



Vohora LLP
CPAs & Business Advisors

GITKSAN GOVERNMENT COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 2023



Vohora LLP
CPAs & Business Advisors

GITKSAN GOVERNMENT COMMISSION

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MARCH 31, 2023

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GITKSAN GOVERNMENT COMMISSION
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
YEAR ENDED MARCH 31, 2023

The financial statements of the Gitksan Government Commission and all the information in this annual report are the responsibility of management and have been approved by the Board and the Executive Director.

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 Commission 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 Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board of Directors 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 Board of Directors also considers the engagement of the external auditor.

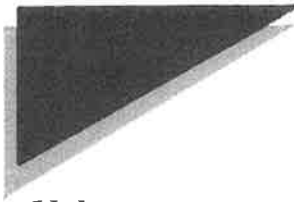
The financial statements have been audited by Vohora LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. Vohora LLP has full access to the Board.



President



Executive Director



Vohora LLP
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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD – GITKSAN GOVERNMENT COMMISSION

Opinion

We have audited the financial statements of the Gitksan Government Commission, which comprise the statement of financial position as at March 31, 2023 and the 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, 2023 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 Commission 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.

Responsibilities of Management and the Board 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.

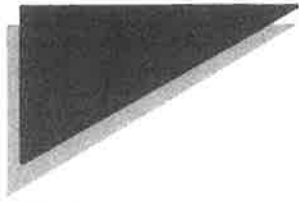
In preparing the financial statements, management is responsible for assessing the Band's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless conditions exist that do not allow for the going concern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

The Board is responsible for overseeing the Commission's financial reporting process.

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.





Vohora LLP

CPAs & Business Advisors

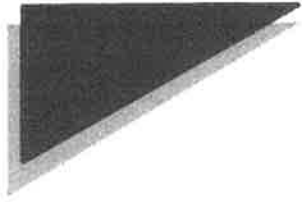
INDEPENDENT AUDITOR'S REPORT (*continued*)

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

We also:

- Identify and assess the risks of material misstatement of the 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 Commission'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 Commission'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 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 Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Vohora LLP
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INDEPENDENT AUDITOR'S REPORT (*continued*)

Other Matter

The financial statements for the year ended March 31, 2022 were audited by another auditor who expressed an opinion on those financial statements on October 28, 2022.

Terrace, BC
September 8, 2023

Vohora LLP
Chartered Professional Accountants

GITKSAN GOVERNMENT COMMISSION
STATEMENT OF FINANCIAL POSITION

MARCH 31

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash	603,837	2,319,422
Short-term investments (notes 1 and 2)	28,711,152	34,175,909
Accounts receivable (note 3)	<u>414,220</u>	<u>6,000</u>
	<u>29,729,209</u>	<u>36,501,331</u>
LIABILITIES		
Accounts payable and accruals (note 5)	<u>3,769,024</u>	<u>1,931,097</u>
NET FINANCIAL ASSETS	<u>25,960,185</u>	<u>34,570,234</u>
PROPERTY AND EQUIPMENT (notes 1 and 8)		
	<u>158,895</u>	<u>180,152</u>
	<u>26,119,080</u>	<u>34,750,386</u>
COMMISSION'S POSITION		
Surplus (note 9)	25,960,185	34,570,234
Equity in property and equipment (note 6)	<u>158,895</u>	<u>180,152</u>
	<u>26,119,080</u>	<u>34,750,386</u>

APPROVED ON BEHALF OF THE COMMISSION


 _____ President


 _____ Executive Director

GITKSAN GOVERNMENT COMMISSION
STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31

	Unaudited Budget	2023	2022
	\$	\$	\$
REVENUE			
ISC	37,784,975	37,784,975	36,027,000
Investment	-	-3,444,398	6,256,875
Other	<u>20,000</u>	<u>38,006</u>	<u>86,789</u>
	<u>37,804,975</u>	<u>34,378,583</u>	<u>42,370,664</u>
EXPENDITURES			
Administration	339,000	354,171	375,763
Pre-agreement Surplus/Interest	-	5,275,785	860,005
Operations and maintenance	3,897,582	3,897,582	5,259,450
Pension plan	316,000	304,471	311,715
Economic development	1,029,158	1,029,158	663,466
Social development	13,842,951	13,842,951	8,303,447
Membership/RLAP	176,047	171,820	179,052
Education	8,049,263	8,050,942	8,281,982
Band support	1,786,074	1,786,074	1,751,055
Pooled surplus allocations to Bands	19,269	19,269	222,252
Capital			
Projects/Housing	7,331,496	7,331,496	6,463,966
Services	951,876	924,913	686,557
Amortization	<u>21,257</u>	<u>21,257</u>	<u>21,257</u>
	<u>37,759,973</u>	<u>43,009,889</u>	<u>33,379,967</u>
REVENUE OVER EXPENDITURE	45,002	-8,631,306	8,990,697
OPENING POSITION	<u>34,750,386</u>	<u>34,750,386</u>	<u>25,759,689</u>
CLOSING POSITION	<u>34,795,388</u>	<u>26,119,080</u>	<u>34,750,386</u>

GITKSAN GOVERNMENT COMMISSION

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Revenue over expenditure	-8,631,306	8,990,697
Amortization	21,257	21,257
Short-term investments	5,464,757	-9,250,078
Accounts receivable	-408,220	637,927
Accounts payable and accruals	<u>1,837,927</u>	<u>786,814</u>
	<u>-1,715,585</u>	<u>1,186,617</u>
CHANGE IN CASH	-1,715,585	1,186,617
OPENING CASH BALANCE	<u>2,319,422</u>	<u>1,132,805</u>
CLOSING CASH BALANCE	<u>603,837</u>	<u>2,319,422</u>

GITKSAN GOVERNMENT COMMISSION
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31

	2023	2022
	\$	\$
Revenue over expenditure	-8,631,306	8,990,697
Amortization	<u>21,257</u>	<u>21,257</u>
Change in the year	-8,610,049	9,011,954
Opening net financial assets	<u>34,570,234</u>	<u>25,558,280</u>
Closing net financial assets	<u>25,960,185</u>	<u>34,570,234</u>

GITKSAN GOVERNMENT COMMISSION

NOTES

MARCH 31, 2023

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 which include compliance with Canadian public sector accounting standards.

b) Property and Equipment

Property and equipment are reported at cost and are amortized using the straight-line method as follows:

Buildings	50 years
Equipment	5 & 10 years

Property and equipment with a value exceeding \$5,000 is capitalized.

c) Recognition of Revenue and Expenditures

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

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

d) 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.

e) Financial Instruments

Financial assets and liabilities are reported at market value at the date of acquisition except for short-term investments which are reported at market value at year-end. It is management's opinion that the Commission's financial instruments are not exposed to significant interest rate, liquidity, market or other price risks except for the short-term investments.

GITKSAN GOVERNMENT COMMISSION

NOTES

MARCH 31, 2023

2. SHORT-TERM INVESTMENTS

Short-term investments in bonds, common shares and mutual funds.

3. ACCOUNTS RECEIVABLE

Indigenous Services Canada \$ 414,220

4. BANK DEMAND LOAN

Royal Bank of Canada revolving loan, authorized to \$1,500,000, interest at prime plus 1% per annum; secured by a general security agreement.

5. ACCOUNTS PAYABLE AND ACCRUALS

School District No. 82 (Coast Mountains)	\$ 557,363
Band flow through funding	3,188,161
Other	<u>23,500</u>
	<u>\$ 3,769,024</u>

6. EQUITY IN PROPERTY AND EQUIPMENT

Opening balance	\$ 180,152
Amortization	<u>-21,257</u>
Closing balance	<u>\$ 158,895</u>

7. OPERATIONS

The Commission is an incorporated society providing management and advisory services to member bands and education societies. Its legal name is Gitksan Local Government Services Society.

GITKSAN GOVERNMENT COMMISSION

NOTES

MARCH 31, 2023

9. SURPLUS

	2023	2022
	\$	\$
Administration	1,036,835	902,661
Pre-agreement surplus / interest	9,385,402	18,105,585
Operations and maintenance	-	18,232
Pension plan	317,620	622,091
Social Development	3,338,644	2,849,433
Education	7,865,434	5,549,499
Pooled surplus allocations to Bands	-	19,269
Band support	442,188	-
Capital Projects / Housing	3,454,577	6,244,071
Capital Services	<u>119,485</u>	<u>259,393</u>
	<u>25,960,185</u>	<u>34,570,234</u>

10. 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 on the following page:

GITKSAN GOVERNMENT COMMISSION

NOTES

MARCH 31, 2023

10. SEGMENT DISCLOSURE (continued)

	Administration	Pre-agreement Surplus/ Interest Maintenance	Operations and Maintenance	Pension Plan	Economic Development	Social Development	Membership/ RLAP	Education	Band Allocations Support to Bands	Capital Amortization	Total 2023	Total 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE												
ISC	500,000	-	3,714,005	-	1,025,956	14,332,162	141,545	10,514,167	2,228,262	5,328,878	37,784,975	36,027,000
Investment	-	-3,444,398	-	-	-	-	-	-	-	-	-3,444,398	6,256,875
Other	13,286	-	-	-	-	3,463	21,257	-	-	-	38,006	86,789
	513,286	-3,444,398	3,714,005	-	1,025,956	14,332,162	145,008	10,535,424	2,228,262	5,328,878	34,376,583	42,370,664
EXPENDITURES												
Amortization	-	-	-	-	-	-	-	-	-	21,257	21,257	21,257
Contract services	8,090	-	-	-	-	-	-	3,128,080	-	136,252	3,272,422	3,294,361
Covid 19	-	-	-	-	-	-	-	-	-	-	-	5,000
Donations	-	-	-	-	-	-	-	-	-	-	-	-
Flow through funding	-	5,275,785	3,897,582	272,744	1,029,158	13,842,951	92,047	4,836,183	1,786,074	8,118,372	39,170,165	29,469,304
Honoraria	19,500	-	-	-	-	-	685	-	-	1,785	19,500	20,400
Materials, supplies and other	86,372	-	-	-	-	-	-	-	-	-	88,842	100,427
Professional services	13,194	-	-	-	-	-	-	-	-	-	13,194	11,876
Rent	12,988	-	-	-	-	-	-	-	-	-	12,988	14,432
Travel and workshops	23,782	-	-	-	-	-	2,270	14,979	-	-	41,031	5,980
Wages and benefits	190,245	-	-	31,727	-	-	76,818	71,700	-	-	370,490	436,950
	354,171	5,275,785	3,897,582	304,471	1,029,158	13,842,951	171,820	8,050,942	1,786,074	8,256,409	43,009,889	33,379,967
REVENUE OVER EXPENDITURE	159,115	-8,720,183	-183,577	-304,471	-3,202	489,211	-26,812	2,484,482	442,188	-2,927,531	-8,631,306	8,990,697
TRANSFERS - OTHER FUNDS			165,345		3,202			-168,547				
ANNUAL SURPLUS (DEFICIT)	159,115	-8,720,183	-18,232	-304,471		489,211	-26,812	2,315,935	442,188	-2,927,531	-8,631,306	8,990,697