

UNION OF B.C. INDIAN CHIEFS

INDEPENDENT AUDITOR'S REPORT AND ANALYSIS REGARDING
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

September 29, 2021

Presented by:
Tombe Herrington Chartered Professional Accountants LLP
Curtis L. Wilkinson, BComm, CPA, CA – Partner

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INDEPENDENT AUDITOR'S REPORT

o **Opinion**

- We have audited the financial statements of Union of B.C. Indian Chiefs (the "Union"), which comprise the statement of financial position as at March 31, 2021, the statement of operations, the statement of changes in net assets and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
- In our opinion, the financial statements present fairly, in all material respects, the financial position of Union of B.C. Indian Chiefs as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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INDEPENDENT AUDITOR'S REPORT

o **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 Financial Statements" section of our report. We are independent of the Union 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 audit opinion.

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INDEPENDENT AUDITOR'S REPORT

○ Responsibilities of Management and Those Charged with Governance for the Financial Statements

- Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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INDEPENDENT AUDITOR'S REPORT

○ Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)

- In preparing the financial statements, management is responsible for assessing the Union'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 Union or to cease operations, or has no realistic alternative but to do so.
- Those charged with governance are responsible for overseeing the Union's financial reporting process.



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INDEPENDENT AUDITOR'S REPORT

○ Auditor's Responsibilities 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 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.



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INDEPENDENT AUDITOR'S REPORT

- **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**
 - 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 risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures 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 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 Union's internal control.



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INDEPENDENT AUDITOR'S REPORT

- **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure 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 Union'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 Union to cease to continue as a going concern.



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INDEPENDENT AUDITOR'S REPORT

- **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**
 - 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.
 - 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.



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INDEPENDENT AUDITOR'S REPORT

○ Report on Other Legal and Regulatory Matters

- As required by the *Societies Act (British Columbia)* we report that, in our opinion, the accounting policies applied by the Union of B.C. Indian Chiefs in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.



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2021 OPERATIONAL HIGHLIGHTS

○ Statement of Financial Position

- Cash of \$2,200,160 has increased by \$182,141.
- Short-term investment has increased by \$1,404,022
 - This represents investments in GIC's.
- Accounts receivable of \$240,698 has decreased by \$806,856, mainly due to the following receivables in the prior year:
 - \$220,003 receivable from the Indigenous Services Canada.
 - \$466,667 receivable from the Province of BC (\$150,000 in 2021).
 - \$186,955 receivable from the BC Assembly of First Nations (\$14,000 in 2021).



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2021 OPERATIONAL HIGHLIGHTS

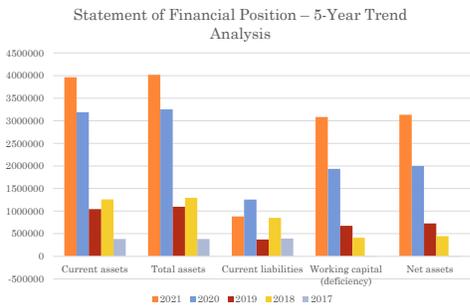
○ Statement of Financial Position

- Accounts payable and accrued liabilities of \$378,630 has increased by \$131,986.
- Deferred revenue of \$504,167 has decreased by \$504,166.
 - Balance is comprised of monies received from the Province of BC for Commitment Document funding.
 - Project's original term was to March 31, 2020, however, has been extended to March 31, 2022.
- Net assets of \$3,131,806 has increased by \$1,135,356 (2020 – increase of \$1,270,635).
 - Change reflects surplus for the year.
- Working capital surplus of \$3,081,806 in current year.
 - Represents current assets less current liabilities.



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2021 OPERATIONAL HIGHLIGHTS



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2021 OPERATIONAL HIGHLIGHTS

Statement of Operations

- ISC revenue of \$2,713,035 has decreased by \$173,573.
 - Only core funding is subject to mandatory annual repayments for surpluses
- Province of BC revenue of \$1,170,817 has decreased by \$400,816.
- Total revenue of \$4,160,873 has decreased by \$840,197.

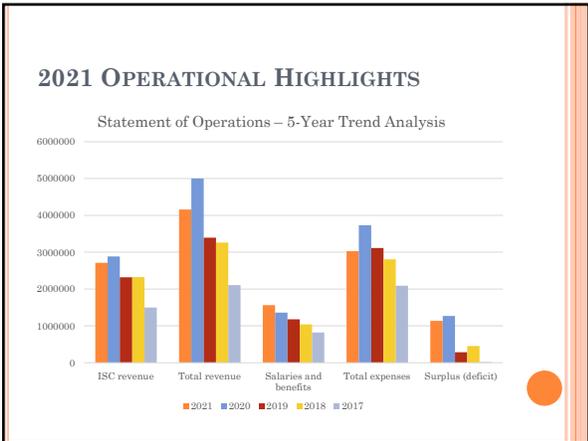
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2021 OPERATIONAL HIGHLIGHTS

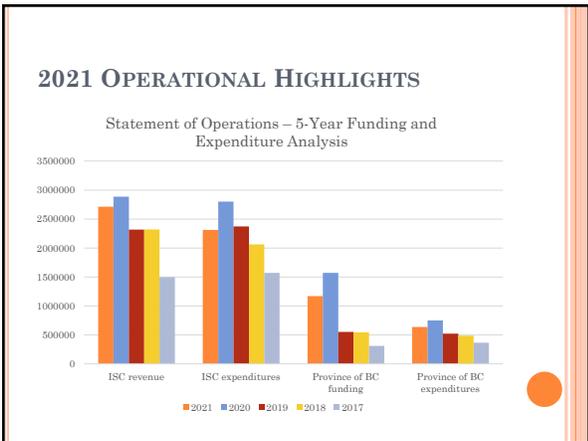
Statement of Operations

- Chiefs' council of \$109,644 has decreased by \$175,707.
- Professional fees of \$592,607 has decreased by \$92,917 (2020 – increase of \$156,675).
- Salaries and benefits of \$1,560,759 has increased by \$201,424.
- Travel of \$54,509 has decreased by \$596,662.
- Total expenses of \$3,025,517 has decreased by \$704,918.
- Surplus for the year of \$1,270,635 (2020 - \$1,270,635).

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Questions?

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