

GLEN VOWELL BAND COUNCIL

FINANCIAL STATEMENTS

MARCH 31, 2021

GLEN VOWELL BAND COUNCIL
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GLEN VOWELL BAND COUNCIL

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

YEAR ENDED MARCH 31, 2021

The financial statements of the Glen Vowell Band Council and all the information in this annual report are the responsibility of management and have been approved by the Band Council and the Band Manager.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards which includes certain amounts based on judgments and estimates. Management has chosen the most appropriate method to determine the judgments/estimates to ensure the financial statements are presented fairly, in all material respects.

The Glen Vowell Band Council 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 reliable and accurate and that assets are adequately safeguarded.

The Band Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Band Council meets regularly with management and is available to meet with the external auditor to satisfy themselves that each party is properly discharging their responsibilities. The Band Council also considers the engagement of the external auditor.

The financial statements have been audited by Carlyle Shepherd & Co. in accordance with Canadian generally accepted auditing standards on behalf of the Members. Carlyle Shepherd & Co. has full access to the Chief and Council.

Chief

Band Manager

**INDEPENDENT AUDITOR'S REPORT
TO THE GLEN VOWELL BAND COUNCIL**

Opinion

We have audited the financial statements of the Glen Vowell Band Council, which comprise the consolidated statement of financial position as at March 31, 2021 and the consolidated statements of financial activities, cash flows and changes in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Band as at March 31, 2021 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. We are independent of the Band in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

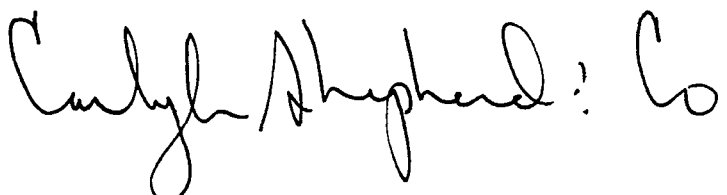
Responsibilities of Management and Council for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Band's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless conditions exist that do not allow for the going concern basis to be used.

The Council is responsible for overseeing the Band's financial reporting process.

Terrace, BC
September 17, 2021



GLEN VOWELL BAND COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

	2021	2020
	\$	\$
FINANCIAL ASSETS		
Cash	2,959,136	798,737
Accounts receivable (note 2)	421,375	166,396
Inventory (note 1)	7,579	10,179
Ottawa Trust funds (note 3)	<u>39,240</u>	<u>37,847</u>
	<u>3,427,330</u>	<u>1,013,159</u>
LIABILITIES		
Accounts payable and accruals (note 4)	246,942	258,851
Deferred revenue (note 1 and 5)	1,328,037	-
Long-term debt (note 7)	<u>26,716</u>	<u>46,708</u>
	<u>1,601,695</u>	<u>305,559</u>
NET FINANCIAL ASSETS	<u>1,825,635</u>	<u>707,600</u>
NON-FINANCIAL ASSETS		
Prepaid expenditures	27,736	37,901
Property and equipment (notes 1 and 6)	<u>6,501,457</u>	<u>5,713,523</u>
	<u>8,354,828</u>	<u>6,459,024</u>
BAND POSITION		
Surplus (note 8)	1,814,131	707,654
Equity in property and equipment (note 9)	6,501,457	5,713,523
Ottawa Trust funds (note 3)	<u>39,240</u>	<u>37,847</u>
	<u>8,354,828</u>	<u>6,459,024</u>

APPROVED BY THE COUNCIL

_____ Chief Councillor

_____ Band Manager

GLEN VOWELL BAND COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31

	Unaudited Budget 2021 \$	2021 \$	2020 \$
REVENUE			
GGC	2,539,953	3,254,155	2,539,953
BC FN Gaming Revenue Sharing LP	337,637	359,761	337,637
CMHC	-	525,471	-
First Nation Education Steering Committee	28,152	197,167	29,152
First Nation Health Authority	-	94,559	-
Gitxsan Health Society	116,305	117,253	116,305
Province of BC	-	551,856	61,372
Rental	127,786	154,645	136,686
Tricorp	-	189,686	-
Ottawa Trust funds	1,951	1,393	1,951
Other	382,279	264,680	311,007
	<u>3,534,063</u>	<u>5,710,626</u>	<u>3,534,063</u>
EXPENDITURE			
Amortization	383,925	338,434	383,925
Band Support	442,846	864,632	442,846
Brighter Futures	79,944	86,346	79,944
Capital Housing/Projects	27,025	147,505	27,025
Community Infrastructure	389,877	336,600	389,877
Economic Development	360,935	281,932	360,935
Education	205,205	849,286	205,205
Social Services	759,569	910,087	759,569
	<u>2,649,326</u>	<u>3,814,822</u>	<u>2,649,326</u>
REVENUE OVER EXPENDITURE	884,737	1,895,804	884,737
OPENING POSITION	<u>6,459,024</u>	<u>6,459,024</u>	<u>5,574,287</u>
CLOSING POSITION	<u>7,343,761</u>	<u>8,354,828</u>	<u>6,459,024</u>

GLEN VOWELL BAND COUNCIL
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Revenue over expenditure	1,895,804	884,737
Amortization	338,434	383,925
Accounts receivable	-254,979	17,794
Deferred revenue	1,328,037	-
Inventory	2,600	-3,357
Ottawa Trust funds	-1,393	-1,951
Prepaid expenditures	10,165	8,649
Accounts payable and accruals	-11,909	147,654
	<u>3,306,759</u>	<u>1,437,451</u>
FINANCING ACTIVITIES		
Long-term debt	<u>-19,992</u>	<u>-19,992</u>
INVESTING ACTIVITIES		
Property and equipment additions	<u>-1,126,368</u>	<u>-686,904</u>
CHANGE IN CASH	2,160,399	730,555
OPENING CASH BALANCE	<u>798,737</u>	<u>68,182</u>
CLOSING CASH BALANCE	<u>2,959,136</u>	<u>798,737</u>

GLEN VOWELL BAND COUNCIL

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

YEAR ENDED MARCH 31

	2021	2020
	\$	\$
Revenue over expenditure	1,895,804	884,737
Amortization	338,434	383,925
Property and equipment	-1,126,368	-686,904
Prepaid expenditures	<u>10,165</u>	<u>8,649</u>
Change in the year	1,118,035	590,407
Opening net financial assets	<u>707,600</u>	<u>117,193</u>
Closing net financial assets	<u>1,825,635</u>	<u>707,600</u>

GLEN VOWELL BAND COUNCIL

NOTES

MARCH 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

a) Fund Accounting

These financial statements have been prepared using the fund accounting method and guidelines issued by Indigenous Services Canada (ISC) which include compliance with Canadian public sector accounting standards.

The Band maintains the following funds which are consolidated into the financial statements:

- Operating fund reports the general activities of the Band.
- Capital fund reports the property and equipment of the Band, together with related financing.
- Ottawa Trust fund reports the trust funds owned by the Band and held by the federal government.

b) Reporting Entity

The Band's reporting entity includes Sik-e-Dakh Development Corporation that has been fully consolidated on a line-by-line basis.

c) Inventory

Inventory is valued at cost.

d) Accrual Accounting

Government grants and subsidy revenue are recognized as the Band becomes entitled to the funding under the applicable agreement. Funding from external parties restricted by agreement or legislation is reported as deferred revenue until used for the purposes specified.

Interest and other income are recognized when earned.

Expenditures are reported in the period the goods or services are rendered or products received.

GLEN VOWELL BAND COUNCIL

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MARCH 31, 2021

e) Property and Equipment

Property and equipment are reported at cost and are amortized using the declining balance method, at the following annual rates:

Buildings	4%
Engineered structures	4%
Equipment	20%

f) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards require management to make estimates and assumptions that affect the amounts reported. Actual results could differ from these estimates.

g) Financial Instruments

The Band measures financial assets and liabilities at market value at the date of acquisition. It is management's opinion that the Band's financial instruments are not exposed to significant interest rate, liquidity, market or other price risks.

h) Recognition of Revenue and Expenditures

Revenue is recorded in the period in which the transaction or events that give rise to the revenue occur. Funding from external parties restricted by agreement or legislation is reported as deferred revenue until used for the purposes specified. Other revenue is recognized when earned.

Expenditures are accounted for in the period when the goods and services are acquired and the liability is incurred.

2. ACCOUNTS RECEIVABLE

	2021	2020
Trade and other	\$ 435,050	\$ 180,071
Rent	-	558,633
Allowance for doubtful accounts	<u>-13,675</u>	<u>-572,308</u>
	<u>\$ 421,375</u>	<u>\$ 166,396</u>

GLEN VOWELL BAND COUNCIL

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MARCH 31, 2021

3. OTTAWA TRUST FUNDS

ISC holds funds in trust for the Band. These funds are designated as revenue or capital funds as is required by the Indian Act. The Band is permitted to expend its revenue fund for any purpose that will promote the general progress and welfare of the Band and its members. The expenditure of capital funds must be for projects of a capital nature and require the consent of the Minister of ISC.

	Capital	Revenue	2021	2020
Opening balance	\$ 22,942	\$ 14,905	\$ 37,847	\$ 35,896
Interest	-	1,393	1,393	1,951
	<u>\$ 22,942</u>	<u>\$ 16,298</u>	<u>\$ 39,240</u>	<u>\$ 37,847</u>

4. ACCOUNTS PAYABLES AND ACCRUALS

	2021	2020
Trade payables and accruals	\$ 125,696	\$ 134,991
Governmental payables	114,226	102,209
Wages and benefits	<u>7,020</u>	<u>21,651</u>
	<u>\$ 246,942</u>	<u>\$ 258,851</u>

5. DEFERRED REVENUE

CMHC Rapid Housing Initiatives	\$ 1,085,227
BC Community Workforce	31,280
BC Peace Warriors	<u>211,530</u>
	<u>\$ 1,328,037</u>

GLEN VOWELL BAND COUNCIL

NOTES

MARCH 31, 2021

6. PROPERTY AND EQUIPMENT

	Cost			Accumulated Amortization				Net Book Value		
	Opening Balance \$	Additions \$	Disposals \$	Closing Balance \$	Opening Balance \$	Annual Amortization \$	Disposals \$	Closing Balance \$	2021 \$	2020 \$
Buildings	4,934,040	490,386	-	5,424,426	2,104,927	100,409	-	2,205,336	3,219,090	2,829,113
Engineered structures	4,980,024	324,377	-	5,304,401	2,311,839	132,458	-	2,444,297	2,860,104	2,668,185
Equipment	943,481	311,605	26,819	1,228,267	727,256	105,567	26,819	806,004	422,263	216,225
	<u>10,857,545</u>	<u>1,126,368</u>	<u>26,819</u>	<u>11,957,094</u>	<u>5,144,022</u>	<u>338,434</u>	<u>26,819</u>	<u>5,455,637</u>	<u>6,501,457</u>	<u>5,713,523</u>

GLEN VOWELL BAND COUNCIL

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MARCH 31, 2021

7. LONG-TERM DEBT

Royal Bank of Canada term loan, \$1,666/month plus interest at prime plus 2.3%; secured by a general security agreement. Principal repayment is \$19,992 per year.

8. SURPLUS (DEFICIT)

	2021	2020
Band Support	\$ 525,718	\$ 271,200
Brighter Futures	51,197	45,511
Capital Housing/Projects	19,189	19,881
Community Infrastructure	153,931	248,045
Community Project Funds	494,166	-
Economic Development	180,269	-27,709
Education	344,968	100,119
Social Services	44,693	50,607
	<u>\$ 1,814,131</u>	<u>\$ 707,654</u>

9. EQUITY IN PROPERTY AND EQUIPMENT

	2021	2020
Opening balance	\$ 5,713,523	\$ 5,410,544
Contributions from operations	1,126,368	686,904
Amortization	<u>-338,434</u>	<u>-383,925</u>
Closing balance	<u>\$ 6,501,457</u>	<u>\$ 5,713,523</u>

10. COMPARATIVES

Certain comparatives have been restated to conform with current year presentation.

11. SEGMENT DISCLOSURE

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies as described in note one. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results for the year are as follows:

GLEN VOWELL BAND COUNCIL

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MARCH 31, 2021

11. SEGMENT DISCLOSURE (continued)

	Budget Total 2021	Band Support	Brighter Futures	Capital Housing/ Projects	Community Infrastructure	Economic Development	Community Project Funds	Education	Social Services	Amortization	Total 2021	Total 2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue												
GGC	2,539,953	733,609	-	436,105	279,891	57,485	494,166	357,588	895,311	-	3,254,155	2,539,953
BC FN Gaming Revenue Sharing LP	337,637	359,761	-	-	-	-	-	-	-	-	359,761	337,637
CMHC	-	-	-	525,471	-	-	-	-	-	-	525,471	-
FNESC	28,152	-	-	-	-	197,167	-	-	-	-	197,167	28,152
FNHA	-	53,081	-	-	-	30,478	-	5,000	6,000	-	94,559	-
Gitxsan Health Society	116,305	-	81,932	-	35,321	-	-	-	-	-	117,253	116,305
Province of BC	-	34,746	-	-	-	-	-	517,110	-	-	551,856	-
Rental	127,786	27,145	-	-	-	127,500	-	-	-	-	154,645	127,786
Ottawa Trust funds	1,951	1,393	-	-	-	-	-	-	-	-	1,393	1,951
Tricorp	-	-	-	-	-	16,480	-	173,206	-	-	189,686	-
Other	382,279	99,694	10,100	-	35,021	81,145	-	33,225	5,495	-	264,680	382,279
	<u>3,534,063</u>	<u>1,309,429</u>	<u>92,032</u>	<u>961,576</u>	<u>350,233</u>	<u>510,255</u>	<u>494,166</u>	<u>1,086,129</u>	<u>906,806</u>	<u>-</u>	<u>5,710,626</u>	<u>3,534,063</u>
Expenses												
Amortization	383,925	-	-	-	-	-	-	-	-	338,434	338,434	383,925
Bad debts	22,149	-	-	-	-	20,707	-	-	-	-	20,707	22,149
Bank charges and interest	10,380	5,741	-	-	-	1,259	-	-	-	-	7,000	10,380
Benefits and programs	766,194	72,400	-	-	-	-	-	377,377	724,092	-	1,173,869	766,194
Contract services	92,438	40,285	-	-	87,862	12,184	-	308,767	-	-	449,098	92,438
GGC recovery	2,376	-	-	-	-	-	-	-	22,773	-	22,773	2,376
Honoraria	75,300	68,300	-	-	-	18,000	-	-	-	-	86,300	75,300
Insurance	56,729	8,808	-	-	37,180	20,903	-	384	-	-	67,275	56,729
Materials, supplies and other	398,265	238,553	50,992	147,505	56,209	71,841	-	130,854	94,646	-	790,600	398,265
Professional services	23,621	24,031	-	-	-	-	-	-	-	-	24,031	23,621
Rent	26,265	-	4,000	-	-	-	-	-	-	-	4,000	26,265
Repairs and maintenance	97,295	42,316	-	-	26,399	29,917	-	-	-	-	98,632	97,295
Telephone and utilities	59,837	36,533	-	-	37,970	2,422	-	1,600	-	-	78,525	59,837
Travel and workshops	81,851	457	415	-	8,229	-	-	1,054	-	-	10,155	81,851
Wages and benefits	552,701	327,208	30,939	-	82,751	104,699	-	29,250	68,576	-	643,423	552,701
	<u>2,649,326</u>	<u>864,632</u>	<u>86,346</u>	<u>147,505</u>	<u>336,600</u>	<u>281,932</u>	<u>-</u>	<u>849,286</u>	<u>910,087</u>	<u>338,434</u>	<u>3,814,822</u>	<u>2,649,326</u>
REVENUE OVER EXPENDITURE	<u>884,737</u>	<u>444,797</u>	<u>5,686</u>	<u>814,071</u>	<u>13,633</u>	<u>228,323</u>	<u>494,166</u>	<u>236,843</u>	<u>-3,281</u>	<u>-338,434</u>	<u>1,895,804</u>	<u>884,737</u>
TRANSFERS	<u>-</u>	<u>4,525</u>	<u>-</u>	<u>-</u>	<u>10,447</u>	<u>-20,345</u>	<u>-</u>	<u>8,006</u>	<u>-2,633</u>	<u>-</u>	<u>-</u>	<u>-</u>
ANNUAL SURPLUS (DEFICIT)	<u>884,737</u>	<u>449,322</u>	<u>5,686</u>	<u>814,071</u>	<u>24,080</u>	<u>207,978</u>	<u>494,166</u>	<u>244,849</u>	<u>-5,914</u>	<u>-338,434</u>	<u>1,895,804</u>	<u>884,737</u>

