limited Partnership - 99.9%	3,333,310	30,227	160,345	3,523,882
Kitsumkalum Development Limited Partnership - 99.9%	2,533,077	(126,590)	(285,896)	2,120,591
Kalum Ventures Limited Partnership - 99.9%	490,542	-	(94,471)	396,071
	7,687,016	3,472,343	799,533	11,958,892
	7,725,345	3,744,429	798,650	12,268,424
				<i>2018 Total investment</i>
Wholly-owned Businesses:				
Kitsumkalum Economic Development Group Ltd.	76,608	260,849	(38,169)	299,288
Kalum Ventures Ltd.	(111)	-	-	(111)
	76,497	260,849	(38,169)	299,177
First Nation Business Partnerships:				
Kalum Quarry Limited Partnership - 99.9%	1,168,946	3,311,755	161,141	4,641,842
Kalum Gas Bar Limited Partnership - 99.9%	3,178,647	17,934	154,663	3,351,244
Kitsumkalum Development Limited Partnership - 99.9%	2,620,895	(96,048)	(87,818)	2,437,029
Kalum Ventures Limited Partnership - 99.9%	123,873	-	366,669	490,542
	7,092,361	3,233,641	594,655	10,920,657
	7,168,858	3,494,490	556,486	11,219,834

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Investments in government business enterprises *(Continued from previous page)*

Summary financial information for each government business enterprise, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>Kalum Ventures Ltd. As at March 31, 2019 (Unaudited)</i>	<i>Kalum Ventures Limited Partnership As at March 31, 2019 (Unaudited)</i>	<i>Kalum Quarry Limited Partnership As at December 31, 2018 (Unaudited)</i>	<i>Kitsumkalum Development Limited Partnership As at December 31, 2018 (Unaudited)</i>
Assets				
Cash	11,957	412,605	-	32,479
Accounts receivable	-	89,527	993,537	75,683
Inventory	-	-	3,331,594	-
Investments	-	-	-	250,000
Prepaid expenses	10,354	4,538	3,302	206
Advances to Kitsumkalum Indian Band	-	-	-	126,591
Advances to related parties	-	-	208,194	1,831,222
Restricted assets	-	609,058	280,000	-
Other assets	-	-	-	-
Property, plant, and equipment	-	56,375	6,778,780	35,079
Total assets	22,311	1,172,103	11,595,407	2,351,260
Liabilities				
Bank indebtedness	-	-	1,417,473	-
Accounts payable	10,596	623,550	1,012,589	103,854
Callable debt	-	-	1,052,514	-
Other liabilities	-	-	13,390	-
Obligations under capital lease	-	-	154,152	-
Deferred revenue	-	-	278,036	-
Advances from Kitsumkalum Indian Band	-	-	2,836,703	-
Advances from related parties	45,853	152,482	1,741,034	-
Total liabilities	56,449	776,032	8,505,891	103,854
Net assets	(34,138)	396,071	3,089,516	2,247,406
Total revenue	330,354	1,617,518	9,194,347	158,090
Total expenses	364,381	1,711,989	8,174,690	374,410
Net income (loss)	(34,027)	(94,471)	1,019,657	(216,320)

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Investments in government business enterprises *(Continued from previous page)*

	<i>Kalum Gas Bar Limited Partnership As at December 31, 2018 (Unaudited)</i>	<i>Kitsumkalum Economic Development Group Ltd. As at December 31, 2018 (Unaudited)</i>
Assets		
Cash	1,485,609	34,459
Accounts receivable	148,152	26,800
Inventory	155,676	-
Investments	-	-
Prepaid expenses	7,470	-
Advances to Kitsumkalum Indian Band	-	-
Advances to related parties	222,176	-
Restricted assets	-	-
Other assets	-	14,806
Property, plant, and equipment	1,648,732	1,619,695
Total assets	3,667,815	1,695,760
Liabilities		
Bank indebtedness	-	-
Accounts payable	151,362	44,036
Callable debt	-	86,000
Other liabilities	-	2,019
Obligations under capital lease	-	-
Deferred revenue	-	-
Advances from Kitsumkalum Indian Band	22,698	274,389
Advances from related parties	-	1,217,738
Total liabilities	174,060	1,624,182
Net assets	3,493,755	71,578
Total revenue	6,976,668	143,439
Total expenses	6,816,325	110,295
Net income (loss)	160,343	33,144

The Band's investee's have a different year-end than March 31, 2019. The Band uses the investee's year-end financial statements to account for its investment in this investee. No significant events or transactions were noted from January 1, 2019 to March 31, 2019.

11. Accounts payable and accruals

	2019	2018
Trade payables	977,111	839,131
Accrued salaries and employee benefits payable	271,399	186,772
Other accrued liabilities	195,228	108,358
	1,443,738	1,134,261

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Amount spent</i>	<i>Balance, end of year</i>
Province of British Columbia - education funding	122,109	70,810	122,109	70,810
First Nation Health Authority - MWSU funding	-	25,501	-	25,501
Social housing	956	-	-	956
	123,065	96,311	122,109	97,267

13. Long-term debt

	2019	2018
All Nations Trust Company; repayable in monthly installments of \$10,323 per month including interest at 1.14%, maturing June 2021; secured by Ministerial Guarantees from Indigenous Services Canada.	1,947,889	2,048,988
Royal Bank of Canada; demand loan; repayable in monthly installments of \$11,620 per month, including interest at prime plus 1.35%; secured by a general security agreement covering all Band assets.	1,135,863	1,256,029
All Nations Trust Company; repayable in monthly installments of \$4,061 per month including interest at 1.21%, maturing May 2021; secured by Ministerial Guarantees from Indigenous Services Canada.	947,337	984,391
All Nations Trust Company; repayable in monthly installments of \$2,945 (2018 - \$2,873) per month including interest at 2.68% (2018 - 2.40%), maturing October 2023; secured by Ministerial Guarantees from Indigenous Services Canada.	538,701	559,768
All Nations Trust Company; repayable in monthly installments of \$2,534 per month including interest at 1.97% (2018 - 1.97%), maturing December 2022; secured by Ministerial Guarantees from Indigenous Services Canada.	366,177	389,156
All Nations Trust Company; repayable in monthly installments of \$2,459 per month including interest at 1.11%, maturing February 2021; secured by Ministerial Guarantees from Indigenous Services Canada.	55,938	84,657
	4,991,905	5,322,989

RBC has a prime rate of 3.95% in 2019 (2018 - 3.70%)

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2020	1,349,782
2021	214,353
2022	190,085
2023	192,718
2024	195,412

14. Treaty note payable

The Band has signed promissory notes and First Nation Negotiation Support Agreements representing advances made by Canada for negotiations. Repayment provisions for these loans are outlined in sections 13.0 and 14.0 of the First Nation Negotiation Support Agreement. The loan advances will not accrue interest until the date the loan becomes due and payable.

15. Pension plan

Kitsumkalum Indian Band provides a defined contribution plan for eligible members of its staff. The Band contributes 5% of the member's base salary which contributions are directed to the member's contribution account. Members are required to contribute a minimum of 5% of their salary. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. Kitsumkalum Indian Band contributed \$49,193 (2018 - \$42,030) during the year for retirement benefits. There have been no changes to the plan during the year.

16. Economic dependence

The Kitsumkalum Indian Band receives a significant portion of its revenue pursuant to funding agreements with Indigenous Services Canada. The nature and extent of this revenue is of such significance that Kitsumkalum Indian Band is economically dependent on this source of revenue, as guaranteed by these agreements.

17. Contingencies

Kitsumkalum Indian Band has entered into contribution agreements with various federal and provincial government departments. Funding received under these contribution agreements may be subject to repayment if the Band fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Kitsumkalum Indian Band becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense is recorded on Kitsumkalum Indian Band's consolidated financial statements.

Kitsumkalum Indian Band is contingently liable for band member housing loans which it has guaranteed. In the event of borrower default, any deficiency is payable by the Band. The total contingent liability in loan guarantees related to these loans is \$613,396 (2018 - \$646,853). No amount is recorded in these consolidated financial statements related to these guarantees.

Kitsumkalum Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

18. Commitments

Kitsumkalum Indian Band is committed to vehicle and office equipment lease payments as follows:

2020	\$ 61,430
2021	\$ 49,929
2022	\$ 43,815
2023	\$ 39,594
2024	\$ <u>36,295</u>
	\$ 231,063

19. Accumulated surplus

	2019	2018
Operating surplus	8,445,012	6,588,993
Invested in tangible capital assets	9,666,606	9,905,859
Trust funds held by federal government	1,349,800	1,269,587
Replacement and operating reserves	471,561	426,431
Investments in government business enterprises	8,527,458	7,725,344
	28,460,437	25,916,214

20. Indigenous Services Canada funding reconciliation

	2019	2018
Revenue per confirmation	4,112,268	3,630,830
Department of Fisheries and Oceans interdepartmental transfer	(155,140)	(133,624)
	3,957,128	3,497,206

21. Segments

The Band receives revenues and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by segments. Schedules 3-13 disclose the details of the Band's revenue and expenses by segment. The Band is organized into the following segments:

Administration and Governance

Includes general operations, support, and financial management of the Band.

Social Development

Includes revenue and expenses relating to the social assistance of the members of Kitsumkalum Indian Band.

Public Works

Includes maintenance of infrastructure owned by the Band.

Education

Includes revenue and expenses related to education.

Consultations and Impact Benefits

Includes revenue and expenses related to consultations and impact benefit agreements between a project proponent and Kitsumkalum Indian Band.

Economic Development

Includes activities related to the growth of revenue producing projects with the Band.

Fisheries

Includes revenue and expenses related to the conservation and stewardship of the Band's fisheries.

Health Services

Includes activities related to the provision of health services within the Band.

Capital Projects

Includes revenue and expenses related to capital projects.

Social Housing

Includes revenue and expenses related to social housing programs carried on by the Band.

Cultural/Title/Rights

Includes revenue and expenses related to cultural and title rights negotiations.

22. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Kitsumkalum Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Land improvements</i>	<i>Buildings</i>	<i>Social housing infrastructure</i>	<i>Vehicle & boat equipment</i>	<i>Furniture equipment & technology</i>	<i>Road infrastructure</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	1,317,454	5,647,425	6,454,357	1,294,336	761,411	2,015,796	17,490,779
Acquisition of tangible capital assets	-	-	-	99,460	-	-	99,460
Balance, end of year	1,317,454	5,647,425	6,454,357	1,393,796	761,411	2,015,796	17,590,239
Accumulated amortization							
Balance, beginning of year	77,478	1,537,627	1,298,632	725,458	459,339	747,184	4,845,718
Annual amortization	8,080	133,091	210,917	113,180	82,114	27,406	574,788
Balance, end of year	85,558	1,670,718	1,509,549	838,638	541,453	774,590	5,420,506
Net book value of tangible capital assets	1,231,896	3,976,707	4,944,808	555,158	219,958	1,241,206	12,169,733
2018 Net book value of tangible capital assets	1,239,976	4,109,798	5,155,725	568,878	302,072	1,268,612	12,647,079

Kitsumkalum Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Sewer infrastructure</i>	<i>Water infrastructure</i>	<i>Construction in progress</i>	<i>2019</i>	<i>2018</i>
Cost						
Balance, beginning of year	17,490,779	1,191,325	2,351,119	-	21,033,223	20,810,883
Acquisition of tangible capital assets	99,460	-	-	132,805	232,265	222,340
Balance, end of year	17,590,239	1,191,325	2,351,119	132,805	21,265,488	21,033,223
Accumulated amortization						
Balance, beginning of year	4,845,718	499,854	1,714,832	-	7,060,404	6,397,386
Annual amortization	574,788	23,838	83,811	-	682,437	663,018
Balance, end of year	5,420,506	523,692	1,798,643	-	7,742,841	7,060,404
Net book value of tangible capital assets	12,169,733	667,633	552,476	132,805	13,522,647	13,972,819
2018 Net book value of tangible capital assets	12,647,079	691,471	636,287	-	13,972,819	

Kitsumkalum Indian Band
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2019

	2019	2018
Consolidated expenses by object		
Academic programs	53,361	30,942
Administration	145,124	108,161
Advertising	12,172	25,662
Amortization	682,437	663,018
Bank charges and interest	57,282	68,592
Consulting	1,744,174	1,466,584
Cultural enrichment	45,693	40,136
Fire hall renovations	8,000	-
Fuel and mileage	93,727	91,644
Funeral	10,110	14,884
Furniture and equipment	22,322	39,697
Honourarium	162,860	44,244
Insurance	138,741	124,308
Interest on long-term debt	56,333	57,258
Living allowances	194,775	186,111
Lunch program	34,153	26,343
Professional fees	479,035	310,386
Purchases	1,152,833	1,037,579
Rent	110,603	83,753
Repairs and maintenance	200,907	159,938
Salaries, wages and benefits	4,204,613	3,824,657
Social assistance	423,682	278,734
Supplies	483,539	459,419
Telephone	67,148	64,893
Training	15,562	10,773
Travel	338,508	239,263
Tuition	656,201	683,777
Utilities	97,889	92,712
	11,691,784	10,233,468

Kitsumkalum Indian Band
Administration and Governance
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	345,681	364,028
Province of British Columbia	204,455	371,619
Other revenue	172,205	207,542
Economic activities	196,996	152,466
Investment income	31,033	44,612
	950,370	1,140,267
Expenses		
Administration	400	400
Advertising	1,871	4,604
Amortization	34,370	38,125
Bank charges and interest	17,062	28,049
Consulting	191,906	150,414
Fuel and mileage	7,682	7,910
Funeral	10,110	14,884
Furniture and equipment	4,639	2,416
Honourarium	39,015	42,559
Insurance	42,954	22,248
Professional fees	166,724	148,299
Rent	23,434	16,857
Repairs and maintenance	381	62
Salaries, wages and benefits	575,617	474,868
Supplies	82,416	97,696
Telephone	22,456	22,859
Travel	33,331	16,554
	1,254,368	1,088,804
Annual surplus (deficit)	(303,998)	51,463

Kitsumkalum Indian Band
Social Development
Schedule 4 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	556,460	399,463
Other revenue	15,000	-
Province of British Columbia	10,000	10,000
	581,460	409,463
Expenses		
Amortization	7,309	7,579
Consulting	42,079	36,451
Living allowances	-	250
Rent	702	3,700
Salaries, wages and benefits	63,989	53,010
Social assistance	423,682	278,734
Supplies	19,378	28,974
Travel	3,900	1,291
	561,039	409,989
Annual surplus (deficit)	20,421	(526)

Kitsumkalum Indian Band
Public Works
Schedule 5 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	381,279	197,320
Economic activities	30,674	31,085
	411,953	228,405
Expenses		
Amortization	221,870	201,032
Bank charges and interest	29	48
Consulting	138,910	141,741
Fuel and mileage	18,329	20,655
Insurance	19,572	21,228
Repairs and maintenance	26,892	36,921
Salaries, wages and benefits	182,905	220,766
Supplies	26,326	28,962
Telephone	6,624	7,532
Travel	26,718	16,549
Utilities	38,230	33,383
	706,405	728,817
Annual deficit	(294,452)	(500,412)

Kitsumkalum Indian Band
Education
Schedule 6 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	2,103,264	1,703,577
Other revenue	391,525	340,712
Province of British Columbia	333,136	450,452
Economic activities	5,000	-
	2,832,925	2,494,741
Expenses		
Academic programs	53,361	30,942
Administration	49,082	17,380
Amortization	10,271	12,604
Bank charges and interest	183	-
Consulting	140,685	33,399
Cultural enrichment	45,693	40,136
Fire hall renovations	8,000	-
Fuel and mileage	12,327	15,826
Furniture and equipment	13,475	5,406
Honourarium	645	350
Insurance	8,935	7,811
Living allowances	178,146	135,860
Lunch program	34,153	26,343
Rent	19,592	19,503
Repairs and maintenance	54,969	23,106
Salaries, wages and benefits	1,408,922	1,138,319
Supplies	73,073	47,851
Telephone	6,230	6,118
Training	15,562	10,773
Travel	35,782	18,492
Tuition	606,729	569,407
Utilities	12,067	13,086
	2,787,882	2,172,712
Annual surplus	45,043	322,029

Kitsumkalum Indian Band
Consultations and Impact Benefits
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Province of British Columbia	477,490	456,877
Other revenue	351,421	230,872
Indigenous Services Canada	60,000	102,250
Economic activities	2,341,400	373,324
	3,230,311	1,163,323
Expenses		
Administration	-	5,000
Advertising	298	-
Bank charges and interest	34	-
Consulting	211,656	264,236
Fuel and mileage	4,982	4,096
Furniture and equipment	-	3,405
Honourarium	117,800	-
Living allowances	16,629	50,001
Professional fees	186,045	50,640
Rent	44,686	19,938
Salaries, wages and benefits	375,942	330,142
Supplies	48,055	48,571
Telephone	7,230	2,824
Travel	52,037	67,374
Tuition	41,941	98,201
Utilities	521	-
	1,107,856	944,428
Annual surplus	2,122,455	218,895

Kitsumkalum Indian Band
Economic Development
Schedule 8 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Other revenue	323,498	24,454
Indigenous Services Canada	35,171	35,478
Province of British Columbia	69,720	78,600
Earnings from investments in government business entities	798,650	556,486
Economic activities	1,566,375	1,424,572
Investment income	194,041	379,476
	2,987,455	2,499,066
Expenses		
Administration	3,475	-
Advertising	7,624	21,057
Amortization	15,740	15,894
Bank charges and interest	39,384	40,463
Consulting	21,838	46,548
Fuel and mileage	9	-
Insurance	817	1,481
Professional fees	59,456	33,704
Purchases	1,152,833	1,037,579
Rent	-	185
Repairs and maintenance	8,015	8,828
Salaries, wages and benefits	197,106	181,893
Supplies	10,970	16,559
Telephone	3,714	3,141
Travel	8,193	1,415
Utilities	19,142	23,378
	1,548,316	1,432,125
Annual surplus	1,439,139	1,066,941

Kitsumkalum Indian Band
Fisheries
Schedule 9 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Department of Fisheries and Oceans Canada	543,452	63,859
Indigenous Services Canada	221,161	360,547
Other revenue	172,409	94,387
Province of British Columbia	110,169	117,250
Economic activities	218,374	312,627
Investment income (loss)	-	1,387
	1,265,565	950,057
Expenses		
Amortization	69,935	66,803
Bank charges and interest	588	29
Consulting	416,002	466,702
Fuel and mileage	46,852	41,817
Furniture and equipment	4,207	21,237
Honourarium	300	810
Insurance	33,876	25,976
Professional fees	-	9,270
Rent	21,593	20,118
Repairs and maintenance	32,933	25,413
Salaries, wages and benefits	728,200	830,400
Supplies	92,260	68,397
Telephone	12,663	14,105
Travel	68,393	68,601
Tuition	6,457	15,085
	1,534,259	1,674,763
Annual deficit	(268,694)	(724,706)

Kitsumkalum Indian Band
Health Services
Schedule 10 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
First Nations Health Authority	898,556	672,750
Other revenue	86,355	93,289
Province of British Columbia	13,882	25,721
Economic activities	-	11,604
	998,793	803,364
Expenses		
Administration	41,832	31,353
Advertising	2,379	-
Amortization	95,589	95,589
Consulting	38,382	48,069
Fuel and mileage	2,434	804
Furniture and equipment	-	4,549
Honourarium	425	-
Insurance	8,706	15,049
Rent	195	795
Repairs and maintenance	15,984	7,507
Salaries, wages and benefits	474,249	411,941
Supplies	88,435	59,392
Telephone	8,231	8,314
Travel	51,792	21,074
Tuition	1,073	1,085
Utilities	13,728	11,838
	843,434	717,359
Annual surplus	155,359	86,005

Kitsumkalum Indian Band
Capital Projects
Schedule 11 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	60,185	118,529
Expenses		
Consulting	117,266	-
Fuel and mileage	69	43
Rent	402	336
Repairs and maintenance	396	16
Salaries, wages and benefits	1,913	574
Supplies	638	820
	120,684	1,789
Annual surplus (deficit)	(60,499)	116,740

Kitsumkalum Indian Band
Social Housing
Schedule 12 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	12,970	-
Other revenue	7,161	72,849
Rental income	222,884	241,470
Canada Mortgage and Housing Corporation	186,180	185,123
	429,195	499,442
Expenses		
Administration	50,336	54,028
Amortization	210,917	208,956
Consulting	26,341	1,179
Insurance	23,881	30,471
Interest on long-term debt	56,333	57,258
Professional fees	10,500	10,290
Repairs and maintenance	58,424	55,784
Salaries, wages and benefits	4,676	5,770
Supplies	27,051	45,358
Travel	1,047	-
Utilities	14,200	11,027
	483,706	480,121
Annual surplus (deficit)	(54,511)	19,321

Kitsumkalum Indian Band
Cultural/Title/Rights
Schedule 13 - Schedule of Revenue and Expenses
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	180,957	216,014
Other revenue	138,128	55,560
Province of British Columbia	-	150,000
Economic activities	163,710	136,068
	482,795	557,642
Expenses		
Amortization	16,436	16,436
Consulting	399,110	277,846
Fuel and mileage	1,042	493
Furniture and equipment	-	2,684
Honourarium	4,675	525
Insurance	-	44
Professional fees	56,312	58,183
Rent	-	2,322
Repairs and maintenance	2,914	2,301
Salaries, wages and benefits	191,094	176,975
Supplies	14,937	16,839
Travel	57,315	27,913
	743,835	582,561
Annual deficit	(261,040)	(24,919)