

# **LYTTON FIRST NATION**

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## **CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2018**

# LYTTON FIRST NATION

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## CONSOLIDATED FINANCIAL STATEMENTS March 31, 2018

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# LYTTON FIRST NATION

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING March 31, 2018

The accompanying consolidated financial statements of Lytton First Nation and all the information in this annual report for the year ended March 31, 2018 are the responsibility of management and have been approved by the Chief and Council.


The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgement. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Lytton First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Nation's assets are appropriately accounted for and adequately safeguarded.

The Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council reviews the Nation's financial statements and recommends their approval. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report. The Council approves the financial statements for issuance to the Members. The Council also considers, for review and approval by the Members, the engagement of the external auditors.

The consolidated financial statements have been audited by Reid Hurst Nagy Inc., Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Members. Reid Hurst Nagy Inc. has full access to the books and records of the Nation. Reid Hurst Nagy Inc. has full and free access to the Council for information purposes.

  
Chief

July 19/18  
Date

## Independent Auditors' Report

To the Members of  
**Lytton First Nation**

We have audited the accompanying consolidated financial statements of Lytton First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, change in net financial assets, cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the consolidated financial statements 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 First Nation'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 overall presentation of the consolidated financial statements.

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 consolidated financial statements present fairly, in all material respects, the financial position of Lytton First Nation as at March 31, 2018, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



REID HURST NAGY INC.  
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, B.C.  
July 19, 2018

# LYTTON FIRST NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at March 31, 2018

|   | 2018                 | 2017                 |
|---|----------------------|----------------------|
| <b>FINANCIAL ASSETS</b>                     |                      |                      |
| Cash  | \$ 3,325,576         | \$ 1,906,862         |
| Restricted cash (Note 5)                    | 1,941,915            | 1,902,932            |
| Accounts receivable (Note 6)                | 319,628              | 301,761              |
| Loans receivable (Note 7)                   | 125,851              | 125,851              |
| Other receivables                           | 1,042,644            | 915,123              |
| Long-term investments (Notes 8 and 18)      | 192,463              | 71,932               |
|   | <b>6,948,077</b>     | <b>5,224,461</b>     |
| <b>LIABILITIES</b>                          |                      |                      |
| Accounts payable (Note 10)                  | 1,314,834            | 2,019,980            |
| Long-term debt (Note 11)                    | 1,660,661            | 1,734,049            |
|   | <b>2,975,495</b>     | <b>3,754,029</b>     |
| <b>NET FINANCIAL ASSETS</b>                 | <b>3,972,582</b>     | <b>1,470,432</b>     |
| <b>NON-FINANCIAL ASSETS</b>                 |                      |                      |
| Capital assets (Note 12 and 18)             | 29,872,534           | 30,874,972           |
| Prepaid expenses                            | 111,338              | 92,422               |
|   | <b>29,983,872</b>    | <b>30,967,394</b>    |
| <b>ACCUMULATED SURPLUS (Note 13 and 18)</b> | <b>\$ 33,956,454</b> | <b>\$ 32,437,826</b> |

APPROVED ON BEHALF OF THE LYTTON FIRST NATION

 Chief  
 Councillor

# LYTTON FIRST NATION

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the year ended March 31, 2018

|   | 2018                | 2017                  |
|---|---------------------|-----------------------|
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b> | <b>\$ 1,518,628</b> | <b>\$ (1,265,431)</b> |
| Acquisition of tangible capital assets                  | (168,415)           | (242,460)             |
| Amortization of tangible capital assets                 | 1,170,853           | 966,359               |
|   | -                   | 1,070,207             |
| Disposition of tangible capital assets                  | -                   | 2,966                 |
|   | <b>1,002,438</b>    | <b>1,797,072</b>      |
| Acquisition of prepaid asset                            | (111,338)           | (92,422)              |
| Use of prepaid asset                                    | 92,422              | 106,352               |
|   | <b>(18,916)</b>     | <b>13,930</b>         |
| Use of inventory  | -                   | 7,242                 |
| <b>INCREASE IN NET FINANCIAL ASSETS</b>                 | <b>2,502,150</b>    | <b>552,813</b>        |
| <b>NET FINANCIAL ASSETS AT BEGINNING OF YEAR</b>        | <b>1,470,432</b>    | <b>917,619</b>        |
| <b>NET FINANCIAL ASSETS AT END OF YEAR</b>              | <b>\$ 3,972,582</b> | <b>\$ 1,470,432</b>   |

# LYTTON FIRST NATION

## CONSOLIDATED SUMMARY STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31, 2018

|  | 2018<br>Budget | 2018<br>Actual | 2017<br>Actual<br>(Note 18) |
|--|----------------|----------------|-----------------------------|
| <b>REVENUE</b>   |                |                |                             |
| Indigenous Services Canada                                   | \$ 4,570,310   | \$ 8,492,228   | \$ 6,082,091                |
| B.C. Hydro   | -              | 70,259         | 70,259                      |
| Canada Mortgage and Housing Corporation                      | 1,254,898      | 853,501        | 118,472                     |
| Community Partners - Legal Aid                               | 40,822         | 36,411         | 20,411                      |
| Department of Justice  | 85,580         | 85,580         | 87,560                      |
| First Nations Education Steering Committee                   | -              | 51,260         | 42,151                      |
| First Nations Health Authority                               | 1,194,163      | 1,250,631      | 933,724                     |
| Interest income  | -              | 66,547         | 43,884                      |
| Province of British Columbia                                 | 208,391        | 212,576        | 181,405                     |
| Rental Income  | 76,836         | 421,538        | 392,424                     |
| Share of income (loss) from First Nation controlled entities | -              | 120,531        | 33,560                      |
| Works Program  | 128,121        | 121,746        | 41,276                      |
| Other  | 770,254        | 1,094,487      | 1,075,794                   |
|  | 8,329,375      | 12,877,295     | 9,123,011                   |
| <b>EXPENDITURES</b>  |                |                |                             |
| Band Programs  | 2,423,833      | 2,802,639      | 3,034,597                   |
| Education  | 1,061,290      | 2,267,637      | 2,589,092                   |
| Social Development   | 2,869,440      | 3,328,164      | 3,549,245                   |
| Capital Programs   | 1,428,422      | 1,491,450      | 22,126                      |
| Job Creation   | 201,671        | 283,663        | 271,819                     |
| Social Housing Fund  | -              | 398,688        | 424,497                     |
| Capital Fund   | -              | 1,028,229      | 826,617                     |
| Enterprise Fund  | -              | -              | 55,177                      |
|  | 7,984,656      | 11,600,470     | 10,773,170                  |
| <b>ANNUAL DEFICIT BEFORE OTHER</b>                           | 344,719        | 1,276,825      | (1,650,159)                 |
| <b>OTHER</b>   |                |                |                             |
| Tangible capital asset additions                             | -              | 168,415        | 242,460                     |
| Principal reduction of long-term debt                        | -              | 157,263        | 142,268                     |
| Proceeds from long-term debt                                 | -              | (83,875)       | -                           |
|  | -              | 241,803        | 384,728                     |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>      | 344,719        | 1,518,628      | (1,265,431)                 |
| <b>EQUITY AT BEGINNING OF YEAR</b>                           | -              | 32,437,826     | 33,703,257                  |
| <b>EQUITY AT END OF YEAR</b>                                 | \$ 344,719     | \$ 33,956,454  | \$ 32,437,826               |

The accompanying notes are an integral part of the financial statements

# LYTTON FIRST NATION

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2018

|  | 2018                | 2017                |
|--|---------------------|---------------------|
| <b>OPERATING ACTIVITIES</b>                                |                     |                     |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES           | \$ 1,518,628        | \$ (1,265,431)      |
| Items not affecting cash                                   |                     |                     |
| Amortization   | 1,170,853           | 966,359             |
| Share of income (loss) of First Nation controlled entities | (120,531)           | 9,257               |
| Disposition of capital assets related to entities          | -                   | 2,966               |
|  | <b>2,568,950</b>    | <b>(286,849)</b>    |
| Change in non-cash operating working capital               | <b>(869,450)</b>    | 205,961             |
|  | <b>1,699,500</b>    | <b>(80,888)</b>     |
| <b>FINANCING ACTIVITIES</b>                                |                     |                     |
| Principal repayment of capital asset loan                  | <b>(14,645)</b>     | (28,012)            |
| Proceeds from capital asset loan                           | <b>83,875</b>       | 25,488              |
| Repayment of Social Housing Funds long-term debt           | <b>(142,618)</b>    | (139,744)           |
| Due from Tikemcheen Economic Development LLP               | -                   | (850)               |
|  | <b>(73,388)</b>     | <b>(143,118)</b>    |
| <b>INVESTING ACTIVITIES</b>                                |                     |                     |
| Purchase of tangible capital assets                        | <b>(168,415)</b>    | (242,460)           |
| <b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>    | <b>1,457,697</b>    | <b>(466,466)</b>    |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>        | <b>3,809,794</b>    | <b>4,276,260</b>    |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>              | <b>\$ 5,267,491</b> | <b>\$ 3,809,794</b> |
| <b>CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:</b>       |                     |                     |
| Cash   | \$ 3,325,576        | \$ 1,906,862        |
| Restricted cash  | 1,941,915           | 1,902,932           |
|  | <b>\$ 5,267,491</b> | <b>\$ 3,809,794</b> |

The accompanying notes are an integral part of the financial statements



# LYTTON FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board.

#### (a) Reporting Entity

The Lytton First Nation reporting entity includes the Lytton First Nation government and all related entities that are controlled by the First Nation.

#### (b) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Lytton First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Lytton First Nation.

Organizations consolidated in Lytton First Nation's financial statements include:

1. Lytton First Nation Operating Fund
2. Lytton First Nation Social Housing Fund
3. Lytton First Nation Capital Fund
4. Lytton First Nation Trust Fund
5. Lytton First Nation Enterprise Fund

Organizations accounted for on a modified equity basis include:

6. Kumcheen Enterprises Ltd.
7. Lytton Development Corp.
8. Tikemcheen Economic Development LLP

#### (c) Fund Accounting

The Lytton First Nation maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the capital assets of the First Nation not included in other funds, together with their related activities.
- The Trust Fund which reports on the trust funds of the First Nation and held by third parties.
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

# LYTTON FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (d) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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 as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

#### (e) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

#### (f) Cash

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

#### (g) Loans Receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

#### (h) Long-term Debt

Proceeds from long-term debt are recorded as program revenue. Payments of principal and interest are treated as program expenditures. Long-term debt is recorded as a liability on the balance sheet. Reductions of long-term debt are offset with an increase to Equity in Tangible Capital Assets.

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. 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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the lease, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contract and Lytton First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

|                         |                        |
|-------------------------|------------------------|
| Buildings*              | 40 years Straight line |
| Automotive equipment    | 4 years Straight line  |
| Computer equipment      | 5 years Straight line  |
| Equipment               | 5 years Straight line  |
| Roads and bridge        | 99 years Straight line |
| Water and sewer systems | 98 years Straight line |
| Office equipment        | 5 years Straight line  |
| Other capital assets    | 25 years Straight line |

\*Social Housing assets acquired under C.M.H.C. sponsored housing programs are being depreciated at a rate equal to the principal reduction on the mortgage on the assets.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Lytton First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

#### (j) Replacement Reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

#### (k) Budget

The budget reported in the financial statements was provided by management and is unaudited.

#### (l) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

#### (m) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 2. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

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

### 3. BANK INDEBTEDNESS

The First Nation has a \$500,000 operating line of credit with The Bank of Nova Scotia with interest at prime plus 0.5% per annum. The line of credit is to fully revolve to zero annually, upon receipt of funds from Indigenous Services Canada on April 1st. Renewal of the line of credit is at the Bank's discretion.

### 4. ECONOMIC DEPENDENCE

Lytton First Nation receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by the Lytton First Nation Band and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The Band also receives major funding pursuant to an arrangement with the First Nations Health Authority and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

### 5. RESTRICTED CASH

Replacement Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

Operating Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

Ottawa Trust Funds:

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

|  | 2018                | 2017                |
|--|---------------------|---------------------|
| Replacement Reserve Fund - restricted cash | \$ 242,734          | \$ 240,633          |
| Operating Reserve Fund - restricted cash   | 36,031              | 36,031              |
| Ottawa Trust Fund - restricted cash        | 1,384,589           | 1,349,949           |
| Student Trust Funds - restricted cash      | 278,561             | 276,319             |
|  | <b>\$ 1,941,915</b> | <b>\$ 1,902,932</b> |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 6. ACCOUNTS RECEIVABLE

|   | 2018              | 2017              |
|---|-------------------|-------------------|
| Accounts receivable - general           | \$ 99,610         | \$ 91,277         |
| Indigenous Services Canada              | 59,155            | 125,684           |
| Canada Mortgage and Housing Corporation | 151,982           | 9,800             |
| First Nation Emergency Services Society | 8,881             | 75,000            |
|   | <b>\$ 319,628</b> | <b>\$ 301,761</b> |

### 7. LOANS RECEIVABLE

|  | 2018       | 2017       |
|--|------------|------------|
| Due from Tikemcheen Economic Development LLP | \$ 125,851 | \$ 125,851 |

Loans have no specific terms of repayment and bear no interest.

### 8. LONG-TERM INVESTMENTS

|  | 2018              | 2017             |
|--|-------------------|------------------|
| Investment in Non-Controlled Entities                      |                   |                  |
| All Nations Trust Company - shares at cost                 | \$ 56,700         | \$ 56,700        |
|  | 56,700            | 56,700           |
| Investment in Kumcheen Enterprises (100%)                  |                   |                  |
| Shares   | 90                | 90               |
| Advances   | 122,169           | 122,169          |
| Accumulated equity in earnings                             | 11,133            | 16,971           |
|  | 133,392           | 139,230          |
| Investment in Lytton Development Corp. (100%)              |                   |                  |
| Shares   | 2                 | 2                |
| Accumulated deficit in earnings                            | (1)               | (1)              |
|  | 1                 | 1                |
| Investment in Tikemcheen Economic Development LLP (99.99%) |                   |                  |
| Contributions  | 9,999             | 9,999            |
| Accumulated partner's deficit                              | (7,629)           | (133,998)        |
|  | 2,370             | (123,999)        |
|  | <b>\$ 192,463</b> | <b>\$ 71,932</b> |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 9. GOVERNMENT BUSINESS ENTERPRISES

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

|                                     | Kumcheen<br>Enterprises Ltd.<br>- year ended<br>March 31, 2018 | Lytton<br>Development<br>Corp. - year<br>ended March<br>31, 2018 | Tikemcheen<br>Economic<br>Development<br>LLP - year<br>ended March<br>31, 2018 | 2018 Total        |
|-------------------------------------|--|--|--|-------------------|
| Cash                                | \$ 5,713   | \$ -   | \$ 130,406   | \$ 136,119        |
| Accounts receivable                 | 3,004  | -  | -  | 3,004             |
| Tangible capital assets             | 127,175  | -  | -  | 127,175           |
| Investments                         | -  | 1  | -  | 1                 |
| Due from related parties            | -  | -  | 3,501  | 3,501             |
| <b>Total assets</b>                 | <b>\$ 135,892</b>  | <b>\$ 1</b>  | <b>\$ 133,907</b>  | <b>\$ 269,800</b> |
| Accounts payable                    | \$ 2,500   | \$ -   | \$ 5,685   | \$ 8,185          |
| Due to related parties              | 122,169  | 3,501  | 125,851  | 251,521           |
| <b>Total liabilities</b>            | <b>124,669</b>   | <b>3,501</b>   | <b>131,536</b>   | <b>259,706</b>    |
| Share capital                       | 90   | 2  | -  | 92                |
| Accumulated surplus (deficit)       | 11,133   | (3,502)  | 2,371  | 10,002            |
| <b>Total equity</b>                 | <b>11,223</b>  | <b>(3,500)</b>   | <b>2,371</b>   | <b>10,094</b>     |
| <b>Total liabilities and equity</b> | <b>\$ 135,892</b>  | <b>\$ 1</b>  | <b>\$ 133,907</b>  | <b>\$ 269,800</b> |
|                                     |  | Lytton<br>Development<br>Corp. - year<br>ended March<br>31, 2018 | Tikemcheen<br>Economic<br>Development<br>LLP - year<br>ended March<br>31, 2018 | 2018 Total        |
| Revenue                             | \$ 49,749  | \$ 13  | \$ 128,903   | \$ 178,665        |
| Expenses                            | 55,587   | 3,500  | 2,521  | 61,608            |
| <b>Net income</b>                   | <b>\$ (5,838)</b>  | <b>\$ (3,487)</b>  | <b>\$ 126,382</b>  | <b>\$ 117,057</b> |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 10. ACCOUNTS PAYABLE

|  | 2018                | 2017                |
|--|---------------------|---------------------|
| Accounts payable - general             | \$ 328,907          | \$ 157,352          |
| Receiver General - payroll deductions  | 37,612              | 37,615              |
| Stein Valley Nlakapamux School Society | 948,315             | 1,825,013           |
|  | <b>\$ 1,314,834</b> | <b>\$ 2,019,980</b> |

### 11. LONG-TERM DEBT

|  | 2018                | 2017                |
|--|---------------------|---------------------|
| All Nations Trust Company loan, payments of \$2,544 per month including interest at 1.03% per annum, maturing October 1, 2023, secured by a Ministerial Guarantee from Indigenous Services Canada              | \$ 388,425          | \$ 414,935          |
| All Nations Trust Company loan, payments of \$2,745 per month including interest at 2.35% per annum, maturing August 1, 2018, secured by a Ministerial Guarantee from Indigenous and Northern Affairs Canada   | 13,641              | 45,851              |
| All Nations Trust Company loan, payments of \$2,263 per month including interest at 1.11% per annum, maturing February 1, 2021, secured by a Ministerial Guarantee from Indigenous and Northern Affairs Canada | 77,897              | 104,032             |
| All Nations Trust Company loan, payments of \$2,203 per month including interest at 1.53% per annum, maturing November 1, 2032, secured by a Ministerial Guarantee from Indigenous and Northern Affairs Canada | 347,374             | 368,172             |
| All Nations Trust Company loan, payments of \$3,900 per month including interest at 1.30% per annum, maturing November 1, 2035, secured by a Ministerial Guarantee from Indigenous and Northern Affairs Canada | 738,606             | 775,571             |
| Scotiabank, 84 monthly payments of \$586.65 including interest at 4.98% per annum, maturing April 30, 2021, secured by a 2014 Chevrolet Silverado  | 19,580              | 25,488              |
| Finning Cat loan, payments of \$1,747.40 per month without interest, maturing October 9, 2021, secured by a Caterpillar 307E2 Hydraulic Excavator  | 75,138              | -                   |
|  | <b>\$ 1,660,661</b> | <b>\$ 1,734,049</b> |

Principal portion of long-term debt due within the next five years:

|                     |                     |
|---------------------|---------------------|
| 2019                | \$ 152,033          |
| 2020                | 140,180             |
| 2021                | 139,739             |
| 2022                | 100,607             |
| 2023 and thereafter | 1,128,102           |
|                     | <b>\$ 1,660,661</b> |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 12. TANGIBLE CAPITAL ASSETS

| 2018                    | Cost                       |            |           | Accumulated amortization |                            |              |                      | 2018 net book value |
|-------------------------|----------------------------|------------|-----------|--------------------------|----------------------------|--------------|----------------------|---------------------|
|                         | Balance, beginning of year | Additions  | Disposals | Balance, end of year     | Balance, beginning of year | Amortization | Balance, end of year |                     |
| Land                    | \$ 45,000                  | \$ -       | \$ -      | \$ 45,000                | \$ -                       | \$ -         | \$ -                 | \$ 45,000           |
| Buildings               | 22,530,947                 | -          | -         | 22,530,947               | 3,181,295                  | 563,275      | 3,744,570            | 18,786,377          |
| Automotive equipment    | 1,168,733                  | -          | -         | 1,168,733                | 874,140                    | 133,117      | 1,007,257            | 161,476             |
| Equipment               | 1,518,675                  | 168,415    | -         | 1,687,090                | 1,181,149                  | 160,067      | 1,341,216            | 345,874             |
| Roads and bridge        | 4,565,612                  | -          | -         | 4,565,612                | 2,357,655                  | 46,118       | 2,403,773            | 2,161,839           |
| Water and sewer systems | 12,314,451                 | -          | -         | 12,314,451               | 6,399,606                  | 125,658      | 6,525,264            | 5,789,187           |
| Social Housing          | 3,935,351                  | -          | -         | 3,935,351                | 1,209,952                  | 142,618      | 1,352,570            | 2,582,781           |
|                         | \$ 46,078,769              | \$ 168,415 | \$ -      | \$ 46,247,184            | \$ 15,203,797              | \$ 1,170,853 | \$ 16,374,650        | \$ 29,872,534       |

| 2017                    | Cost                       |            |            | Accumulated amortization |                            |              |                      | 2017 Net book value |
|-------------------------|----------------------------|------------|------------|--------------------------|----------------------------|--------------|----------------------|---------------------|
|                         | Balance, beginning of year | Additions  | Disposals  | Balance, end of year     | Balance, beginning of year | Amortization | Balance, end of year |                     |
| Land                    | \$ 45,000                  | \$ -       | \$ -       | \$ 45,000                | \$ -                       | \$ -         | \$ -                 | \$ 45,000           |
| Buildings               | 22,530,947                 | -          | -          | 22,530,947               | 2,784,715                  | 396,580      | 3,181,295            | 19,349,652          |
| Automotive equipment    | 952,445                    | 216,288    | -          | 1,168,733                | 811,990                    | 62,150       | 874,140              | 294,593             |
| Equipment               | 1,495,469                  | 26,172     | (2,966)    | 1,518,675                | 1,100,039                  | 81,110       | 1,181,149            | 337,526             |
| Roads and bridge        | 4,565,612                  | -          | -          | 4,565,612                | 2,307,688                  | 49,967       | 2,357,655            | 2,207,957           |
| Water and sewer systems | 12,314,451                 | -          | -          | 12,314,451               | 6,162,798                  | 236,808      | 6,399,606            | 5,914,845           |
| Social Housing          | 3,935,351                  | -          | -          | 3,935,351                | 1,070,208                  | 139,744      | 1,209,952            | 2,725,399           |
|                         | \$ 45,839,275              | \$ 242,460 | \$ (2,966) | \$ 46,078,769            | \$ 14,237,438              | \$ 966,359   | \$ 15,203,797        | \$ 30,874,972       |



# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 13. ACCUMULATED SURPLUS

|                     | 2018                 | 2017                 |
|---------------------|----------------------|----------------------|
| Unrestricted        |                      |                      |
| Band Programs       | \$ 3,455,322         | \$ 1,209,224         |
| Capital Fund        | 27,195,036           | 28,124,080           |
| Enterprise Fund     | 135,763              | 15,232               |
|                     | <b>30,786,121</b>    | <b>29,348,536</b>    |
| Restricted          |                      |                      |
| Social Housing Fund | 1,785,744            | 1,739,341            |
| Ottawa Trust Funds  | 1,384,589            | 1,349,949            |
|                     | <b>3,170,333</b>     | <b>3,089,290</b>     |
|                     | <b>\$ 33,956,454</b> | <b>\$ 32,437,826</b> |

### 14. REPLACEMENT RESERVE FUND

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the Replacement Reserve account is to be credited in the amount of \$36,150 annually in Schedule "B" of the Operating Agreement. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

As at the Consolidated Statement of Financial Position date, the Fund is underfunded by \$69,165 (2017 - \$78,778).

### 15. SUBSIDY SURPLUS FUND

Under the terms of the agreement with CMHC, excess federal assistance payments received may be retained in a subsidy surplus reserve up to a maximum of \$500 per unit plus interest. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants over and above the maximum federal assistance. Withdrawals are credited to interest first and then principal.

As at the Consolidated Statement of Financial Position date, the Fund has a balance of zero.

### 16. OPERATING RESERVE FUND

Under the terms of the agreement with Canada Mortgage & Housing Corporation (CMHC), any annual operating surplus may be retained in an operating reserve account, to be drawn against in the event of any future deficits. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

As at the Consolidated Statement of Financial Position date, the Fund is underfunded by \$424,975 (2017 - \$371,059).

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 17. CONTINGENT LIABILITIES

a) Indigenous Services Canada

Under the terms of the contribution agreements with Indigenous Services Canada and other governmental departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the First Nation.

b) Loan Guarantee

A Government of Canada Ministerial Guarantee has been obtained for loans to certain band members. If these loans default, the Minister may recover the outstanding amounts from the Lytton First Nation.

The First Nation has guaranteed loans totalling \$160,661.

### 18. PRIOR PERIOD RESTATEMENT

In previous years the Housing Program had not recorded depreciation on tangible capital assets. In the current year, the Housing Program has adopted a policy of depreciation in compliance with the CMHC Operating Agreement.

In previous years the First Nation represented an investment in Stein Valley Nlakamamux School using the modified equity method of consolidation. As the First Nation does not hold control over the school, the investment has been removed retroactively to comply with section PS 2500 of the CPA Canada Handbook.

As the change constitutes a change in accounting policy, the financial statements have been restated as follows:

|   | As previously<br>stated | Adjustments<br>Increase<br>(Decrease) | As restated   |
|---|-------------------------|---------------------------------------|---------------|
| Consolidated Statement of Financial Position  |                         |                                       |               |
| Financial assets                              |                         |                                       |               |
| Long-term investments                         | \$ 2,076,344            | \$ (2,004,412)                        | \$ 71,932     |
| Non-financial assets                          |                         |                                       |               |
| Tangible capital assets                       | 32,084,924              | (1,209,952)                           | 30,874,972    |
| Accumulated surplus                           | 35,652,190              | (3,214,364)                           | 32,437,826    |
| Consolidated Statement of Operations          |                         |                                       |               |
| Revenue                                       | 8,217,728               | 905,283                               | 9,123,011     |
| Expenses                                      | 10,633,426              | 139,744                               | 10,773,170    |
| Current year surplus (deficit)                | (2,030,970)             | 765,539                               | (1,265,431)   |
| Consolidated Statement of Accumulated surplus |                         |                                       |               |
| Equity at beginning of year                   | 37,683,160              | (3,979,903)                           | 33,703,257    |
| Equity at end of year                         | \$ 35,652,190           | \$ (3,214,364)                        | \$ 32,437,826 |

# LYTTON FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 19. SEGMENTED INFORMATION

As previously discussed in note 1 (e) the First Nation conducts its business through reportable segments as follows:

The Band Programs department is responsible for administering projects the First Nation is involved in annually and on an on-going basis relating to the overall objectives of the First Nation and the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs, it also provides services for students at the elementary/secondary and post secondary level, including; instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

Social Development provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

The Health department oversees the delivery of health programs and initiatives for the betterment of the lives of the members of the First Nation.

Job Creation supports the development of employment opportunities for members of the First Nation.

Capital Projects manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nation's infrastructure.

Social Housing is responsible for the administration and management of Social Housing units.

Other operations include Capital Fund, Ottawa Trust Fund and Enterprise Fund transactions.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 19. SEGMENTED INFORMATION, continued

|   | Band Programs         |                   |                    | Education        |                   |                   | Social Development |                   |                  |
|---|-----------------------|-------------------|--------------------|------------------|-------------------|-------------------|--------------------|-------------------|------------------|
|   | 2018<br>Budget        | 2018<br>Actual    | 2017<br>Actual     | 2018<br>Budget   | 2018<br>Actual    | 2017<br>Actual    | 2018<br>Budget     | 2018<br>Actual    | 2017<br>Actual   |
| Revenues                                      |                       |                   |                    |                  |                   |                   |                    |                   |                  |
| Indigenous Services Canada                    | \$ 1,503,035          | \$ 1,581,993      | \$ 1,372,828       | \$ 975,611       | \$ 2,926,976      | \$ 2,606,606      | \$ 1,821,366       | \$ 1,815,656      | \$ 1,629,962     |
| Administration fee                            | 190,700               | 2,197             | 86,175             | 89,325           | -                 | 56,747            | 18,676             | -                 | 20,166           |
| Community Partners - Legal Aid                | 20,411                | 20,411            | 20,411             | -                | -                 | -                 | 20,411             | 16,000            | -                |
| Department of Justice                         | 85,580                | 85,580            | 87,560             | -                | -                 | -                 | -                  | -                 | -                |
| First Nations Education Steering<br>Committee | -                     | -                 | -                  | -                | 35,528            | 34,806            | -                  | -                 | -                |
| First Nations Health Authority                | -                     | -                 | -                  | -                | -                 | -                 | 1,194,163          | 1,250,631         | 1,214,234        |
| Interest income                               | -                     | 31,062            | 17,557             | -                | 2,241             | 1,292             | -                  | -                 | -                |
| Rental Income                                 | 49,836                | 213,175           | 174,973            | -                | -                 | -                 | 27,000             | 27,000            | 37,644           |
| Other revenue                                 | 229,954               | 830,504           | 616,446            | 1,708            | 6,458             | 10,121            | 343,209            | 431,834           | 392,954          |
| <b>Total revenue</b>                          | <b>2,079,516</b>      | <b>2,764,922</b>  | <b>2,375,950</b>   | <b>1,066,644</b> | <b>2,971,203</b>  | <b>2,709,572</b>  | <b>3,424,825</b>   | <b>3,541,121</b>  | <b>3,294,960</b> |
| Expenses                                      |                       |                   |                    |                  |                   |                   |                    |                   |                  |
| Administration fees                           | 35,868                | 1,449             | 20,318             | 89,325           | -                 | 56,747            | 59,304             | -                 | 60,319           |
| Contracted services                           | 370,841               | 332,169           | 230,877            | 500              | -                 | -                 | 325,450            | 321,873           | 349,885          |
| Honoraria                                     | 9,400                 | 6,211             | 1,764              | 4,500            | 4,199             | 1,604             | 8,600              | 3,360             | 2,457            |
| Professional fees                             | 40,625                | 147,021           | 319,034            | -                | -                 | -                 | 2,700              | 2,700             | 2,240            |
| Travel  | 61,264                | 52,530            | 43,104             | 7,500            | 6,622             | 5,888             | 111,708            | 116,060           | 136,912          |
| Utilities                                     | 118,594               | 190,878           | 197,883            | 800              | 1,311             | 2,523             | 26,799             | 27,154            | 32,168           |
| Salaries, wages and benefits                  | 1,153,782             | 1,268,008         | 1,308,866          | 98,212           | 111,560           | 106,489           | 1,022,535          | 943,399           | 807,053          |
| Other expenses                                | 659,376               | 804,373           | 885,735            | 860,453          | 2,143,945         | 2,415,841         | 1,381,786          | 1,913,618         | 1,883,452        |
| <b>Total expenses</b>                         | <b>2,449,750</b>      | <b>2,802,639</b>  | <b>3,007,581</b>   | <b>1,061,290</b> | <b>2,267,637</b>  | <b>2,589,092</b>  | <b>2,938,882</b>   | <b>3,328,164</b>  | <b>3,274,486</b> |
| <b>Annual surplus (deficit)</b>               | <b>\$ (370,234)\$</b> | <b>(37,717)\$</b> | <b>(631,631)\$</b> | <b>5,354 \$</b>  | <b>703,566 \$</b> | <b>120,480 \$</b> | <b>485,943 \$</b>  | <b>212,957 \$</b> | <b>20,474</b>    |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 19. SEGMENTED INFORMATION, continued

|  | 2018<br>Budget   | Capital Programs<br>2018<br>Actual | 2017<br>Actual      | 2018<br>Budget   | Job Creation<br>2018<br>Actual | 2017<br>Actual  |
|--|------------------|------------------------------------|---------------------|------------------|--------------------------------|-----------------|
| Revenues                                   |                  |                                    |                     |                  |                                |                 |
| Indigenous Services Canada                 | \$ 165,888       | \$ 2,071,686                       | \$ 368,285          | \$ 104,410       | \$ 95,917                      | 104,410         |
| First Nations Education Steering Committee | -                | -                                  | -                   | -                | 15,732                         | 7,345           |
| First Nations Health Authority             | -                | -                                  | (280,510)           | -                | -                              | -               |
| Rental Income                              | -                | -                                  | -                   | -                | -                              | 1,440           |
| Other revenue                              | 1,304,071        | 780,766                            | -                   | 184,021          | 178,303                        | 74,762          |
| <b>Total revenue</b>                       | <b>1,469,959</b> | <b>2,852,452</b>                   | <b>87,775</b>       | <b>288,431</b>   | <b>289,952</b>                 | <b>187,957</b>  |
| Expenses                                   |                  |                                    |                     |                  |                                |                 |
| Administration fees                        | 883              | -                                  | -                   | 3,132            | -                              | 3,132           |
| Contracted services                        | 64,347           | 86,723                             | 59,549              | 26,088           | 39,063                         | 2,247           |
| Professional fees                          | -                | -                                  | 30,620              | 5,500            | 864                            | 15,370          |
| Travel                                     | 1,000            | 5,164                              | -                   | 4,433            | 8,333                          | 3,938           |
| Utilities                                  | 111,000          | 121,520                            | -                   | 4,131            | 1,448                          | 3,203           |
| Salaries, wages and benefits               | 61,853           | 106,120                            | 36,654              | 110,384          | 186,218                        | 121,444         |
| Other expenses                             | 1,230,839        | 1,171,923                          | 270,615             | 64,432           | 47,737                         | 67,782          |
| <b>Total expenses</b>                      | <b>1,469,922</b> | <b>1,491,450</b>                   | <b>397,438</b>      | <b>218,100</b>   | <b>283,663</b>                 | <b>217,116</b>  |
| <b>Annual surplus (deficit)</b>            | <b>\$ 37</b>     | <b>\$ 1,361,002</b>                | <b>\$ (309,663)</b> | <b>\$ 70,331</b> | <b>\$ 6,289</b>                | <b>(29,159)</b> |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 19. SEGMENTED INFORMATION, continued

|                          | Social Housing Fund |                |                | Capital Fund   |                |                | Enterprise Fund |                |                |
|--------------------------|---------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|
|                          | 2018<br>Budget      | 2018<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Actual | 2017<br>Actual | 2018<br>Budget  | 2018<br>Actual | 2017<br>Actual |
| Revenues                 |                     |                |                |                |                |                |                 |                |                |
| Interest income          | \$ -                | \$ 3,237       | \$ 20          | \$ -           | \$ -           | \$ -           | \$ -            | \$ -           | \$ -           |
| Rental Income            | -                   | 181,363        | 178,366        | -              | -              | -              | -               | -              | -              |
| Other revenue            | -                   | 117,874        | 137,305        | -              | -              | -              | -               | 120,531        | 33,560         |
| Total revenue            | -                   | 302,474        | 315,691        | -              | -              | -              | -               | 120,531        | 33,560         |
| Expenses                 |                     |                |                |                |                |                |                 |                |                |
| Amortization             | -                   | 142,618        | 139,744        | -              | 1,028,229      | 826,617        | -               | -              | -              |
| Administration fees      | -                   | 20,700         | 20,700         | -              | -              | -              | -               | -              | -              |
| Professional fees        | -                   | 4,875          | 6,000          | -              | -              | -              | -               | -              | -              |
| Utilities                | -                   | 1,118          | 823            | -              | -              | -              | -               | -              | -              |
| Other expenses           | -                   | 229,377        | 238,396        | -              | -              | -              | -               | -              | 55,177         |
| Total expenses           | -                   | 398,688        | 405,663        | -              | 1,028,229      | 826,617        | -               | -              | 55,177         |
| Other income             | -                   | (96,214)       | (89,972)       | -              | (1,028,229)    | (826,617)      | -               | 120,531        | (21,617)       |
| Annual surplus (deficit) | \$ -                | \$ 46,404      | \$ 49,772      | \$ -           | \$ (929,044)   | \$ (581,633)   | \$ -            | \$ 120,531     | \$ (21,617)    |

# LYTTON FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

### 19. SEGMENTED INFORMATION, continued

|  | Ottawa Trust Funds |                  |                   | Consolidated totals |                     |                       |
|--|--------------------|------------------|-------------------|---------------------|---------------------|-----------------------|
|  | 2018<br>Budget     | 2018<br>Actual   | 2017<br>Actual    | 2018<br>Budget      | 2018<br>Actual      | 2017<br>Actual        |
| Revenues                                     |                    |                  |                   |                     |                     |                       |
| Indigenous Services Canada                   | \$ -               | \$ -             | \$ -              | \$ 4,570,310        | \$ 8,492,228        | \$ 6,082,091          |
| Administration fee                           | -                  | -                | -                 | 298,701             | 2,197               | 163,088               |
| Community Partners - Legal Aid               | -                  | -                | -                 | 40,822              | 36,411              | 20,411                |
| Government of Canada - Department of Justice | -                  | -                | -                 | 85,580              | 85,580              | 87,560                |
| First Nations Education Steering Committee   | -                  | -                | -                 | -                   | 51,260              | 42,151                |
| First Nations Health Authority               | -                  | -                | -                 | 1,194,163           | 1,250,631           | 933,724               |
| Interest income                              | -                  | 30,007           | 25,015            | -                   | 66,547              | 43,884                |
| Rental Income                                | -                  | -                | -                 | 76,836              | 421,538             | 392,423               |
| Other revenue                                | -                  | 4,633            | 92,531            | 2,062,963           | 2,470,903           | 1,357,679             |
| <b>Total revenue</b>                         | <b>-</b>           | <b>34,640</b>    | <b>117,546</b>    | <b>8,329,375</b>    | <b>12,877,295</b>   | <b>9,123,011</b>      |
| Expenses                                     |                    |                  |                   |                     |                     |                       |
| Amortization                                 | -                  | -                | -                 | -                   | 1,170,847           | 966,361               |
| Administration fees                          | -                  | -                | -                 | 188,512             | 22,149              | 161,216               |
| Contracted services                          | -                  | -                | -                 | 787,226             | 779,828             | 642,558               |
| Honoraria                                    | -                  | -                | -                 | 22,500              | 13,770              | 5,825                 |
| Professional fees                            | -                  | -                | -                 | 48,825              | 155,460             | 373,264               |
| Travel                                       | -                  | -                | -                 | 185,905             | 188,709             | 189,842               |
| Utilities                                    | -                  | -                | -                 | 261,324             | 343,429             | 236,600               |
| Salaries, wages and benefits                 | -                  | -                | -                 | 2,446,766           | 2,615,305           | 2,380,506             |
| Other expenses                               | -                  | -                | -                 | 4,196,886           | 6,310,973           | 5,816,998             |
| <b>Total expenses</b>                        | <b>-</b>           | <b>-</b>         | <b>-</b>          | <b>8,137,944</b>    | <b>11,600,470</b>   | <b>10,773,170</b>     |
| Other income                                 | -                  | 34,640           | 117,546           | 191,431             | 1,276,825           | (1,650,159)           |
| <b>Annual surplus (deficit)</b>              | <b>\$ -</b>        | <b>\$ 34,640</b> | <b>\$ 117,546</b> | <b>\$ 191,431</b>   | <b>\$ 1,518,628</b> | <b>\$ (1,265,431)</b> |