

SAMAHQUAM INDIAN BAND

FINANCIAL STATEMENTS

March 31, 2018

SAMAHQUAM INDIAN BAND

FINANCIAL STATEMENTS

March 31, 2018

Page

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

| | |
|---|--------|
| Statement of Financial Position | 1 |
| Statement of Change in Net Financial Assets | 2 |
| Statement of Operations and Accumulated Surplus | 3 |
| Statement of Cash Flows | 4 |
| Notes to Financial Statements | 5 - 17 |



SAMAHQUAM

Lot 2, QaLaTKu7eM, British Columbia, Canada
P.O. Box 610 Mount Currie, B.C. V0N 2K0 (604) 966-3722



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Samahquam Indian Band and all the information in this annual report for the year ended March 31, 2018 are the responsibility of management and have been approved by the Chief and Council.

The 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 judgement. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Samahquam Indian Band 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 Nation's assets are appropriately accounted for and adequately safeguarded.

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

The Chief and Council review the Nation's financial statements and recommend their approval. The Chief and Council meet 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 annual report, the financial statements and the external auditor's report. The Chief and Council take this information into consideration when approving the financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The financial statements have been audited by Reid Hurst Nagy Inc. in accordance with Canadian generally accepted auditing standards on behalf of their members. Reid Hurst Nagy Inc. has full access to Chief and Council. Reid Hurst Nagy Inc. have full and free access to the council for information purposes.


Chief

July 24 2018
Date


Councillor

July 24 2018
Date

Independent Auditors' Report

To the Members of
Samahquam Indian Band

We have audited the accompanying financial statements of Samahquam Indian Band, which comprise the statement of financial position as at March 31, 2018, and the statements of operations and accumulated surplus, change in net financial assets, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the 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 First Nation'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 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, the financial statements present fairly, in all material respects, the financial position of Samahquam Indian Band as at March 31, 2018, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Reid Hurst Nagy Inc.

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, B.C.
JULY 24, 2018

SAMAHQUAM INDIAN BAND

STATEMENT OF FINANCIAL POSITION As at March 31, 2018

| | 2018 | 2017 |
|--|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash and cash equivalents (Note 3) | \$ 994,382 | \$ 548,559 |
| Accounts receivable (Note 4) | 309,556 | 451,929 |
| Due from former employee (Note 5) | 61,040 | 61,040 |
| Marketable securities - Samahquam Community Trust (Note 6) | 1,210,148 | 1,234,254 |
| Investments (Note 7) | - | 55,087 |
| <u>Ottawa Trust Funds (Note 8)</u> | <u>404,680</u> | <u>399,594</u> |
| | 2,979,806 | 2,750,463 |
| LIABILITIES | | |
| Bank indebtedness (Note 3) | - | 79,728 |
| Accounts payable (Note 9) | 236,162 | 182,939 |
| Deferred revenue (Note 10) | 542 | 542 |
| <u>Long-term debt (Note 11)</u> | <u>225,414</u> | <u>275,948</u> |
| | 462,118 | 539,157 |
| NET FINANCIAL ASSETS | 2,517,688 | 2,211,306 |
| NON-FINANCIAL ASSETS | | |
| Capital assets (Note 12) | 3,182,558 | 3,277,028 |
| <u>Prepaid expenses</u> | <u>25,104</u> | <u>20,190</u> |
| | 3,207,662 | 3,297,218 |
| ACCUMULATED SURPLUS | \$ 5,725,350 | \$ 5,508,524 |

APPROVED ON BEHALF OF THE SAMAHQUAM INDIAN BAND

 , Chief
 , Councillor

SAMAHQUAM INDIAN BAND

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the year ended March 31, 2018

| | 2018 | 2017 |
|--|---------------------|--------------|
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 216,826 | \$ 280,910 |
| Amortization of tangible capital assets | 94,469 | 94,471 |
| Acquisition of prepaid asset | (25,103) | (20,190) |
| Use of prepaid asset | 20,190 | 3,272 |
| | (4,913) | (16,918) |
| INCREASE IN NET FINANCIAL ASSETS | 306,382 | 358,463 |
| NET FINANCIAL ASSETS AT BEGINNING OF YEAR | 2,211,306 | 1,852,843 |
| NET FINANCIAL ASSETS AT END OF YEAR | \$ 2,517,688 | \$ 2,211,306 |

SAMAHQUAM INDIAN BAND

SUMMARY STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the year ended March 31, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|--|----------------|----------------|----------------|
| REVENUE | | | |
| Indigenous Services Canada | \$ 920,032 | \$ 863,248 | \$ 661,633 |
| BC Hydro | 161,820 | 161,820 | 156,193 |
| First Nations Health Authority | 50,377 | 15,085 | 34,514 |
| Rental | 24,579 | 94,247 | 74,526 |
| Investment income | - | 21,448 | 224,121 |
| Province of BC | - | 189,680 | - |
| First Nations Education Steering Committee | 5,206 | 4,857 | - |
| Logging revenue | 300,075 | 242,140 | 133,632 |
| In-SHUCK-ch Development Corporation shared revenue | - | - | 106,453 |
| Allocation from deferred revenue | - | 542 | 542 |
| Allocation to deferred revenue | - | (542) | (542) |
| Income (loss) from 1094415 B.C. Ltd. | - | (55,087) | 89,363 |
| Canada Mortgage and Housing Corporation | - | 201,155 | 29,919 |
| Band Contribution | - | 2,566 | 14,794 |
| Naut'sa Mawt Tribal Council | 46,274 | 46,274 | - |
| Sto:lo Aboriginal Skills and Employment Training | 31,077 | 24,920 | - |
| Southern Stl'alt'imx Health Society | 33,606 | 45,905 | 16,755 |
| Indigenous Perspectives Society | 25,000 | 25,000 | - |
| Other | 317,783 | 168,757 | 95,149 |
| | 1,915,829 | 2,052,015 | 1,637,052 |
| EXPENDITURES | | | |
| Band Programs | 1,088,031 | 861,829 | 797,003 |
| Education | 222,658 | 173,880 | 164,343 |
| Social Services | 234,310 | 191,989 | 128,420 |
| Health | 113,338 | 97,451 | 66,411 |
| Capital Projects | 249,837 | 220,696 | 38,409 |
| Social Housing Fund | - | 204,866 | 87,055 |
| Capital Fund | - | 94,469 | 95,160 |
| Community Trust Fund | - | 40,469 | 22,387 |
| | 1,908,174 | 1,885,649 | 1,399,188 |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE PROCEEDS FROM LONG-TERM DEBT | | | |
| | 7,656 | 166,366 | 237,864 |
| PROCEEDS FROM LONG-TERM DEBT | | | |
| Principal reduction of long-term debt | - | 50,460 | 43,046 |
| EXCESS OF REVENUE OVER EXPENDITURES | | | |
| | 7,656 | 216,826 | 280,910 |
| EQUITY AT BEGINNING OF YEAR | | | |
| | - | 5,508,524 | 5,227,614 |
| EQUITY AT END OF YEAR | | | |
| | \$ 7,656 | \$ 5,725,350 | \$ 5,508,524 |

SAMAHQUAM INDIAN BAND

STATEMENT OF CASH FLOWS For the year ended March 31, 2018

| | 2018 | 2017 |
|--|-------------------|-------------------|
| OPERATING ACTIVITIES | | |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 216,826 | \$ 280,910 |
| Items not affecting cash | | |
| Amortization | 94,469 | 94,471 |
| Share of (income) loss of First Nation controlled entities | <u>55,087</u> | <u>(89,363)</u> |
| | 366,382 | 286,018 |
| Change in non-cash operating working capital | <u>209,629</u> | <u>(370,637)</u> |
| | 576,011 | (84,619) |
| FINANCING ACTIVITIES | | |
| Repayment of long-term debt | <u>(50,460)</u> | <u>(43,046)</u> |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 525,551 | (127,665) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 468,831 | 596,496 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ 994,382 | \$ 468,831 |
| CASH AND CASH EQUIVALENTS ARE REPRESENTED BY: | | |
| Cash | \$ 994,382 | \$ 548,559 |
| Bank Indebtedness | - | (79,728) |
| | \$ 994,382 | \$ 468,831 |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of CPA Canada.

(a) Reporting Entity

The Samahquam Indian Band reporting entity includes the Samahquam Indian Band government and all related entities that are controlled by the First Nation.

(b) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Samahquam Indian Band's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Samahquam Indian Band.

Organizations consolidated in Samahquam Indian Band's financial statements include:

1. Samahquam Indian Band Operating Fund
2. Samahquam Indian Band Social Housing Fund
3. Samahquam Indian Band Capital Fund
4. Samahquam Indian Band Trust Fund
5. Samahquam Indian Band Community Trust Fund
6. Samahquam Indian Band Enterprise Fund

Organizations accounted for on a modified equity basis include:

7. 1094415 B.C. Ltd. (100% owned by Samahquam Indian Band)

(c) Fund Accounting

The Samahquam Indian Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the Consolidated Financial Statements. Details of the operations of each fund are set out in the supplementary schedules. Samahquam Indian Band maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the capital assets of the First Nation not included in other funds, together with their related financing activities.
- The Trust Fund which reports on the trust funds of the First Nation and held by third parties.
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Community Trust Fund which reports on the trust funds of the First Nation and held by third parties.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

(d) Measurement Uncertainty

In preparing the consolidated financial statements for the First Nation, management is required 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 period. Items requiring the use of significant estimates include collectibility of accounts receivable, useful life of tangible capital assets and accounts payables and accruals. Actual results could differ from these estimates.

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

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

(e) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed 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.

(f) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, short-term investments and term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts.

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

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

(h) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Samahquam Indian Band's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

| | |
|--------------------|------------------------|
| Buildings* | 20 years Straight line |
| Computer equipment | 3 years Straight line |
| Log home | 10 years Straight line |
| Infrastructure | 20 years Straight line |
| Computer software | 2 years Straight line |
| Trailer | 10 years Straight line |
| Vehicles | 3 years Straight line |

*Social Housing assets acquired under the Canada Mortgage and Housing Corporation sponsored housing program are not being depreciated.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Samahquam Indian Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(i) Long-term Debt

Proceeds from long-term debt are recorded as program revenue. Payments of principal and interest are treated as program expenditures. Long-term debt is recorded as a liability on the balance sheet. Reductions of long-term debt are offset with an increase to Equity in Capital Assets.

(j) Replacement Reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

(k) Budget

The budget reported in the financial statements was provided by management and is unaudited.

(l) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

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

(m) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

(n) Financial Instruments

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

2. ECONOMIC DEPENDENCE

Samahquam Indian Band receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by the Samahquam Indian Band and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The Band also receives major funding pursuant to an arrangement with First Nations Health Authority and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

3. CASH AND CASH EQUIVALENTS

Replacement Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

Operating Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

| | 2018 | 2017 |
|--|-------------------------|-------------------------|
| Unrestricted cash and cash equivalents | \$ 659,805 | \$ 379,014 |
| Operating Reserve Fund - restricted cash | 1,210 | 26,092 |
| St'at'imc Trust Funds - restricted cash | 333,367 | 143,453 |
| Bank indebtedness | - | (79,728) |
| | <hr/> \$ 994,382 | <hr/> \$ 468,831 |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

4. ACCOUNTS RECEIVABLE

| | 2018 | 2017 |
|---|------------|------------|
| Accounts receivable | \$ 30,155 | \$ 306,886 |
| Rent receivable | 166,548 | 126,636 |
| Canadian Mortgage and Housing Corporation | 88,205 | 2,475 |
| Good and Service Tax receivable | 24,648 | 15,932 |
| | <hr/> | <hr/> |
| | \$ 309,556 | \$ 451,929 |

5. DUE FROM FORMER EMPLOYEE

In accordance with the terms of a reconciliation agreement, the amount due from a former employee represents unauthorized expenditures by that former employee which are anticipated to be recovered. At the date of the auditor's report, it is undeterminable what portion of the outstanding amounts will be recovered. As such, no allowance for doubtful amounts has been recognized in the accounts.

6. MARKETABLE SECURITIES

| | 2018 | 2017 |
|--|-------|-------|
| Marketable securities at fair market value (cost at \$1,220,219; 2017 - \$1,234,254) | <hr/> | <hr/> |

7. INVESTMENTS

| | 2018 | 2017 |
|--|-------|-------|
| Investment in 1094415 B.C. Ltd. (100%) | <hr/> | <hr/> |

8. OTTAWA TRUST FUNDS

The 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

| | 2018 | 2017 |
|-----------------------------|------------|------------|
| Capital funds held in trust | \$ 359,779 | \$ 354,693 |
| Revenue funds held in trust | 44,901 | 44,901 |
| | <hr/> | <hr/> |
| | \$ 404,680 | \$ 399,594 |

9. ACCOUNTS PAYABLE

| | 2018 | 2017 |
|------------------|------------|------------|
| Accounts payable | \$ 217,291 | \$ 176,655 |
| Wages payable | 18,871 | 6,284 |
| | <hr/> | <hr/> |
| | \$ 236,162 | \$ 182,939 |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

10. DEFERRED REVENUE

| | March 31, 2018 | March 31, 2017 |
|--|-------------------|-------------------|
| Federal government Indigenous Services Canada - Community Expansion 4903 | \$ 542 | \$ 542 |

11. LONG-TERM DEBT

| | 2018 | 2017 |
|---|-------------------|-------------------|
| Royal Bank of Canada - paid in full during the year. | \$ - | \$ 6,670 |
| All Nations Trust Company - repayable in monthly instalments of \$2,176 including interest at 1.08% per annum, secured by a Ministerial Guarantee from Indigenous Services Canada; term due April 1, 2020, | 53,706 | 79,166 |
| All Nations Trust Company - repayable in monthly instalments of \$2,078 including interest at 1.31% per annum, secured by a Ministerial Guarantee from Indigenous Services Canada; term due December 1, 2026, | 171,708 | 190,112 |
| Current portion | 225,414 44,401 | 275,948 43,417 |
| | <hr/> \$ 181,013 | <hr/> \$ 232,531 |

Principal portion of long-term debt due within the next five years:

| | |
|---------------------|------------------|
| 2019 | \$ 44,401 |
| 2020 | 45,408 |
| 2021 | 20,835 |
| 2022 | 23,242 |
| 2023 and thereafter | 91,528 |
| | <hr/> \$ 225,414 |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

12. TANGIBLE CAPITAL ASSETS

| | Cost | | Accumulated amortization | | | | 2018 net book value |
|-----------------------|----------------------------------|-------------------------|--------------------------|--------------|-------------------------|------------|---------------------|
| | Balance, beginning of year | Balance, end of year | beginning of year | Amortization | Balance, end of year | | |
| Housing | \$ 668,556 | \$ 668,556 | \$ 232,250 | \$ 66,854 | \$ 299,104 | \$ 369,452 | |
| Vehicles | 119,614 | 119,614 | 119,614 | - | 119,614 | | - |
| Computer equipment | 8,414 | 8,414 | 8,414 | - | 8,414 | | - |
| Office equipment | 26,845 | 26,845 | 26,845 | - | 26,845 | | - |
| Radio equipment | 10,878 | 10,878 | 10,878 | - | 10,878 | | - |
| Computer software | 8,769 | 8,769 | 8,769 | - | 8,769 | | - |
| Social Housing | 1,199,104 | 1,199,104 | - | - | - | | 1,199,104 |
| Infrastructure | 1,601,473 | 1,601,473 | 1,072,936 | 26,765 | 1,099,701 | | 501,772 |
| Completed subdivision | 1,108,404 | 1,108,404 | - | - | - | | 1,108,404 |
| Learning centre | 8,501 | 8,501 | 3,825 | 850 | 4,675 | | 3,826 |
| Trailer | 80,673 | 80,673 | 80,673 | - | 80,673 | | - |
| | \$ 4,841,231 | \$ 4,841,231 | \$ 1,564,204 | \$ 94,469 | \$ 1,658,673 | | \$ 3,182,558 |

| | Cost | | Accumulated amortization | | | | 2017 Net book value |
|-----------------------|----------------------------------|-------------------------|--------------------------|--------------|-------------------------|------------|---------------------|
| | Balance, beginning of year | Balance, end of year | beginning of year | Amortization | Balance, end of year | | |
| Housing | \$ 668,556 | \$ 668,556 | \$ 165,394 | \$ 66,855 | \$ 232,249 | \$ 436,307 | |
| Vehicles | 119,614 | 119,614 | 119,614 | - | 119,614 | | - |
| Computer equipment | 8,414 | 8,414 | 8,414 | - | 8,414 | | - |
| Office equipment | 26,845 | 26,845 | 26,845 | - | 26,845 | | - |
| Radio equipment | 10,878 | 10,878 | 10,878 | - | 10,878 | | - |
| Computer software | 8,769 | 8,769 | 8,769 | - | 8,769 | | - |
| Social Housing | 1,199,104 | 1,199,104 | - | - | - | | 1,199,104 |
| Infrastructure | 1,601,473 | 1,601,473 | 1,046,170 | 26,766 | 1,072,936 | | 528,537 |
| Completed subdivision | 1,108,404 | 1,108,404 | - | - | - | | 1,108,404 |
| Learning centre | 8,501 | 8,501 | 2,975 | 850 | 3,825 | | 4,676 |
| Trailer | 80,673 | 80,673 | 80,673 | - | 80,673 | | - |
| | \$ 4,841,231 | \$ 4,841,231 | \$ 1,469,732 | \$ 94,471 | \$ 1,564,203 | | \$ 3,277,028 |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

13. ACCUMULATED SURPLUS

| | 2018 | 2017 |
|----------------------|--------------------|--------------------|
| Restricted | | |
| Social Housing Fund | \$ 1,040,048 | \$ 941,600 |
| Ottawa Trust Fund | 404,680 | 399,594 |
| Community Trust Fund | 1,210,148 | 1,234,254 |
| | <hr/> 2,654,876 | <hr/> 2,575,448 |
| Unrestricted | | |
| Operating Fund | 1,087,021 | 806,735 |
| Capital Fund | 1,983,453 | 2,071,254 |
| Enterprise Fund | - | 55,087 |
| | <hr/> 3,070,474 | <hr/> 2,933,076 |
| | <hr/> \$ 5,725,350 | <hr/> \$ 5,508,524 |

14. SEGMENTED INFORMATION

As previously discussed in note 1 (e) the First Nation conducts its business through reportable segments as follows:

The Band Programs department is responsible for administering projects the First Nation is involved in annually and on an on-going basis relating to the overall objectives of the First Nation and the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs, it also provides services for students at the elementary/secondary and post secondary level, including; instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

Social Services provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

The Health department oversees the delivery of health programs and initiatives for the betterment of the lives of the members of the First Nation.

Capital Projects manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nation's infrastructure.

Social Housing is responsible for the administration and management of Social Housing units.

Other operations include Capital Fund, Ottawa Trust Fund, Community Trust Fund and Enterprise Fund transactions.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

14. SEGMENTED INFORMATION, continued

| | 2018 Budget | Band Programs | | 2017 Actual | 2018 Budget | Education | | 2018 Budget | Social Services | |
|--|--------------------|------------------|------------------|------------------|------------------|-----------------|--------------------|--------------------|-----------------|----------------|
| | | 2018 Actual | 2017 Actual | | | 2018 Actual | 2017 Actual | | 2018 Actual | 2017 Actual |
| Revenues | | | | | | | | | | |
| Indigenous Services Canada | \$ 298,803 | \$ 298,803 | \$ 305,143 | \$ 207,250 | \$ 204,357 | \$ 167,599 | \$ 195,321 | \$ 141,430 | \$ 154,869 | |
| BC Hydro | 161,820 | 161,820 | 156,193 | - | - | - | - | - | - | |
| Rental | 24,579 | 34,445 | 32,184 | - | - | - | - | - | - | |
| First Nations Education Steering Committee | - | - | - | 5,206 | 4,857 | - | - | - | - | |
| Logging revenue | 300,075 | 242,140 | 133,632 | - | - | - | - | - | - | |
| In-SHUCK-ch Development Corporation shared revenue | - | - | 106,453 | - | - | - | - | - | - | |
| Canada Mortgage and Housing Corporation | - | - | - | - | - | - | - | - | - | |
| First Nations Health Authority | - | - | - | - | - | - | - | - | - | |
| Other revenue | 275,285 | 154,688 | 109,951 | 31,077 | 24,920 | - | - | - | - | |
| Total revenue | 1,060,562 | 891,896 | 843,556 | 243,533 | 234,134 | 167,599 | 195,321 | 141,430 | 154,869 | |
| Expenses | | | | | | | | | | |
| Administration fees | 47,505 | - | 27,008 | 20,920 | - | - | 22,127 | - | - | |
| Amortization | - | - | - | - | - | - | - | - | - | |
| Honoraria | 49,000 | 48,000 | 69,097 | - | - | - | - | - | - | |
| Professional fees | 111,145 | 81,833 | 47,246 | - | - | - | - | - | - | |
| Repairs and maintenance | 64,166 | 27,481 | 18,738 | - | - | - | - | - | - | |
| Travel | 67,620 | 63,611 | 82,935 | 1,500 | 753 | 624 | 1,150 | 464 | 3,560 | |
| Utilities | 113,100 | 157,531 | 160,447 | - | - | - | - | - | - | |
| Wages and benefits | 172,018 | 154,620 | 100,254 | 69,252 | 52,470 | 5,812 | 23,128 | 23,849 | 15,272 | |
| Other expenses | 463,477 | 328,753 | 291,277 | 130,985 | 120,657 | 157,907 | 187,905 | 167,676 | 109,588 | |
| Total expenses | 1,088,031 | 861,829 | 797,002 | 222,657 | 173,880 | 164,343 | 234,310 | 191,989 | 128,420 | |
| Other income | (27,469) | 30,067 | 46,554 | 20,876 | 60,254 | 3,256 | (38,989) | (50,559) | 26,449 | |
| Annual surplus (deficit) | \$ (27,469) | \$ 30,067 | \$ 46,554 | \$ 20,876 | \$ 60,254 | \$ 3,256 | \$ (38,989) | \$ (50,559) | 26,449 | |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

14. SEGMENTED INFORMATION, continued

| | 2018 Budget | Health | | 2017 Actual | 2018 Budget | Capital Projects | | 2018 Budget | Social Housing Fund | | 2017 Actual |
|--|-----------------|-------------------|--------------------|------------------|-------------------|------------------|----------------|-------------------|---------------------|----------------|----------------|
| | | 2018 Actual | 2017 Actual | | | 2018 Actual | 2017 Actual | | 2018 Actual | 2017 Actual | |
| Revenues | | | | | | | | | | | |
| Indigenous Services Canada | \$ - | \$ - | \$ - | \$ - | \$ 218,658 | \$ 218,658 | \$ 34,022 | \$ - | \$ - | \$ - | |
| BC Hydro | - | - | - | - | - | - | - | - | - | - | |
| Rental | - | - | - | - | - | - | - | - | 59,802 | 42,342 | |
| First Nations Education Steering Committee | - | - | - | - | - | - | - | - | - | - | |
| Logging revenue | - | - | - | - | - | - | - | - | - | - | |
| In-SHUCK-ch Development Corporation shared revenue | - | - | - | - | - | - | - | - | - | - | |
| Canada Mortgage and Housing Corporation | - | - | - | - | - | - | - | - | 201,155 | 29,919 | |
| First Nations Health Authority | 50,377 | 15,085 | 34,514 | - | - | - | - | - | - | - | |
| Other revenue | 67,206 | 79,384 | 16,755 | 80,172 | 241,544 | 10,000 | - | - | 2,566 | 24,269 | |
| Total revenue | 117,583 | 94,469 | 51,269 | 298,830 | 460,202 | 44,022 | - | 263,523 | 96,530 | | |
| Expenses | | | | | | | | | | | |
| Administration fees | 7,369 | - | - | 4,025 | - | - | - | - | (2,000) | 4,000 | |
| Amortization | - | - | - | - | - | - | - | - | - | - | |
| Honoraria | - | - | - | - | - | - | - | - | - | - | |
| Professional fees | - | - | - | 69,002 | 62,702 | 15,697 | - | - | 4,750 | 4,476 | |
| Repairs and maintenance | 5,264 | 5,436 | - | 160,472 | 137,824 | 130 | - | - | 1,510 | 50 | |
| Travel | 28,330 | 32,295 | 37,968 | - | - | - | - | - | - | - | |
| Utilities | - | - | - | - | - | - | - | - | 6,400 | 6,400 | |
| Wages and benefits | 26,308 | 21,700 | 17,719 | 640 | 640 | 18,376 | - | - | 6,500 | - | |
| Other expenses | 46,067 | 38,020 | 10,724 | 15,698 | 19,530 | 4,206 | - | - | 187,706 | 72,130 | |
| Total expenses | 113,338 | 97,451 | 66,411 | 249,837 | 220,696 | 38,409 | - | 204,866 | 87,056 | | |
| Other income | 4,245 | (2,982) | (15,142) | 48,993 | 239,506 | 5,613 | - | 58,657 | 9,474 | | |
| Annual surplus (deficit) | \$ 4,245 | \$ (2,982) | \$ (15,142) | \$ 48,993 | \$ 239,506 | \$ 5,613 | - | \$ 102,449 | \$ 52,520 | | |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

14. SEGMENTED INFORMATION, continued

| | Capital Fund | | | Trust Fund | | | Community Trust Fund | | |
|--|----------------|--------------------|--------------------|----------------|-----------------|-----------------|----------------------|--------------------|-------------------|
| | 2018 Budget | 2018 Actual | 2017 Actual | 2018 Budget | 2018 Actual | 2017 Actual | 2018 Budget | 2018 Actual | 2017 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| BC Hydro | - | - | - | - | - | - | - | - | - |
| Rental | - | - | - | - | - | - | - | - | - |
| First Nations Education Steering Committee | - | - | - | - | - | - | - | - | - |
| Logging revenue | - | - | - | - | - | - | - | - | - |
| In-SHUCK-ch Development Corporation shared revenue | - | - | - | - | - | - | - | - | - |
| Canada Mortgage and Housing Corporation | - | - | - | - | - | - | - | - | - |
| First Nations Health Authority | - | - | - | - | - | - | - | - | - |
| Other revenue | - | - | - | - | 5,086 | 8,330 | - | 16,362 | 215,791 |
| Total revenue | - | - | - | - | 5,086 | 8,330 | - | 16,362 | 215,791 |
| Expenses | | | | | | | | | |
| Administration fees | - | - | - | - | - | - | - | - | - |
| Amortization | - | 94,469 | 95,160 | - | - | - | - | - | - |
| Honoraria | - | - | - | - | - | - | - | - | - |
| Professional fees | - | - | - | - | - | - | - | 5,661 | 6,004 |
| Repairs and maintenance | - | - | - | - | - | - | - | - | - |
| Travel | - | - | - | - | - | - | - | - | - |
| Utilities | - | - | - | - | - | - | - | - | - |
| Wages and benefits | - | - | - | - | - | - | - | - | - |
| Other expenses | - | - | - | - | - | - | - | 34,808 | 16,383 |
| Total expenses | - | 94,469 | 95,160 | - | - | - | - | 40,469 | 22,387 |
| Other income | - | (94,469) | (95,160) | - | 5,086 | 8,330 | - | (24,107) | 193,404 |
| Annual surplus (deficit) | \$ - | \$ (87,801) | \$ (95,160) | - | \$ 5,086 | \$ 8,330 | - | \$ (24,107) | \$ 193,404 |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

14. SEGMENTED INFORMATION, continued

| | Enterprise Fund | | | | Consolidated totals | | |
|--|-----------------|--------------------|------------------|------------------|---------------------|-------------------|--|
| | 2018 Budget | 2018 Actual | 2017 Actual | 2018 Budget | 2018 Actual | 2017 Actual | |
| Revenues | | | | | | | |
| Indigenous Services Canada | \$ - | \$ - | \$ - | \$ 920,032 | \$ 863,248 | \$ 661,633 | |
| BC Hydro | - | - | - | 161,820 | 161,820 | 156,193 | |
| Rental | - | - | - | 24,579 | 94,247 | 74,526 | |
| First Nations Education Steering Committee | - | - | - | 5,206 | 4,857 | - | |
| Logging revenue | - | - | - | 300,075 | 242,140 | 133,632 | |
| In-SHUCK-ch Development Corporation shared revenue | - | - | - | - | - | 106,453 | |
| Canada Mortgage and Housing Corporation | - | - | - | - | 201,155 | 29,919 | |
| First Nations Health Authority | - | - | - | 50,377 | 15,085 | 34,514 | |
| Other revenue | - | (55,087) | 55,086 | 453,740 | 469,463 | 440,182 | |
| Total revenue | - | (55,087) | 55,086 | 1,915,829 | 2,052,015 | 1,637,052 | |
| Expenses | | | | | | | |
| Administration fees | - | - | - | 101,946 | (2,000) | 31,008 | |
| Amortization | - | - | - | - | 94,469 | 95,160 | |
| Honoraria | - | - | - | 49,000 | 48,000 | 69,097 | |
| Professional fees | - | - | - | 180,147 | 154,946 | 73,423 | |
| Repairs and maintenance | - | - | - | 229,902 | 172,251 | 18,918 | |
| Travel | - | - | - | 98,600 | 97,123 | 125,087 | |
| Utilities | - | - | - | 113,100 | 163,931 | 166,847 | |
| Wages and benefits | - | - | - | 291,346 | 259,779 | 157,433 | |
| Other expenses | - | - | - | 844,132 | 897,150 | 662,215 | |
| Total expenses | - | - | - | 1,908,173 | 1,885,649 | 1,399,188 | |
| Other income | - | (55,087) | 55,086 | 7,656 | 166,366 | 237,864 | |
| Annual surplus (deficit) | \$ - | \$ (55,087) | \$ 55,086 | \$ 7,656 | \$ 216,826 | \$ 280,910 | |

SAMAHQUAM INDIAN BAND

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

15. COMPARATIVE AMOUNTS

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current period.