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**NUCHATLAHT FIRST NATION**

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**FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2017**

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# NUCHATLAHT FIRST NATION

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YEAR ENDED MARCH 31, 2017  
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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Nuchatlaht First Nation are the responsibility of management and have been approved by the Council.

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

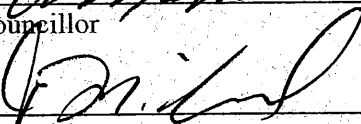
The First Nation maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately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

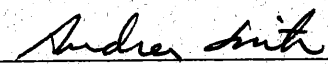
The First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

The consolidated financial statements have been audited by McGorman MacLean, Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the members. McGorman MacLean has full and free access to the Council.

  
Councillor

  
Councillor

  
Councillor

## INDEPENDENT AUDITORS' REPORT

To the members  
Nuchatlaht First Nation

We have audited the accompanying consolidated statement of financial position of Nuchatlaht First Nation as at March 31, 2017 and the consolidated statements of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Nuchatlaht First Nation as at March 31, 2017 and the results of its consolidated operations, changes in net financial assets (debt) and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*McGorman MacLean*  
CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada  
July 10, 2017

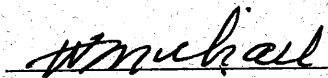
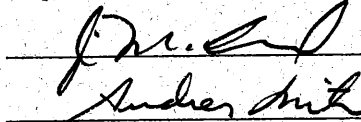
# NUCHATLAHT FIRST NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2017

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash (note 4)	\$ 1,003,599	\$ 542,913
Term deposit	52,434	52,434
Funds on deposit in Ottawa Trusts (note 4)	92,451	90,349
Accounts receivable (note 5)	136,318	94,979
Investment in Hayu Fishing Limited Partnership (note 6)	595,577	263,846
Investment in 1075124 B.C. Ltd.	1	-
	1,880,380	1,044,521
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	127,077	76,603
Deferred revenue (note 7)	-	24,280
Deficit in Hayu Fishing Ltd. (note 8)	1,240	1,026
Long term debt (note 9)	1,066,296	968,574
	1,194,613	1,070,483
<b>NET FINANCIAL ASSETS (DEBT)</b>	685,767	(25,962)
<b>NON-FINANCIAL ASSETS</b>		
Deferred expenses (note 10)	28,676	8,740
Tangible capital assets (note 11)	1,991,891	1,862,198
	2,020,567	1,870,938
<b>ACCUMULATED SURPLUS</b>	\$ 2,706,334	\$ 1,844,976
<b>ACCUMULATED SURPLUS AT END OF YEAR CONSISTS OF:</b>		
Restricted (note 12)	\$ 46,811	\$ 25,157
Unrestricted	1,698,687	926,191
	1,745,498	951,348
Investment in tangible capital assets	1,830,812	1,763,604
Treaty debt deficit	(869,976)	(869,976)
	\$ 2,706,334	\$ 1,844,976

Contingent liability (note 13)

APPROVED ON BEHALF OF COUNCIL:

## NUCHATLAHT FIRST NATION

### CONSOLIDATED STATEMENT OF OPERATIONS YEAR ENDED MARCH 31, 2017

	Budget (unaudited) (note 14)	2017	2016
<b>REVENUE</b>			
Nuu-chah-nulth Tribal Council - operating	\$ 746,052	\$ 941,804	\$ 833,442
Nuu-chah-nulth Tribal Council - capital	-	-	35,798
Western Forest Products Inc.	950,000	630,132	62,517
Income from Hayu Fishing Limited Partnership	-	347,881	77,586
Fisheries licence lease	100,000	106,831	104,547
Nuu-chah-nulth Economic Development Corporation	-	96,507	4,888
Miscellaneous revenue and recoveries	37,297	79,755	74,160
Province of British Columbia	-	61,666	61,666
Sport fishing charter	-	55,738	-
Aboriginal Acquaculture Association	-	28,800	-
Fisheries cooperation agreement	24,991	24,717	24,923
First Peoples Heritage Language and Culture Council	-	18,566	-
Social Housing rents	17,528	18,180	29,345
CMHC subsidies	4,025	4,028	7,593
Loss from Hayu Fishing Ltd.	-	(214)	(243)
	<b>1,879,893</b>	<b>2,414,391</b>	<b>1,316,222</b>
<b>EXPENSES</b>			
Operating Fund	871,628	1,496,995	1,115,904
Social Housing Fund	20,660	38,451	62,251
Treaty Fund	-	17,587	19,662
	<b>892,288</b>	<b>1,553,033</b>	<b>1,197,817</b>
<b>ANNUAL SURPLUS</b>	<b>987,605</b>	<b>861,358</b>	<b>118,405</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	<b>-</b>	<b>1,844,976</b>	<b>1,726,571</b>
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>\$ 987,605</b>	<b>\$ 2,706,334</b>	<b>\$ 1,844,976</b>

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**NUCHATLAHT FIRST NATION**

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**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS (DEBT)  
YEAR ENDED MARCH 31, 2017**

	2017	2016
<b>SURPLUS FOR THE YEAR</b>	\$ 861,358	\$ 118,405
Acquisition of tangible capital assets	(307,004)	(63,205)
Amortization of tangible capital assets	161,000	148,935
Proceeds from disposal of tangible capital assets	4,500	10,000
Loss on disposal of tangible capital assets	11,811	12,464
Acquisition of deferred expenses	(28,676)	(8,740)
Use of deferred expenses	8,740	115,778
<b>CHANGE IN NET FINANCIAL ASSETS</b>	711,729	333,637
<b>NET DEBT AT BEGINNING OF YEAR</b>	(25,962)	(359,599)
<b>NET FINANCIAL ASSETS (DEBT) AT END OF YEAR</b>	\$ 685,767	\$ (25,962)

## NUCHATLAHT FIRST NATION

### CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2017

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 861,358	\$ 118,405
Adjust for items which do not involve cash:		
Amortization	161,000	148,935
Loss on disposal of tangible capital assets	11,811	12,464
	1,034,169	279,804
Changes in non-cash working capital		
Decrease (Increase)		
Accounts receivable	(41,339)	58,216
Increase (Decrease)		
Accounts payable and accrued liabilities	50,474	(87,793)
Deferred revenue	(24,280)	(87,441)
Deferred expenses	(19,936)	107,038
	(35,081)	(9,980)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	999,088	269,824
<b>CAPITAL TRANSACTIONS</b>		
Investment in Hayu Fishing Limited Partnership	(331,731)	(62,641)
Deficit in Hayu Fishing Ltd.	214	243
Purchase of tangible capital assets	(307,004)	(63,205)
Proceeds on disposal of tangible capital assets	4,500	10,000
	(634,021)	(115,603)
<b>FINANCING ACTIVITIES</b>		
Repayment of long term debt	(19,317)	(31,413)
Loan proceeds	117,038	-
	97,721	(31,413)
<b>INCREASE IN CASH</b>	462,788	122,808
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	685,696	562,888
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 1,148,484	\$ 685,696
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash	\$ 1,003,599	\$ 542,913
Term deposit	52,434	52,434
Funds on deposit in Ottawa Trusts	92,451	90,349
	\$ 1,148,484	\$ 685,696



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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

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

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as outlined by the Public Sector Accounting Board (PSAB) of the Organization of Chartered Professional Accountants of British Columbia, which encompass the following principles:

(a) Basis of consolidation

The consolidated financial statements reflect a combination of the First Nation's operating, treaty, enterprise, tangible capital assets, trust and social housing funds.

The Operating Fund reports the general activities of the First Nation administration including various commercial activities.

The Treaty Fund reports the activities of the Treaty negotiating team.

The Enterprise Fund reports the activities of the First Nation's owned entities.

The Trust Fund reports on trust funds owned by the First Nation and held by third parties.

The Social Housing Fund reports the activities within the First Nation sponsored Social Housing Program.

(b) Reporting entity and principles of financial reporting

The Nuchatlaht First Nation reporting entity includes all entities which are accountable to the First Nation, and are either owned, directly or indirectly, or controlled by the First Nation.

These consolidated financial statements include the assets, liabilities and results of operations for the following entities:

Nuchatlaht First Nation government administration including special and commercial projects  
Nuchatlaht First Nation Social Housing Program  
Nuchatlaht First Nation Trust Fund  
Hayu Fishing Limited Partnership  
Hayu Fishing Ltd.  
1075124 B.C. Ltd.

All inter-entity balances have been eliminated on consolidation.

(c) Cash

The First Nation's policy is to present bank balances under cash.

(d) Term deposit

The term deposit is stated at cost which equals market value.

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

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

- (e) Investment in Hayu Fishing Limited Partnership, Hayu Fishing Ltd. and 1075124 B.C. Ltd.

The investment in Hayu Fishing Limited Partnership, representing a twenty-five percent partnership interest, is accounted for using the modified equity method.

The investment in Hayu Fishing Ltd., representing a twenty-five percent ownership interest, is accounted for using the modified equity method.

The investment in 1075124 B.C. Ltd. is accounted for using the full consolidation method of accounting for long term investments.

- (f) Deferred expenses

Deferred expenses, which consist of prepaid expenses and oyster farm expenses are recorded at cost. Oyster farm expenses include the cost of start-up and upkeep of the farm, less contributions from Nuuchah-nulth Economic Development Corporation.

- (g) Tangible capital assets

Tangible capital assets are stated at cost and are being amortized on the straight-line basis using the following rates:

Buildings and social housing	-	20 - 45 years
Infrastructure	-	20 - 25 years
Vehicles	-	8 years
Boats and equipment	-	7 years
Equipment	-	5 years
Playground	-	5 years
Computer equipment	-	3 years

In the year of acquisition, 50% of the normal amortization is recorded.

- (h) Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements.

Government transfers are recognized in the financial statements as revenue in the period the transfers are authorized and any eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the recipient government. Transfers received which meet the definition of a liability are included in deferred revenue.

Deferred revenue consists of funding which is received, externally restricted, and will not be included in revenue until the related expenses are incurred.

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

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

#### (i) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses. Significant items subject to such estimates and assumptions include valuation of accounts receivable, deferred expenses, the estimated useful life of tangible capital assets and accrued liabilities. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

### 2. FINANCIAL INSTRUMENTS

The First Nation's financial instruments consist of cash, term deposit, accounts receivable, investment in Hayu Fishing Limited Partnership, investment in 1075124 B.C. Ltd., accounts payable and accrued liabilities, deficit in Hayu Fishing Ltd. and long term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments, the fair value of which approximates their carrying value. Accounts receivable are subject to credit risk as explained in note 5.

The fair market values of the investments in Hayu Fishing Limited Partnership, Hayu Fishing Ltd. and 1075124 B.C. Ltd. have not been determined and accordingly may differ from the recorded values.

### 3. ECONOMIC DEPENDENCE

The First Nation receives the major portion of its operating revenue pursuant to an agreement referred to as the "Canada/First Nations Funding Agreement" (CFNFA). The agreement is between Nuu-chah-nulth Tribal Council, its member First Nations and Indigenous and Northern Affairs Canada.

### 4. RESTRICTED CASH

#### (a) Ottawa Trust Funds

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

# NUCHATLAHT FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

### 4. RESTRICTED CASH (continued)

#### (b) Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited in the amount of \$5,120 annually for Social Housing Project II. These funds, along with the accumulated interest, must be held in separate bank accounts and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC.

The First Nation has fully complied with the agreement with CMHC for funding the reserve. At year end, \$48,293 was held in a separate bank account included in cash.

#### (c) Subsidy Surplus Reserve - Project II

Under the terms of the agreement with CMHC, excess federal assistance payments received may be retained in a subsidy surplus reserve up to a maximum of \$500 per unit plus interest. The reserve is to be comprised of monies deposited into a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants over and above the maximum federal assistance. At year end, there were no funds in the subsidy surplus reserve for Project II.

### 5. ACCOUNTS RECEIVABLE

	2017	2016
Receivable from First Nation members	\$ 27,464	\$ 58,997
Province of B.C.	30,833	30,833
Nuu-chah-nulth Tribal Council	15,524	49,621
Rent receivable from First Nation members	41,972	41,116
Other	51,953	7,431
GST recoverable	6,263	6,758
CMHC subsidies	336	336
Nuu-chah-nulth Economic Development Corporation	31,409	-
	205,754	195,092
Less allowance for doubtful accounts	69,436	100,113
	\$ 136,318	\$ 94,979

The amounts receivable from First Nation members are not secured and an allowance for doubtful accounts has been recorded with respect to these amounts receivable.

## NUCHATLAHT FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

#### 6. INVESTMENT IN HAYU FISHING LIMITED PARTNERSHIP

Nuchatlaht First Nation owns a 25% partnership interest in Hayu Fishing Limited Partnership. The following presents condensed financial information as of December 31, 2016 for the partnership:

	December 31, 2016	December 31, 2015
Term deposit	\$ 27,163	\$ 26,975
Cash	439,989	76,196
Tangible capital assets	110,411	93,368
Intangible assets	1,269,540	-
Accounts receivable	573,960	26,681
Prepaid expenses and deposits	2,550	900,960
Due from partners	4,262	-
	2,427,875	1,124,180
Accounts payable and accrued liabilities	15,103	14,322
Deferred revenue	29,895	54,047
	44,998	68,369
Partners' equity	\$ 2,382,877	\$ 1,055,811
Revenue	\$ 1,554,910	\$ 497,810
Expenses	163,245	187,436
Net income	\$ 1,391,665	\$ 310,374

#### 7. DEFERRED REVENUE

	2017	2016
Grieg Seafood-Cooperation and Benefits Agreement	\$ -	\$ 24,280

## NUCHATLAHT FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

#### 8. DEFICIT IN HAYU FISHING LTD.

Nuchatlaht First Nation owns a 25% interest in Hayu Fishing Ltd. Hayu Fishing Ltd. is the general partner of Hayu Fishing Limited Partnership. The following presents condensed financial information as of December 31, 2016 for the company:

	December 31, 2016	December 31, 2015
Investment	\$ 253	\$ 110
Accounts payable and accrued liabilities	5,212	4,212
Share capital	1	1
	5,213	4,213
Deficit	\$ (4,960)	\$ (4,103)
Revenue	\$ 142	\$ 29
Expenses	999	1,000
Net loss	\$ (857)	\$ (971)

#### 9. LONG TERM DEBT

	2017	2016
British Columbia Treaty Commission Treaty Negotiation Loan	\$ 869,976	\$ 869,976
- Interest free loan until it becomes due and payable at which time interest will be charged at a rate equal to that charged by the Consolidated Revenue Fund to provincial crown corporations		
- Loan proceeds become due and payable upon the earlier of:		
a) September 2, 2021 (extension from the previous maturity date of the twelfth (12th) anniversary of the date on which the first loan advance was made);		
b) The seventh (7th) anniversary of the date of signing of an agreement-in-principle;		
c) The date on which a treaty is signed by the parties;		
d) The date on which the agreement is terminated; or		
e) The date on which Nuu-chah-nulth Tribal Council commits an act of bankruptcy.		

# NUCHATLAHT FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

### 9. LONG TERM DEBT (continued)

	2017	2016
All Nations Trust Company		
Phase II Social Housing Loan	84,436	98,598
- Interest at 1.53% compounded semi-annually		
- Renewing December 1, 2017		
- Monthly payments of \$1,295 including principal and interest		
Nuu-chah-nulth Economic Development Corporation		
Forgivable Loan	20,902	-
- Forgivable at a rate of one dollar for each two dollars		
of principal repaid on term loan		
Term Loan	55,742	-
- Interest at 12% per annum		
- Maturing August 1, 2021		
- Monthly payments of \$1,325 including principal and interest		
Bank of Montreal		
Term Loan	35,240	-
- Interest at 3.23% per annum		
- Maturing September 30, 2021		
Total long term debt	\$ 1,066,296	\$ 968,574

The Social Housing loan is secured by a ministerial guarantee from the Department of Indigenous and Northern Affairs Canada.

The Nuu-chah-nulth Economic Development Corporation loans are secured by a general security agreement, an assignment of insurance on mortgaged assets (except motor vehicles) and a general assignment of book debt.

The Bank of Montreal loan is secured by a promissory note and an assignment of insurance.

Assuming the British Columbia Treaty Commission Treaty Negotiation Loan and the Social Housing loan are renewed with similar terms, principal reductions over the next five years are approximately as follows:

2018	\$ 25,788
2019	26,647
2020	28,305
2021	30,147
2022	894,251

### 10. DEFERRED EXPENSES

	2017	2016
Prepaid expenses	\$ 12,872	\$ 8,740
Retainer for legal fees	15,804	-
Total	\$ 28,676	\$ 8,740

**NUCHATLAHT FIRST NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2017**

**11. TANGIBLE CAPITAL ASSETS**

	Cost			Accumulated amortization			Balance at end of 2017	Net book value at end of 2017
	Balance at end of 2016	Additions	Disposals	Balance at end of 2016	Disposals	Amortization		
Land	\$ 70,500	\$ -	\$ -	\$ 70,500	\$ -	\$ -	\$ 70,500	\$ 70,500
Social Housing	385,384	-	-	385,384	-	9,174	179,770	205,614
Buildings	664,169	22,197	-	686,366	-	15,555	532,845	153,521
Infrastructure	2,357,147	71,110	-	2,428,257	-	91,664	1,144,566	1,283,691
Vehicles	50,587	-	35,275	15,312	-	1,914	7,784	7,528
Boats and equipment	65,887	179,094	-	244,981	-	22,205	46,533	198,448
Equipment	145,759	33,480	-	179,239	-	18,948	108,994	70,245
Playground	43,200	-	-	43,200	-	-	43,200	-
Computer equipment	34,135	1,123	1,755	33,503	1,755	877	31,159	2,344
	\$ 3,816,768	\$ 307,004	\$ 37,030	\$ 4,086,742	\$ 37,030	\$ 20,719	\$ 2,094,851	\$ 1,991,891

	Cost			Accumulated amortization			Balance at end of 2016	Net book value at end of 2016
	Balance at end of 2015	Additions	Disposals	Balance at end of 2015	Disposals	Amortization		
Land	\$ 70,500	\$ -	\$ -	\$ 70,500	\$ -	\$ -	\$ 70,500	\$ 70,500
Social Housing	691,172	-	305,788	385,384	305,788	9,174	170,596	214,788
Buildings	322,583	35,798	(305,788)	664,169	(305,788)	14,711	517,290	146,879
Infrastructure	2,357,147	-	-	2,357,147	-	90,540	1,052,902	1,304,245
Vehicles	50,587	-	-	50,587	-	6,323	25,712	24,875
Boats and equipment	123,555	4,986	62,654	65,887	62,654	9,056	24,328	41,559
Equipment	136,655	20,222	11,118	145,759	11,118	16,970	90,046	55,713
Playground	43,200	-	-	43,200	-	-	43,200	-
Computer equipment	31,936	2,199	-	34,135	-	2,161	30,496	3,639
	\$ 3,827,335	\$ 63,205	\$ 73,772	\$ 3,816,768	\$ 73,772	\$ 148,935	\$ 1,954,570	\$ 1,862,198

During the previous year, the mortgage on Social Housing Phase I was paid out in full and housing with the original cost of \$305,788 and the accumulated amortization of \$198,522 was transferred from Social Housing to Buildings.



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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017

#### 12. RESTRICTED SURPLUS

A portion of the surplus in financial assets is classified as restricted due to the surplus being committed to specific future expenses or recoverable by the relevant funding agencies. This restricted surplus is set out on page 16 of the consolidated financial statements.

#### 13. CONTINGENT LIABILITY

The First Nation is contingently liable with respect to a guarantee for the Social Housing loan with All Nations Trust Company in the amount of \$84,327.

#### 14. BUDGET AMOUNTS

Unaudited budget figures have been provided for comparison purposes and have been derived from the estimates provided by the First Nation.

#### 15. EXPENSES BY OBJECT

	2017	2016
Accounting and administration	\$ 28,928	\$ 28,149
Amortization	161,000	148,935
Basic needs	23,402	25,192
Contracted services	260,497	69,055
Insurance	25,032	24,474
Legal fees	146,662	17,654
Other	66,192	83,473
Oyster farm	-	104,928
Patient travel	47,355	35,767
Repairs and maintenance	45,414	57,797
Supplies	61,264	45,269
Support to families	45,692	17,549
Telephone	10,464	12,061
Training and workshops	30,668	28,861
Travel	86,203	83,280
Utilities	16,096	10,014
Wages and benefits	498,164	405,359
	<u>\$ 1,553,033</u>	<u>\$ 1,197,817</u>

#### 16. SEGMENTED REPORTING

The First Nation provides a wide variety of services and programs to its members. These services and programs are reported under various funds as disclosed in note 1(a).