



Ktunaxa Nation Council Society
Financial Statements
March 31, 2021



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Ktunaxa Nation Council Society
Consolidated Financial Statements
March 31, 2021

Ktunaxa Nation Council Society

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For the year ended March 31, 2021

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Management's Responsibility

To the Members of Ktunaxa Nation Council Society

The accompanying consolidated financial statements of Ktunaxa Nation Council Society are the responsibility of management and have been approved by the Ktunaxa Nation Executive 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 Ktunaxa Nation Executive 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 Nation's external auditors.

MNP LLP is appointed by 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.

September 27, 2021

"Lynn Armstrong" signed

Director of Finance

Shawna Janvier" signed

CAO

"Sandra Luke" signed

Chair of Finance Board

To the Members of Ktunaxa Nation Council Society:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ktunaxa Nation Council Society and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, accumulated operating surplus, remeasurement gains and losses, changes 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.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, its consolidated remeasurement gains and losses, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation 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 opinion.

Responsibilities of Management and Those Charged with Governance 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 First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation'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 First Nation'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 First Nation'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 First Nation 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 First Nation 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Maple Ridge, British Columbia

September 27, 2021

MNP LLP

Chartered Professional Accountants

Ktunaxa Nation Council Society
Consolidated Statement of Financial Position

As at March 31, 2021

	2021	2020
Financial assets		
Cash and cash equivalents (Note 5)	21,558,777	32,704,227
Accounts receivable (Note 6)	1,516,381	24,817,409
Portfolio investments (Note 7)	25,089,478	3,300
Inventory for resale	103,355	91,579
Advances to related Nation entities & departments (Note 8)	116,900	208,568
Term deposits	16,268,663	7,168,831
Long-term loans	32,768	51,874
Investments in Nation Business Enterprises (Note 9)	1,304,027	965,544
	65,990,349	66,011,332
Liabilities		
Accounts payable and accruals (Note 10)	2,281,706	15,219,673
Deferred revenue (Note 11)	117,365	10,338
Short-term loan - Columbia Basin Trust (Note 12)	-	8,500,000
Long-term debt (Note 13)	122,075	-
	2,521,146	23,730,011
Net financial assets	63,469,203	42,281,321
Contingencies (Note 14)		
Subsequent events (Note 15)		
Non-financial assets		
Tangible capital assets (Schedule 1)	5,618,507	4,373,956
Prepaid expenses	139,614	154,925
	5,758,121	4,528,881
Accumulated surplus	69,227,324	46,810,202

Approved on behalf of the Ktunaxa Nation Executive Council

"Chief Heidi Gravelle" signed

Executive

"Sandra Luke" signed

Executive

Ktunaxa Nation Council Society

Consolidated Statement of Operations and Accumulated Operating Surplus

For the year ended March 31, 2021

	<i>Schedules</i>	<i>2021 Budget</i>	<i>2021 Actual</i>	<i>2020 Actual</i>
Revenue				
Indigenous Services Canada		894,341	1,698,024	1,395,394
First Nation Health Authority		4,240,077	4,512,399	4,396,247
Government of Canada		6,189,115	6,300,890	11,546,501
Other revenue		17,593,197	2,188,306	4,115,794
Impact Management Benefit Agreement		2,321,628	3,813,308	4,306,364
Province of BC		11,125,444	31,326,065	50,658,995
Income from investments in Nation business entities		-	338,483	41,347
Province of BC - Interior Health		937,948	1,811,616	939,594
British Columbia Treaty Commission - contributions (Note 26)		1,729,617	1,729,617	-
Treaty contributions to Sectors		780,350	825,022	824,390
Contracts		2,191,979	4,434,380	4,075,187
		48,003,696	58,978,110	82,299,813
Program expenses				
Core Services Department	4	4,169,315	3,569,028	3,545,527
Social Investment Sector	5	7,641,894	6,065,183	6,031,797
Lands & Resources Investment Sector	6	10,652,381	6,575,687	5,533,025
Economic Investment Sector	7	1,773,813	809,566	1,042,656
Traditional Knowledge & Language Investment Sector	8	2,164,784	750,511	875,503
Education & Employment Investment Sector	9	2,055,241	1,401,541	1,454,871
Nation Legacy Fund	10	-	200,559	74
Revenue Sharing Agreements	11	-	14,981,324	30,298,048
Traditional Knowledge & Language Enrichment Society	12	-	81	19,480
General Revenue Fund	13	6,113,770	894,304	792,130
Ktunaxa Kinbasket Treaty Financing Society	14	3,181,886	1,834,266	-
Flexinet Broadband Inc.	15	-	563,798	409,626
		37,753,084	37,645,848	50,002,737
Surplus before other income (expense)		10,250,612	21,332,262	32,297,076
Other income (expense)				
Forgiveness of Columbia Basin Trust Loan (Note 12)		-	1,000,000	-
Forgiveness of BC Treaty Commission Loan		-	-	1,053,344
Investment income		-	222,605	-
Unrealized loss on portfolio investments		-	(137,745)	-
Legal settlement		-	-	(13,000,000)
		-	1,084,860	(11,946,656)
Surplus		10,250,612	22,417,122	20,350,420
Accumulated surplus, beginning of year		46,810,202	46,810,202	26,459,782
Accumulated surplus, end of year		57,060,814	69,227,324	46,810,202

The accompanying notes are an integral part of these financial statements

Ktunaxa Nation Council Society
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Annual surplus	10,250,612	22,417,122	20,350,420
Purchases of tangible capital assets	(1,852,000)	(1,610,417)	(236,328)
Amortization of tangible capital assets	377,366	365,866	377,469
Acquisition of prepaid expenses	-	(34,341)	(376,030)
Use of prepaid expenses	-	49,652	388,390
Increase in net financial assets	8,775,978	21,187,882	20,503,921
Net financial assets, beginning of year	42,381,321	42,281,321	21,777,400
Net financial assets, end of year	51,157,299	63,469,203	42,281,321

Ktunaxa Nation Council Society
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Surplus	22,417,122	20,350,420
Non-cash items		
Amortization of tangible capital assets	365,866	377,469
Income from investment in Nation business	(338,483)	(41,347)
Unrealized loss on portfolio investments	134,774	-
Forgiveness of Columbia Basin Trust loan	(1,000,000)	-
Forgiveness of BC Treaty Commission Loan	-	(1,053,344)
	21,579,279	19,633,198
Changes in working capital accounts		
Accounts receivable	23,301,028	(23,573,882)
Inventory for resale	(11,776)	9,318
Term deposits	(9,099,832)	1,832,655
Accounts payable and accruals	(12,937,967)	12,514,742
Deferred revenue	107,027	(240,763)
Prepaid expenses	15,311	12,360
	22,953,070	10,187,628
Financing activities		
Advances of long-term debt	124,631	-
Repayment of long-term debt	(2,556)	-
Advance of Columbia Basin Trust short-term loan	-	8,500,000
Repayment of Columbia Basin Trust short-term loan	(7,500,000)	-
Advances to related Nation entities	-	(646,240)
Repayments from related Nation entities	91,668	304,909
Advances of long-term loans	-	(36,791)
Repayments of long-term loans	19,106	2,923
Purchases of portfolio investments	(25,220,952)	-
	(32,488,103)	8,124,801
Capital activities		
Purchases of tangible capital assets	(1,610,417)	(236,328)
BC Treaty Commission costs recovered	-	380,631
	(1,610,417)	144,303
Increase (decrease) in cash resources	(11,145,450)	18,456,732
Cash resources, beginning of year	32,704,227	14,247,495
Cash resources, end of year	21,558,777	32,704,227

The accompanying notes are an integral part of these financial statements

1. Operations

The Ktunaxa Nation Council Society (the "Nation Council") is incorporated under the Society Act (BC) and is located in the Province of British Columbia, and provides various programs and services to Ktunaxa Nation member Bands, Nation members living on and off reserve, and to other status and non-status persons living within the Ktunaxa Traditional Territory. The member Bands serviced by the Nation Council include: ?akisqnuq First Nation, Lower Kootenay Indian Band, ?aqam, and Tobacco Plains Indian Band. The Nation Council also includes several societies, committees and corporations which are engaged in the provision of programs and services to Ktunaxa citizens.

Impact of COVID-19 on operations

During the year and subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on the First Nation through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Ktunaxa Nation Council received additional funding from Indigenous Services Canada to cover expenses related to personal protective equipment, food security and other costs associated with adjusting operations due to COVID-19. Certain funding from Indigenous Services Canada and the Province of British Columbia is subject to producing deliverables by the Ktunaxa Nation Council which have been delayed due to COVID-19 and may result in future claw backs. Indigenous Services Canada and the Province of British Columbia have been extending deadlines for these deliverables due to COVID-19.

At this time, the extent of the impact the COVID-19 outbreak may have on the Ktunaxa Nation Council is unknown, as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. Change in accounting policy

During the year, the Nation Council adopted the weighted average method for determining the cost of its inventories. Previously, the Nation Council determined its cost of inventories using the first-in, first-out method. As both the current and prior-period inventories are immaterial, the change in policy was not applied retroactively, and prior periods have not been restated.

3. 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:

Basis of presentation

The consolidated financial statements for the Nation Council reflect the assets, liabilities, revenues and expenditures, changes in net financial assets and cash flows of the reporting entity. This entity is comprised of all the organizations that are owned or controlled by the Nation Council and are, therefore, accountable to Nation members for the administration of their financial affairs and resources.

All inter-entity transactions and balances have been eliminated on consolidation.

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.

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

Inventory

Inventory consists solely of educational and cultural materials for resale. Inventory is valued at the lower of cost and net realizable value. Cost is determined using 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.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to internal restrictions that prevent its use for current purposes is internally allocated within reserve accounts.

Portfolio investments

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Portfolio investments with prices quoted in an active market include cash bonds and equities. Long-term investments in entities that are not owned, controlled, or influenced by the Nation Council reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

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.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records for all categories of tangible capital assets. Contributed tangible assets are recorded at their fair value at the date of contribution. The tangible capital assets reconciliation is included in Schedule 1.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives. Leasehold improvements are amortized on a straight-line basis over the term of the lease.

	<i>Method</i>	<i>Rate/Term</i>
Buildings	declining balance	5 %
Computer hardware	straight-line	4 years
Office equipment	declining balance	20 %
Broadband (Nation Network)	declining balance	10 %
Automotive	declining balance	30 %

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

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities.

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

- Core Services Department
- Social Investment Sector
- Lands & Resources Investment Sector
- Economic Investment Sector
- Traditional Knowledge & Language Investment Sector
- Education & Employment Investment Sector
- Nation Legacy Fund
- Revenue Sharing Agreements
- Traditional Knowledge & Language Enrichment Society
- General Revenue Fund
- Ktunaxa Kinbasket Treaty Financing Society
- Flexinet Broadband Inc.

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.

Ktunaxa Nation Council Society business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the 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 First Nation. Thus, the First Nation'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:

- Ktunaxa Holdings LP

Net financial assets

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

Measurement uncertainty (use of estimates)

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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the year in which they become known.

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

Revenue recognition - Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Non-government funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Revenue recognition - Government transfers

Government transfers are recognized 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, Nation Council recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Revenue recognition - Own source revenue

Own source revenue derived from such sources as resource based revenues, interest income, and other revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue recognition - Investments

Revenue from investments in guaranteed investment certificates, "GIC", is recognized when interest is received.

Retirement benefits

The Nation Council established a money purchase pension plan for the benefit of its employees which is administered by TIPI-IMI Insurance Partners and carried by the Canada Life Assurance Company as plan custodian. Employer contributions to the plan are funded from current revenue sources and are deposited with the custodian on a monthly basis. Individual employees determine their contribution investment vehicles. During the year, the Nation Council recognized costs of \$1,133,714 (2020 - \$878,569) associated with funding the plan. There are no liabilities to the Nation Council as a result of the employee pension plan.

Long-lived assets and discontinued operations

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Nation Council determines that a long lived asset no longer has any long-term service potential, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Segments

The Nation Council conducts its business through ten reportable segments: Core Services Department, Social Investment Sector, Economic Investment Sector, Lands & Resources Sector, Traditional Knowledge & Language Sector, Education & Employment Sector, Nation Legacy Fund, Revenue Sharing Agreements, Traditional Knowledge & Language Enrichment Society and the General Revenue Fund. These operating segments are established by senior management to facilitate the achievement of the Nation Council'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. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

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 First Nation 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, 2021.

At each financial reporting date, the First Nation 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 First Nation 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, 2021 the Nation Council does not have a liability for remediation of a contaminated site.

4. Guarantee to SEM Resort Limited Partnership

The Ktunaxa Nation Council Society has provided guarantees in connection with credit facilities provided by Bank of Montreal, as lender, and described in the following letter agreements:

- (i) an amended and restated letter loan agreement dated February 4, 2019 (the "SEM Partnership Loan Agreement") with SEM Resort Limited Partnership, as borrower, in respect of certain assets and capital financing extended to the borrower. The Ktunaxa Nation Council Society is a co-guarantor of this loan up to a maximum of \$1,000,000; and
- (ii) a letter loan agreement dated April 27, 2018 (the "SEM Holdings Loan Agreement") with SEM Holdings Ltd., as borrower, in respect of funds for the purpose of financing SEM Holdings Ltd.'s purchase of limited partner interests in SEM Resort Limited Partnership from Samson Cree Nation and the Chippewas of Rama First Nation. The Ktunaxa Nation Council Society is a co-guarantor of this loan in the amount of \$6,000,000.

5. Cash and cash equivalents

The Ktunaxa Nation Council maintains its cash balances in a financial institution in British Columbia. The Canada Deposit Insurance Corporation (CDIC) insures each of these accounts up to \$100,000. The aggregate funds held in the financial institution may exceed the CDIC insured limit from time to time and specific funds held by the financial institution may not be covered by CDIC insurance. Management does not anticipate any material effect on the consolidated financial position of the Nation Council as a result of the concentrations.

	2021	2020
Petty cash	500	500
Banks	17,841,822	32,698,922
Gift certificates	3,700	4,805
	21,558,777	32,704,227

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

5. Cash and cash equivalents *(Continued from previous page)*

During the year the Nation Council designated \$8,615,587 of cash to be used specifically for the following purposes:

	2021	2020
Reserve account for past and future legal liability	1,000,000	950,000
Reserve account for future capital requirements	750,000	700,000
Reserve account for contingencies	500,000	400,000
Reserve account for strategic investments	3,473,581	2,210,000
Reserve account for SEM Guarantee	1,000,000	1,000,000
Reserve account for Teck Resources	50,000	-
Reserve account for BC Realization Funds	841,811	-
Reserve account for Purcells Stewardship Fund	1,000,195	-
	8,615,587	5,260,000

The above noted cash funds are internally allocated separate from the Nation Council's operating bank account and are recorded as equity reserves.

The Nation Council has an operating line of credit available in the amount of \$200,000 with the CIBC. Loan advances bear interest at prime plus 1% and the line of credit is secured by a resolution signed by the Ktunaxa Nation Council. At March 31, 2021, the balance advanced to the Nation Council was \$nil (2020 - \$nil).

6. Accounts receivable

	2021	2020
Core Services Department	85,963	234,403
Economic Investment Sector	12,435	103,804
Education & Employment Sector	289,686	158,453
Social Investment Sector	284,878	326,696
Lands and Resources Sector	860,196	1,158,954
Traditional Language and Knowledge Sector	3,756	4,548
Revenue Sharing Agreements	-	23,000,000
Nation Legacy Fund	200,164	-
Ktunaxa Kinbasket Treaty Financing Society	11,096	-
Allowance for Doubtful Accounts	(231,793)	(169,449)
	1,516,381	24,817,409

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Portfolio investments

	2021	2020
Measured at cost:		
All Nations Trust Company - unit value of Class A common shares	3,300	3,300
Measured at fair value:		
Jarislowsky Fraser Ltd. Securities Portfolio - Ktunaxa Nation Council Society	7,669,317	-
Jarislowsky Fraser Ltd. Securities Portfolio - Nation Legacy Fund	17,416,861	-
	25,086,178	-
	25,089,478	3,300

Portfolio investments measured at fair value are managed by the portfolio manager following the investment policy set out by council.

8. Advances to related Nation entities & departments

	2021	2020
Advances to TIPI Mountain Eco-Cultural Services - Loan receivable	32,538	82,763
Advances to TIPI Mountain Native Plants - Line of credit	60,529	89,287
Advances to TIPI Mountain Native Plants - Loan receivable	23,833	36,518
	116,900	208,568

The loan receivable from TIPI Mountain Eco-Cultural Services bears interest at 2.75% per annum, is unsecured, and has monthly scheduled repayments of \$1,518 over 2 years. The loan is expected to be fully received in January 2023.

The line of credit receivable from TIPI Mountain Native Plants bears interest at 1.25% per annum, is unsecured, and has monthly scheduled repayments of \$2,460 over 2 years. The loan is expected to be fully received in April 2023.

The loan receivable from TIPI Mountain Native Plants bears interest at 3.45% per annum, is unsecured, and has monthly scheduled repayments of \$1,127 over 2 years. The loan is expected to be fully received in January 2023.

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

9. Investments in Nation Business Enterprises

The First Nation has an investment in the following entity:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings</i>	<i>2021 Total investment</i>
First Nation Business – Modified Equity:				
Ktunaxa Holdings Limited Partnership - 20%	465,544	500,000	338,483	1,304,027

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings</i>	<i>2020 Total investment</i>
First Nation Business – Modified Equity:				
Ktunaxa Holdings Limited Partnership - 20%	745,407	-	220,137	965,544

During the year, the Ktunaxa Holdings Limited Partnership converted the Nation Council's April 16, 2019 capital contribution of \$500,000 to a loan. The loan is secured by the assets of the partnership. Repayment is for interest only commencing semi-annually from June 30 2021 until December 31, 2023 and principal and interest commencing semi-annually from June 30, 2024 until December 31, 2029.

Summary financial information for the First Nation business enterprise, accounted for using the modified equity method, for its respective year-end is as follows:

	<i>Ktunaxa Holdings LP As at March 31, 2020</i>
Current assets	1,002,393
Investments	4,278,928
Due from related parties	275,851
	5,557,172
Current liabilities	121,823
Due to related parties	2,000,000
Partnership capital	195,051
Partners' equity	3,240,298
	5,557,172
Revenue	1,702,729
Expenses	10,231
Net income	1,692,498

10. Accounts payable and accruals

Included in accounts payable and accruals are government payroll remittances payable of \$nil (2020 - \$nil).

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

11. 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>Recognized</i>	<i>Balance, end of year</i>
BC Hydro - Deposit Training	3,250	-	3,250	-
Treaty rent	-	6,349	6,349	-
Benga Mining	-	40,000	33,720	6,280
Fortis	-	100,000	16,013	83,987
Prepaid client rent	550	550	1,100	-
Elder's Gathering 2020-21	4,500	20,000	-	24,500
TKL Gift Store - gift cards	2,038	1,360	800	2,598
	10,338	168,259	61,232	117,365

Totals at March 31, 2021 for the above deferred funding as grouped by funding source are:

Federal Funding:	\$0	(2020 - \$0)
Provincial Funding:	\$0	(2020 - \$550)
Other Funding:	\$117,365	(2020 - \$9,788)

12. Short-term loan - Columbia Basin Trust

On October 15, 2019, the Columbia Basin Trust advanced a short-term bridge loan of \$8,500,000 to the Ktunaxa Nation Council to cover expenditures associated with the legal settlement involving the Nature Conservancy of Canada buyout of Glacier Resort Ltd.

On July 31, 2020, the Ktunaxa Nation Council repaid \$7,500,000 of the principal balance outstanding, with the remaining \$1,000,000 being forgiven by the Columbia Basin Trust in accordance with the bridge loan agreement dated July 27, 2021.

13. Long-term debt

	2021	2020
Ford Credit - Truck loan bearing interest at 2.99% per annum, repayable in monthly payments of \$713. The loan is due in March 2026.	39,631	-
Community Futures East Kootenay (CFEK) - Fixed rate term loan bearing interest at 6.50% per annum, repayable in monthly payments of \$783. The loan is due in November 2023.	22,444	-
Canada Emergency Business Account (CEBA) loan - Non-interest bearing, no scheduled principal repayments, balance due December 31, 2025, eligible for 25% forgiveness (up to \$20,000) if balance repaid on or before December 31, 2022.	60,000	-
	122,075	-

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

13. Long-term debt *(Continued from previous page)*

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:

2022	15,460
2023	16,305
2024	13,766
2025	8,166
2026	68,378

All outstanding long-term debt was obtained by Flexinet Broadband Inc. The CFEK term loan is secured by a general security agreement constituting a first ranking security interest in all personal property of Flexinet Broadband Inc., assignment of adequate property insurance, and third-party liability insurance not less than \$1,000,000.

14. Contingencies

The Ktunaxa Nation Council was successful in its application on February 23, 2015 to be added as a defendant to the Notice of Civil Claim brought by the Okanagan Nation Alliance ("ONA"), against the Province of British Columbia. The principal focus of the ONA's action, which was filed in August 2014, is to challenge the Wensley Bench Incremental Treaty Agreement entered into by the Province of British Columbia and the Nation Council in March 2013. The Ktunaxa Nation Council filed its Response to Civil Claim on April 28, 2015. The parties have exchanged documents, but no further steps have been taken in the litigation. Costs could be awarded in favour of or against the Ktunaxa Nation Council in this proceeding.

15. Subsequent events

Subsequent to year-end, members have proposed resolutions to the Ktunaxa Nation Council Society's bylaws and constitution, that if adopted, may have significant impact on the role, responsibilities, function and organizational structure of the Ktunaxa Nation Council. As at the date of the audit report, the outcome remains undeterminable.

16. Nation Legacy Fund

The Ktunaxa Nation Legacy Fund is a fund administered under the direct authority of the Ktunaxa Nation Executive Council. Expenditures are prohibited unless expressly permitted by the Ktunaxa Nation Executive Council. The purpose of the fund is for the long-term cultural perpetuity based on the Ktunaxa strategic priorities plan not yet fully determined. No administration fees are charged. Interest earned is 2.05% on Cash and 2.0% to 2.15% on Guaranteed Investment Certificates (GIC). The Fund includes the following balances:

Cash	\$4,675,642
GIC	\$5,366,983
JFL Investment	\$19,917,789

17. Revenue Sharing Agreements

The Nation Council has signed Agreements with industry and governments to share revenues derived from the use of resources within the Ktunaxa Territory to support self-government and enhance the well being of Ktunaxa Citizens by setting out the Parties' Agreement with respect to how revenues may be shared between them. The Nation Council, Aq'am, Akisqnuq, Lower Kootenay Indian Band, Tobacco Plains Indian Band and the Nation Legacy Fund have an internal Agreement, Internal Revenue Sharing Agreement (IRSA), to share the revenues based on an agreed to allocation.

Revenue Sharing Agreements currently include:

- Province of BC - ECDA – Economic and Community Development Agreement
 - Including the Forestry Revenue Sharing Appendix
 - Including Mineral Taxation
- BC Hydro – Aberfeldie Dam
- Teck Coal Resources Ltd. IMBA

18. Financial Instruments

The Nation Council as part of its operations carries a number of financial instruments. It is management's opinion that the Nation Council is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Nation Council enters into transactions to buy and sell marketable securities, for which the market price fluctuates. The fair value of marketable securities at March 31, 2021 is \$25,086,178 (2020 - \$nil).

During the year, the Nation Council's exposure to other price risk increased due to an increase in marketable securities in comparison to the prior year.

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

19. Related party transactions

	2021	2020
Due from member bands	4,218	153,302
Nupqu Development Co.	7,115	12,573
Ktunaxa Child & Family Service Society	104	3,410
Ktunaxa Kinbasket Treaty Financing Society	81,915	7,659
Ktunaxa Enterprises Ltd.	1,192	-
TIPI Mountain	-	102
Total due from related parties	94,544	177,046
?aqam	54,751	65,665
Tobacco Plains Indian Band	52,217	127,196
Lower Kootenay Indian Band	2,682	16,800
?akisqnuq First Nation	70,891	63,381
Ktunaxa Child & Family Service Society	147,163	168,443
Ktunaxa Treaty Financing Society	1,476,578	1,791,127
Nupqu Development Co.	70,617	51,263
TIPI Mountain	123,904	123,856
Ktunaxa Enterprises Ltd.	25,374	10,388
Ktunaxa Holdings Limited Partnership	-	500
Total received from related parties	2,024,177	2,418,619
?aqam	33,839	3,396,994
Tobacco Plains Indian Band	12,425	3,392,725
Lower Kootenay Indian Band	369	3,405,000
?akisqnuq First Nation	83,616	3,393,340
Total due to related parties	130,249	13,588,059
?aqam	4,284,008	7,974,765
Tobacco Plains Indian Band	4,414,542	7,873,989
Lower Kootenay Indian Band	3,694,354	8,237,140
?akisqnuq First Nation	4,668,658	7,794,535
Nupqu Development Co.	29,295	62,000
Ktunaxa Enterprises Ltd.	-	141,000
Total paid to related parties	17,090,857	32,083,429

Total due to related parties is included on the Statement of Financial Position in accounts payable and accruals.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

20. Commitments

The Nation Council has entered into various lease agreements with estimated minimum annual payments as follows:

2022	67,956
2023	39,493
2024	40,393
2025	40,693
2026	41,593

21. Due to Indigenous Services Canada

Included in accounts payable and accruals is \$nil (2020 - \$nil) due to Indigenous Services Canada.

22. Segments

The significant operational segments are the five Sectors, Core Services Department, Nation Legacy Fund, Revenue Sharing Agreements, Traditional Knowledge & Language Enrichment Society, General Revenue Fund, Ktunaxa Kinbasket Treaty Financing Society and Flexinet Broadband Inc.. See schedules 4 through 15 for summarized and detailed segment reporting for each.

Core Services Department: delivers human resources, financial management and planning, information technology, communication, facilities and building management, events co-ordination, strategic planning, executive and governance leadership.

Economic Investment Sector: delivers technical, research and advisory services in respect of economic development, economic opportunities and economic capacity building and revenue generation.

Lands & Resources Sector: delivers technical, research and advisory services in respect of land and environmental stewardship.

Social Investment Sector: delivers technical, research, advisory and program and client services in respect of health and welfare of Ktunaxa citizens.

Traditional Knowledge & Language Sector: delivers technical, research, advisory in language and cultural preservation.

Education & Employment Sector: makes decisions on behalf of the Ktunaxa Nation regarding education and employment within the Ktunaxa traditional territory and delivers technical, research, advisory, and client services in respect of their mandate.

Nation Legacy Fund: holds funds under the authority of the Ktunaxa Nation Executive Council for long-term Ktunaxa strategic priorities not yet determined.

Revenue Sharing Agreements: allocates revenues received from industry and governments to The Nation Council, Aq'am, Akisqnuk, Lower Kootenay Indian Band, Tobacco Plains Indian Band and the Nation Legacy Fund based on an Internal Revenue Sharing Agreement.

Traditional Knowledge & Language Enrichment Society: promotes the language, education & cultural traditions of the Ktunaxa Nation to its members and stakeholders via grants and contributions.

General Revenue Fund: captures transactions regarding the sources and uses of funds received from Ktunaxa Nation Council's share of distribution from the Internal Revenue Sharing Agreement (IRSA). Uses are based on a Strategic Operational Plan identifying Strategic Initiatives for Nation Rebuilding.

Ktunaxa Kinbasket Treaty Financing Society: negotiates a treaty with Canada and British Columbia.

Flexinet Broadband Inc.: provides broadband internet services within the East Kootenays region.

Ktunaxa Nation Council Society
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

23. Remuneration to Employees and Contractors

During the March 31, 2021 year end, the top ten remunerated employees and contractors earning more than \$75,000 annually were paid \$1,365,853.

24. Financial Ratios

	2021	2020
Adjusted liquidity ratio	2,691%	273%
Adjusted sustainability ratio	2,617%	278%
Adjusted working capital ratio to revenue ratio	105%	50%

25. Senior Management Compensation

During the year ended March 31, 2021, the Nation Council had eight senior management officials with remuneration of more than \$75,000 with combined respective salary and honoraria of \$128,082, \$111,569, \$178,226, \$122,213, \$115,670, \$132,298, \$118,731 and \$127,924.

26. Ktunaxa Kinbasket Treaty Financing Society comparative figures

In prior years, the Nation Council deferred the expenditures, net of BC Treaty Commission contributions, associated with treaty negotiation between the Bands and the Federal and Provincial governments and presented them as an asset on the consolidated statement of financial position because the Nation Council believed a settlement would be reached. These deferred charges, net of the BC Treaty Commission Loan and the loan payable to Indigenous Services Canada, were charged to the consolidated statement of operations as other income when all treaty negotiation loans were forgiven by the Government of Canada, effective March 31, 2020.

In the current year, BC Treaty Commission contributions and treaty negotiation expenditures are presented on the statement of operations and accumulated operating surplus as there are no longer outstanding loans with the BC Treaty Commission and Indigenous Services Canada.

This change in presentation results in the statement of operations and accumulated operating surplus and Schedule 14 not having prior year comparative figures for the Ktunaxa Kinbasket Treaty Financing Society. Prior year contributions, expenditures and loan forgiveness for the Ktunaxa Kinbasket Treaty Financing Society are summarized as follows:

BC Treaty Commission contributions	\$2,086,152
Expenditures	\$1,705,520
Loan forgiveness	\$28,443,752

27. Budget information

Current year budget figures included on the consolidated statement of operations are for the Ktunaxa Nation Council and Ktunaxa Kinbasket Treaty Financing Society only. These budget figures exclude Flexinet Broadband Inc, Nation Legacy Fund, Revenue Sharing Agreements and Traditional Knowledge & Language Enrichment Society, which are otherwise consolidated in the actual results.

28. Comparative figures

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

Ktunaxa Nation Council Society
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

	<i>Building and Improvements</i>	<i>Equipment</i>	<i>Automobile</i>	<i>Leasehold Improvements</i>	<i>Broadband</i>	<i>2021</i>	<i>2020</i>
Cost							
Balance, beginning of year	3,507,925	683,361	586,175	136,227	4,469,558	9,383,246	9,146,918
Acquisition of tangible capital assets	1,506,444	43,309	60,664	-	-	1,610,417	236,328
Balance, end of year	5,014,369	726,670	646,839	136,227	4,469,558	10,993,663	9,383,246
Accumulated amortization							
Balance, beginning of year	897,656	436,615	407,414	130,152	3,137,453	5,009,290	4,631,821
Annual amortization	159,322	29,717	55,881	6,075	114,871	365,866	377,469
Balance, end of year	1,056,978	466,332	463,295	136,227	3,252,324	5,375,156	5,009,290
Net book value of tangible capital assets	3,957,391	260,338	183,544	-	1,217,234	5,618,507	4,373,956
2020 Net book value of tangible capital assets	2,610,269	246,746	178,761	6,075	1,332,105	4,373,956	

Ktunaxa Nation Council Society
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Consolidated expenses by object			
Administration	1,134,352	1,416,983	1,247,192
Advertising	318,964	35,769	56,105
Amortization	377,366	365,866	377,469
Annual Salary	13,085,117	11,168,817	9,085,063
Automotive	94,949	75,483	67,739
Capital purchases	1,852,000	-	-
Contingency	554,768	-	-
Cost of goods sold	50,000	-	-
Donations & grants	3,523,231	16,906	54,098
Education & training	1,074,949	172,736	146,118
Flow through to ?akisqnuq First Nation	550,387	4,668,658	7,799,535
Flow through to ?aqam	607,359	4,284,008	7,974,765
Flow through to ACELP	14,077	10,710	34,000
Flow through to KEL	-	-	141,000
Flow through to Lower Kootenay Indian Band	462,557	3,694,354	8,237,140
Flow through to Nupqu	38,504	29,295	62,000
Flow through to Tobacco Plains Indian Band	536,459	4,414,542	7,873,989
Flow through to communities	203,502	-	-
General revenue fund initiatives	1,290,000	-	-
Information technology	24,200	86	-
Insurance	98,496	106,347	92,598
Miscellaneous	69,814	51,620	60,200
Nation, Sector Council & Committees	1,488,760	539,224	576,466
Office supplies and expenses	224,913	386,323	224,520
Professional fees	5,850,493	4,468,955	4,062,509
Program service delivery	815,083	493,349	628,626
Rent & related costs	607,207	706,424	526,617
Research & development	25,000	-	-
Settlements & disputes	1,962,755	-	-
Small equipment purchases	186,088	383,405	198,904
Staff meeting & travel	541,722	84,320	404,561
Telephone	90,012	71,668	71,523
	37,753,084	37,645,848	50,002,737

Ktunaxa Nation Council Society
Schedule 3 - Consolidated Schedule of Revenue and Expenses and Operating Surplus
For the year ended March 31, 2021

	<i>Schedule #</i>	<i>Budget</i>	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Other income (expense)</i>	<i>Current Surplus (Deficit)</i>
Segments								
Core Services Department	4	778,902	1,006,774	1,735,420	2,742,194	3,569,028	-	(826,834)
Social Investment Sector	5	(13)	402,500	6,832,322	7,234,822	6,065,183	-	1,169,639
Lands & Resources Investment Sector	6	5,688,608	288,750	17,076,202	17,364,952	6,575,687	1,000,000	11,789,265
Economic Investment Sector	7	225,330	-	2,789,117	2,789,117	809,566	-	1,979,551
Traditional Knowledge & Language Investment Sector	8	359,021	-	575,352	575,352	750,511	-	(175,159)
Education & Employment Investment Sector	9	-	-	1,847,074	1,847,074	1,401,541	-	445,533
Nation Legacy Fund	10	-	-	5,603,783	5,603,783	200,559	(82,211)	5,321,013
Revenue Sharing Agreements	11	-	-	14,942,891	14,942,891	14,981,324	-	(38,433)
Traditional Knowledge & Language Enrichment Society	12	-	-	41,856	41,856	81	-	41,775
General Revenue Fund	13	3,728,862	-	3,558,646	3,558,646	894,304	167,071	2,831,413
Ktunaxa Kinbasket Treaty Financing Society	14	(530,098)	-	1,729,617	1,729,617	1,834,266	-	(104,649)
Flexinet Broadband Inc.	15	-	-	547,806	547,806	563,798	-	(15,992)
Total		10,250,612	1,698,024	57,280,086	58,978,110	37,645,848	1,084,860	22,417,122

Ktunaxa Nation Council Society
Core Services Department
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	794,341	1,006,774	729,227
Other revenue	3,661,557	278,103	559,136
Impact Management Benefit Agreement	5,320	-	3,990
Treaty contributions to Sectors	325,850	311,326	325,850
Contracts	161,149	1,145,991	1,273,822
	4,948,217	2,742,194	2,892,025
Expenses			
Administration	42,364	48,181	179,247
Advertising	29,038	2,396	16,781
Amortization	377,366	347,845	370,974
Annual Salary	2,214,606	1,950,901	1,586,793
Automotive	23,988	16,254	15,316
Capital purchases	23,000	-	-
Donations & grants	-	-	820
Education & training	59,677	4,764	12,550
Insurance	88,596	89,278	83,815
Miscellaneous	8,989	5,832	15,941
Nation, Sector Council & Committees	39,169	7,668	12,288
Office supplies and expenses	131,826	59,453	98,494
Professional fees	654,999	585,171	757,376
Program service delivery	39,289	705	-
Rent & related costs	334,332	357,580	303,193
Small equipment purchases	57,688	71,907	55,472
Staff meeting & travel	21,756	3,759	14,119
Telephone	22,632	17,334	22,348
	4,169,315	3,569,028	3,545,527
Deficit before other items	778,902	(826,834)	(653,502)
Forgiveness of BC Treaty Commission Loan	-	-	1,053,344
Surplus (deficit)	778,902	(826,834)	399,842

Ktunaxa Nation Council Society
Social Investment Sector
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	100,000	402,500	381,775
First Nation Health Authority	4,240,077	4,512,399	4,396,247
Other revenue	2,275,851	361,969	456,066
Province of BC	88,005	93,188	89,969
Province of BC - Interior Health	937,948	1,811,616	939,594
Contracts	-	53,150	151,213
	7,641,881	7,234,822	6,414,864
Expenses			
Administration	355,958	377,568	419,719
Advertising	22,500	-	923
Annual Salary	3,089,744	3,156,505	2,845,148
Automotive	36,000	18,573	23,896
Capital purchases	466,000	-	-
Contingency	5,000	-	-
Donations & grants	512,543	8,000	13,790
Education & training	95,408	14,413	17,542
Flow through to ?akisqnuq First Nation	375,518	414,674	376,364
Flow through to ?aqam	465,321	513,716	432,275
Flow through to Lower Kootenay Indian Band	296,505	327,343	274,033
Flow through to Tobacco Plains Indian Band	377,922	417,228	413,918
Insurance	8,300	6,452	-
Miscellaneous	1,150	7,214	10,518
Nation, Sector Council & Committees	116,350	37,326	186,328
Office supplies and expenses	22,207	31,594	34,588
Professional fees	625,737	343,934	417,829
Program service delivery	424,175	162,107	274,466
Rent & related costs	210,175	128,009	133,268
Research & development	5,000	-	-
Small equipment purchases	47,000	76,655	41,781
Staff meeting & travel	58,101	6,374	95,164
Telephone	25,280	17,498	20,247
	7,641,894	6,065,183	6,031,797
Surplus	(13)	1,169,639	383,067

Ktunaxa Nation Council Society
Lands & Resources Investment Sector
Schedule 6 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	-	288,750	175,000
Government of Canada	5,292,508	5,352,491	10,686,722
Other revenue	785,054	104,112	1,415,104
Impact Management Benefit Agreement	500,000	500,000	1,000,000
Province of BC	8,104,507	8,856,351	2,830,835
Treaty contributions to Sectors	89,500	148,697	133,600
Contracts	1,569,420	2,114,551	1,664,530
	16,340,989	17,364,952	17,905,791
Expenses			
Administration	511,076	511,077	438,949
Advertising	27,276	1,931	4,140
Annual Salary	3,521,567	2,843,815	2,306,815
Automotive	32,186	21,714	16,720
Capital purchases	75,000	-	-
Contingency	10,000	-	-
Donations & grants	195,170	-	-
Education & training	74,927	3,948	32,119
Flow through to ?akisqnuq First Nation	110,000	60,000	-
Flow through to ?aqam	110,000	60,000	-
Flow through to Lower Kootenay Indian Band	110,000	60,000	-
Flow through to Tobacco Plains Indian Band	110,000	60,000	-
Insurance	1,600	3,249	3,762
Miscellaneous	7,591	8,059	11,351
Nation, Sector Council & Committees	283,573	182,417	128,771
Office supplies and expenses	27,865	76,203	30,663
Professional fees	3,076,876	2,445,487	2,307,858
Program service delivery	33,143	3,320	31,876
Rent & related costs	39,700	42,800	12,990
Research & development	10,000	-	-
Settlements & disputes	1,962,755	-	-
Small equipment purchases	28,913	125,483	27,792
Staff meeting & travel	279,463	51,805	169,757
Telephone	13,700	14,379	9,462
	10,652,381	6,575,687	5,533,025
Surplus before other items	5,688,608	10,789,265	12,372,766
Other items			
Legal settlement	-	-	(13,000,000)
Forgiveness of Columbia Basin Trust Loan (Note 12)	-	1,000,000	-
	-	1,000,000	(13,000,000)
Surplus (deficit)	5,688,608	11,789,265	(627,234)

Ktunaxa Nation Council Society
Economic Investment Sector
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue (repayments)			
Indigenous Services Canada	-	-	(45,608)
Government of Canada	135,000	177,493	85,913
Other revenue	616,810	30,868	278,552
Income from investment in Nation business entities	-	338,483	41,347
Province of BC	884,000	1,584,000	209,932
Treaty contributions to Sectors	100,000	100,000	98,940
Contracts	263,333	558,273	532,012
	1,999,143	2,789,117	1,201,088
Expenses			
Administration	41,224	39,724	50,942
Advertising	19,550	11,413	5,456
Annual Salary	463,911	441,238	443,891
Automotive	1,575	640	1,332
Capital purchases	800,000	-	-
Contingency	10,000	-	-
Education & training	13,137	16,893	7,789
Flow through to ?akisqnuq First Nation	39,869	30,334	1,000
Flow through to ?aqam	7,038	5,355	1,000
Flow through to ACELP	14,077	10,710	34,000
Flow through to Ktunaxa Enterprises Ltd.	-	-	141,000
Flow through to Lower Kootenay Indian Band	31,052	23,625	51,000
Flow through to Nupqu Development Co.	38,504	29,295	62,000
Flow through to Tobacco Plains Indian Band	23,537	17,908	37,900
Insurance	-	2,183	-
Miscellaneous	3,400	1,550	2,595
Nation, Sector Council & Committees	42,769	7,913	35,912
Office supplies and expenses	1,160	1,852	15,313
Professional fees	187,373	153,514	110,705
Program service delivery	700	-	-
Rent & related costs	-	5,477	2,144
Research & development	10,000	-	-
Small equipment purchases	600	1,431	14,758
Staff meeting & travel	21,337	5,540	21,525
Telephone	3,000	2,971	2,394
	1,773,813	809,566	1,042,656
Surplus	225,330	1,979,551	158,432

Ktunaxa Nation Council Society
Traditional Knowledge & Language Investment Sector
Schedule 8 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	-	-	155,000
Other revenue	2,133,805	86,287	219,796
Impact Management Benefit Agreement	100,000	100,000	100,000
Treaty contributions to Sectors	265,000	265,000	266,000
Contracts	25,000	124,065	74,395
	2,523,805	575,352	815,191
Expenses			
Administration	10,584	10,868	40,400
Advertising	157,000	461	2,417
Annual Salary	708,104	484,340	507,084
Automotive	1,200	-	-
Capital purchases	65,000	-	-
Contingency	19,768	-	-
Cost of goods sold	50,000	-	-
Donations & grants	70,206	-	-
Education & training	23,829	-	820
Flow through to communities	88,046	-	-
Insurance	-	1,088	-
Miscellaneous	8,649	771	8,166
Nation, Sector Council & Committees	198,353	48,310	108,826
Office supplies and expenses	11,587	9,801	4,456
Professional fees	472,219	138,351	134,370
Program service delivery	192,134	-	27,197
Rent & related costs	11,000	23,759	4,145
Small equipment purchases	32,300	27,264	10,950
Staff meeting & travel	38,433	3,870	23,693
Telephone	6,372	1,628	2,979
	2,164,784	750,511	875,503
Deficit	359,021	(175,159)	(60,312)

Ktunaxa Nation Council Society
Education & Employment Investment Sector
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Government of Canada	761,607	770,906	773,866
Other revenue	638,709	87,064	105,394
Impact Management Benefit Agreement	139,526	-	-
Province of BC	345,622	619,540	340,738
Contracts	169,777	369,564	369,810
	2,055,241	1,847,074	1,589,808
Expenses			
Administration	105,604	102,954	106,004
Advertising	9,750	2,996	2,410
Annual Salary	952,624	711,117	790,968
Automotive	-	1,040	1,235
Contingency	10,000	-	-
Education & training	557,971	122,654	72,934
Flow through to communities	115,456	-	-
Miscellaneous	4,435	3,793	3,173
Nation, Sector Council & Committees	41,219	14,536	49,865
Office supplies and expenses	11,893	39,671	17,397
Professional fees	78,500	63,218	47,950
Program service delivery	125,642	324,294	293,887
Rent & related costs	2,000	-	1,229
Small equipment purchases	5,987	3,499	1,069
Staff meeting & travel	22,632	6,142	59,431
Telephone	11,528	5,627	7,319
	2,055,241	1,401,541	1,454,871
Surplus	-	445,533	134,937

Ktunaxa Nation Council Society
Nation Legacy Fund
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 <i>Actual</i>	2020 <i>Actual</i>
Revenue		
Other revenue	404,715	501,967
Impact Management Benefit Agreement	544,130	624,129
Province of BC	4,645,392	13,269,901
Contracts	9,546	9,405
	5,603,783	14,405,402
Expenses		
Administration	200,559	74
Surplus before other items	5,403,224	14,405,328
Other items		
Investment income	57,746	-
Unrealized loss on portfolio investments	(139,957)	-
	(82,211)	-
Surplus	5,321,013	14,405,328

Ktunaxa Nation Council Society
Revenue Sharing Agreements
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 <i>Actual</i>	2020 <i>Actual</i>
Revenue		
Other revenue	29,712	16,027
Impact Management Benefit Agreement	1,088,896	1,245,949
Province of BC	13,824,283	29,051,989
	14,942,891	30,313,965
Expenses		
Administration	295	111
Flow through to ?akisqnuk First Nation	4,138,650	7,422,170
Flow through to ?aqam	3,679,937	7,541,490
Flow through to Lower Kootenay Indian Band	3,268,036	7,912,107
Flow through to Tobacco Plains Indian Band	3,894,406	7,422,170
	14,981,324	30,298,048
Surplus (deficit)	(38,433)	15,917

Ktunaxa Nation Council Society
Traditional Knowledge & Language Enrichment Society
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 <i>Actual</i>	2020 <i>Actual</i>
Revenue		
Other revenue	41,856	119,285
Expenses		
Administration	81	5,518
Insurance	-	750
Miscellaneous	-	903
Nation, Sector Council & Committees	-	1,067
Office supplies and expenses	-	2,741
Professional fees	-	7,392
Staff meeting & travel	-	1,109
	81	19,480
Surplus	41,775	99,805

Ktunaxa Nation Council Society
General Revenue Fund
Schedule 13 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Other revenue	6,559,240	215,814	1,952
Impact Management Benefit Agreement	1,576,782	1,580,282	1,332,296
Province of BC	1,703,310	1,703,310	4,865,630
Contracts	3,300	59,240	-
	9,842,632	3,558,646	6,199,878
Expenses			
Administration	-	50,164	-
Advertising	30,000	8,328	22,768
Annual Salary	474,558	365,992	440,854
Automotive	-	75	25
Capital purchases	423,000	-	-
Contingency	500,000	-	-
Donations & grants	2,745,312	8,906	39,487
Education & training	250,000	10,066	2,364
Flow through to ?akisqnuq First Nation	25,000	25,000	-
Flow through to ?aqam	25,000	25,000	-
Flow through to Lower Kootenay Indian Band	25,000	15,350	-
Flow through to Tobacco Plains Indian Band	25,000	25,000	-
General revenue fund initiatives	1,290,000	-	-
Insurance	-	-	275
Miscellaneous	-	13,715	6,553
Nation, Sector Council & Committees	34,400	28,267	51,698
Office supplies and expenses	-	97,740	6,314
Professional fees	165,000	139,546	171,516
Program service delivery	-	2,923	1,200
Rent & related costs	-	58,762	300
Small equipment purchases	-	10,949	27,285
Staff meeting & travel	100,000	6,830	19,763
Telephone	1,500	1,691	1,728
	6,113,770	894,304	792,130
Surplus before other items	3,728,862	2,664,342	5,407,748
Other items			
Investment income	-	164,859	-
Unrealized gain on portfolio investments	-	2,212	-
	-	167,071	-
Surplus	3,728,862	2,831,413	5,407,748

Ktunaxa Nation Council Society
Ktunaxa Kinbasket Treaty Financing Society
Schedule 14 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
British Columbia Treaty Commission - Contributions	1,729,617	1,729,617	-
Other revenue - Income carried forward from 2020 fiscal year	922,171	-	-
	2,651,788	1,729,617	-
Expenses			
Administration	67,542	65,934	-
Advertising	23,850	7,813	-
Annual Salary	1,660,003	1,079,656	-
Information technology	24,200	86	-
Miscellaneous	35,600	8,622	-
Nation, Sector Council & Committees	732,927	209,677	-
Office supplies and expenses	18,375	6,403	-
Professional fees	589,789	426,127	-
Rent & related costs	10,000	10,000	-
Small equipment purchases	13,600	16,430	-
Telephone	6,000	3,518	-
	3,181,886	1,834,266	-
Deficit	(530,098)	(104,649)	-

Ktunaxa Nation Council Society
Flexinet Broadband Inc.
Schedule 15 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021 <i>Actual</i>	2020 <i>Actual</i>
Revenue		
Other revenue	547,806	442,516
Expenses		
Administration	9,578	6,231
Advertising	430	1,210
Amortization	18,021	6,495
Annual Salary	135,252	163,509
Automotive	17,187	9,216
Insurance	4,097	3,996
Miscellaneous	2,063	1,000
Nation, Sector Council & Committees	3,111	1,710
Office supplies and expenses	63,605	14,553
Professional fees	173,607	107,515
Rent & related costs	80,037	69,349
Small equipment purchases	49,788	19,797
Telephone	7,022	5,045
	563,798	409,626
Surplus (deficit)	(15,992)	32,890

Ktunaxa Nation Council Society
Schedule 16 - Schedule of First Nations Health Authority - Set Funding

For the year ended March 31, 2021

	2021 Budget	2021 FNHA	2021 Total	2020 Actual
Revenue				
First Nations Health Authority	304,159	413,152	413,152	298,195
Carryforward	-	-	-	29,727
Total Revenue	304,159	413,152	413,152	327,922
Expenditures				
Home & Community Care				
Direct To Communities	263,000	263,000	263,000	313,000
Home Care Nursing	41,159	50,411	50,411	38,829
Total Expenditures	304,159	313,411	313,411	351,829
Total Surplus/(Deficit)	-	99,741	99,741	(23,907)

Ktunaxa Nation Council Society

Schedule 17 - Schedule of ASET

For the year ended March 31, 2021

	2020/2021 Budget per AEP HRDC	Actuals ASET EI Part II	Actuals ASET CRF	Actuals ASET FNICCI	Total Actuals Actual 2021	Actual 2020
Revenue						
Government of Canada	769,279	208,311	457,974	75,456	741,741	736,627
Total Revenue	769,279	208,311	457,974	75,456	741,741	736,627
Expenditure						
Agreement Holder Administration Costs						
Salaries, Wages & Related - EI	31,709	36,967			36,967	31,709
Salaries, Wages & Related - CRF	64,042		53,410		53,410	64,042
Core Program Services						
Agreement Holder - EI Part II	56,118	151,344			151,344	56,118
Agreement Holder - CRF	239,193		200,032		200,032	259,041
Agreement Holder Programs						
EI Part II	16,866				-	16,866
ASETS/CRF	156,655		189,084		189,084	111,525
Partnership Development - CRF	10,440		30,000		30,000	10,440
Partnership Development - EI	118,803	20,000			20,000	118,803
Child Care Programs - FNICCI	75,456			75,455	75,455	75,457
Total Expenditures	769,282	208,311	472,527	75,455	756,293	744,001
Annual Surplus (Deficit) before Recovery			(14,553)	1	(14,552)	(7,374)
Recovery						
Salary Recovery						(3,434)
Travel Recovery						(3,112)
Total Recovery						-
Annual Surplus (Deficit)			(14,553)	1	(14,552)	(828)
Beginning Surplus			31,825	(1)	31,824	32,652
Ending Surplus	-	-	17,272	-	17,272	31,824

To the Members of Ktunaxa Nation Council Society:

On the basis of information provided by management, we have compiled the unaudited schedule A of the Ktunaxa Nation Council Society for the year ended March 31, 2021. We have not performed an audit or a review engagement in respect to this schedule and, accordingly, we express no assurance thereon. Readers are cautioned that this schedule may not be appropriate for their purposes.

Maple Ridge, British Columbia

September 27, 2021

MNP LLP

Chartered Professional Accountants

Ktunaxa Nation Council
Schedule A - Receipts and Expenditures - ISC
Fixed and Flexible Funding
(Unaudited - see Notice to Reader)
March 31, 2021

	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed
	TC Funding	TC Employee Benefits	Plan & Risk Management Government Capacity Development	National Capacity Development for Jurisdiction	Negotiation Preparedness Title and Rights Strategy Implementation	Nation Rebuilding
Receipts						
Due from ISC	\$ 200,000	\$ 179,139	\$ 320,000	\$ 307,635	\$ -	\$ -
Total 2020-2021	\$ 200,000	\$ 179,139	\$ 320,000	\$ 307,635	\$ -	\$ -
Carryforward balance			\$ 30,169		\$ 2,137	\$ 51,190
Total	\$ 200,000	\$ 179,139	\$ 350,169	\$ 307,635	\$ 2,137	\$ 51,190
Expenditures						
Administration			\$ 19,516			
Chief, sector council & committees						
Education & training						
Office & material supplies						
Contractors & professional fees			\$ 285,048			
Salaries & benefits	\$ 1,740,510	\$ 317,736	\$ 8,417			
Travel						
Total expenditures	\$ 1,740,510	\$ 317,736	\$ 312,981	\$ -	\$ -	\$ -
Surplus (deficit)	\$ (1,540,510)	\$ (138,597)	\$ 37,188	\$ 307,635	\$ 2,137	\$ 51,190
Accrued year end expenses						
Due back to ISC						
Balance, March 31, 2021	\$ (1,540,510)	\$ (138,597)	\$ 37,188	\$ 307,635	\$ 2,137	\$ 51,190

Ktunaxa Nation Council
Schedule A - Receipts and Expenditures - ISC
Fixed and Flexible Funding
(Unaudited - see Notice to Reader)
March 31, 2021

(Continued from previous page)

	Fixed	Fixed	Fixed	Flexible	Flexible	TOTAL
	Comm Government Decision Making	Consult & Policy Columbia River Treaty	Urban and Off Reserve (Covid- 19)	Capacity Building - EMAP - EPC Wages	Top Up: FA	
Receipts						
Due from ISC	\$ -	\$ 288,750	\$ 200,000	\$ 100,000	\$ 102,500	\$ 1,698,024
Total 2020-2021	\$ -	\$ 288,750	\$ 200,000	\$ 100,000	\$ 102,500	\$ 1,698,024
Carryforward balance	\$ 109,976	\$ 169,958				\$ 363,430
Total	\$ 109,976	\$ 458,708	\$ 200,000	\$ 100,000	\$ 102,500	\$ 2,061,454
Expenditures						
Administration		\$ 5,534	\$ 16,360	\$ 10,000		
Chief, sector council & committees	\$ 2,863	\$ 6,866				
Education & training						
Office & material supplies		\$ 128	\$ 61,738			
Contractors & professional fees	\$ 24,600	\$ 105,325	\$ 8,404	\$ 44,131		
Salaries & benefits	\$ 475	\$ 41,726		\$ 45,869		
Travel		\$ 27				
Total expenditures	\$ 27,938	\$ 159,606	\$ 86,502	\$ 100,000	\$ -	\$ 2,745,273
Surplus (deficit)	\$ 82,038	\$ 299,102	\$ 113,498	\$ -	\$ 102,500	\$ (683,819)
Accrued year end expenses						
Due back to ISC						
Balance, March 31, 2021	\$ 82,038	\$ 299,102	\$ 113,498	\$ -	\$ 102,500	\$ (683,819)