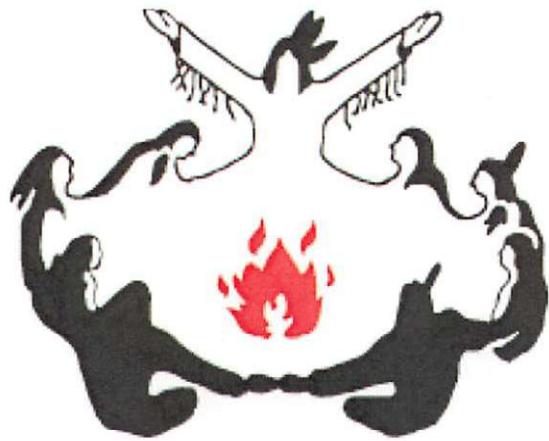


NADLEH WHUT'EN INDIAN BAND

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019



NADLEH WHUT'EN INDIAN BAND

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

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NADLEH WHUT'EN INDIAN BAND

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

MARCH 31, 2019

The accompanying consolidated financial statements of Nadleh Whut'en Indian Band are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

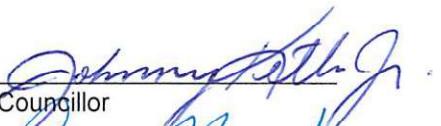
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

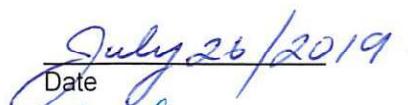
The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

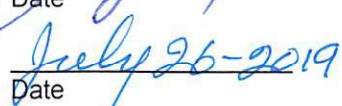
The external auditors, DMC Chartered Professional Accountants Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Nadleh Whut'en Indian Band and meet when required.

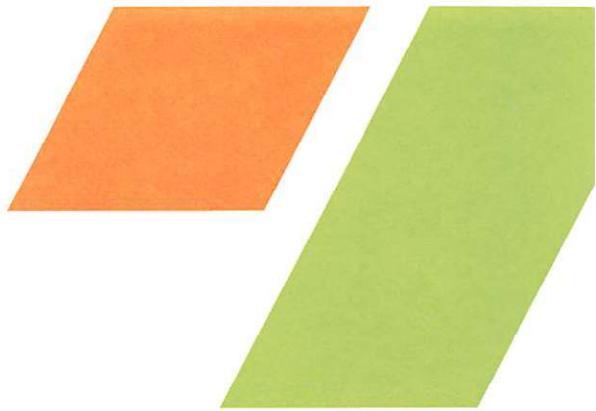
On behalf of Nadleh Whut'en Indian Band:


Councillor


Councillor


Date


Date



Independent Auditor's Report

To the Members of
Nadleh Whut'en Indian Band

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Nadleh Whut'en Indian Band, which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated consolidated statements of revenue, expenditures and accumulated surplus, change in net debt, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Except as noted in the following paragraph, in our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2019 and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

We were unable to obtain sufficient audit evidence for the budgets for the current year as they were not approved by Chief and Council; therefore, we are not able to obtain satisfactory audit evidence regarding the budgeted amounts.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DMC Chartered Professional
Accountants Inc.

Prince George, British Columbia
July 26, 2019

NADLEH WHUT'EN INDIAN BAND

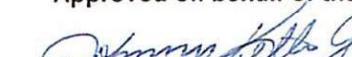
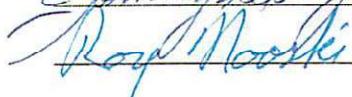
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31, 2019

	2019	2018
		Restated
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,257,945	\$ 5,140,681
Restricted cash (Note 2)	124,564	122,964
Accounts receivable (Note 3)	1,038,792	580,383
Due from government (Note 4)	35,203	18,996
Inventory held for sale (Note 5)	20,486	23,479
Portfolio investments (Note 6)	121,852	116,006
Investment and advances in band owned entities (Note 7, 8)	9,582	9,060
Trust funds (Note 9)	857,179	841,427
	4,465,603	6,852,996
LIABILITIES		
Bank indebtedness (Note 10)	12,968	-
Accounts payable and accrued liabilities (Note 11)	309,566	471,022
Due to government agencies (Note 12)	27,305	14,464
Deferred revenue	-	359,500
Advances from band owned entities (Note 13)	10,000	10,000
Long-term debt (Note 14)	13,574,614	16,108,750
Replacement reserves (Note 15)	90,334	83,578
	14,024,787	17,047,314
NET DEBT	(9,559,184)	(10,194,318)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 16)	25,594,845	25,638,124
Prepaid expenses	55,145	43,934
	25,649,990	25,682,058
ACCUMULATED SURPLUS	\$ 16,090,806	\$ 15,487,740

Contingent liabilities (Note 17)
Economic dependence (Note 18)

Approved on behalf of the Nadleh Whut'en Indian Band

 , Councillor
 , Councillor

See accompanying notes to these financial statements.

NADLEH WHUT'EN INDIAN BAND

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

FOR THE YEAR ENDED MARCH 31, 2019

	2019 Budget	2019 Actual	2018 Actual Restated
EXCESS OF REVENUE OVER EXPENDITURES	\$ (498,593)	\$ 603,066	\$ 3,030,794
Acquisition of tangible capital assets	-	(1,343,062)	(1,399,636)
Amortization of tangible capital assets	-	1,386,341	1,446,011
	-	43,279	46,375
Acquisition of prepaid asset	(11,211)	(55,145)	(26,575)
Use of prepaid asset	-	43,934	29,108
	(11,211)	(11,211)	2,533
(Decrease) increase in net financial assets	(509,804)	635,134	3,079,702
NET DEBT AT BEGINNING OF YEAR	-	(10,194,318)	(13,274,020)
NET DEBT AT END OF YEAR	\$ -	\$ (9,559,184)	\$ (10,194,318)

See accompanying notes to these financial statements.

NADLEH WHUT'EN INDIAN BAND

CONSOLIDATED STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED MARCH 31, 2019

	2019 Budget	2019 Actual	2018 Actual Restated
REVENUE			
Federal government transfers (Note 20)	\$ 2,071,992	\$ 2,157,346	\$ 3,059,796
Provincial government transfers (Note 20)	-	129,168	75,000
Other Aboriginal Groups	508,726	1,433,534	4,063,321
Band Generated	1,824,869	4,305,895	2,018,908
Administration fees and overhead	584,000	-	-
Other Revenue	195,936	1,271,577	221,979
Trust Funds income	-	15,752	73,068
Income from portfolio investments	11,000	17,534	10,877
Interest income	25,500	34,439	4,418
Transfer from deferred revenue	-	359,500	1,314,800
Transfer to deferred revenue	-	-	(359,500)
	5,222,023	9,724,745	10,482,667
COST OF GOODS SOLD	1,211,000	1,401,681	1,171,889
GROSS PROFIT	4,011,023	8,323,064	9,310,778
EXPENDITURES			
Administration	1,686,490	2,738,512	1,759,562
Social Services	536,240	516,528	456,300
Education	1,340,812	1,218,549	1,240,397
Housing	130,078	131,315	230,221
Capital	71,701	1,562,537	1,379,561
Economic Development	268,493	931,441	874,322
Community Services	458,427	583,867	333,343
	4,492,241	7,682,749	6,273,706
RECOVERY	-	(30,491)	-
REPLACEMENT RESERVE	(17,385)	(6,756)	(6,756)
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER ITEMS	(498,593)	603,066	3,030,316
OTHER ITEMS			
Gain on disposal of investment	-	-	478
EXCESS OF REVENUE OVER EXPENDITURES	(498,593)	603,066	3,030,794
ACCUMULATED SURPLUS AT BEGINNING OF YEAR			
As previously stated	-	15,489,682	12,456,946
Prior period adjustment	-	(1,942)	-
As restated	-	15,487,740	12,456,946
CAPITALIZATION OF TANGIBLE CAPITAL ASSETS	795,459	-	-
ACCUMULATED SURPLUS AT END OF YEAR	\$ 296,866	\$ 16,090,806	\$ 15,487,740

See accompanying notes to these financial statements.

NADLEH WHUT'EN INDIAN BAND

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2019

	2019	2018 Restated
Cash flows from OPERATING ACTIVITIES		
EXCESS OF REVENUE OVER EXPENDITURES	\$ 603,066	\$ 3,030,794
Items not affecting cash		
Amortization	1,386,341	1,446,011
Replacement reserve	20,890	13,070
Gain on disposal of investment	-	(478)
	2,010,297	4,489,397
Change in non-cash operating working capital		
Accounts receivable	(458,409)	4,664
Due from government	(16,207)	101,534
Inventory held for sale	2,993	14,109
Prepaid expenses	(11,211)	2,533
Accounts payable and accrued liabilities	(161,457)	202,100
Due to government agencies	12,841	(2,539)
Deferred revenue	(359,500)	(955,300)
Member loans receivable	-	3,246
	1,019,347	3,859,744
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(1,343,062)	(1,399,634)
FINANCING ACTIVITIES		
Repayment of long-term debt	(2,534,135)	(511,109)
Repayment of short-term financing	12,968	(1,339)
	(2,521,167)	(512,448)
INVESTING ACTIVITIES		
Increase in investment in Vanderhoof Co-op	(5,846)	(3,868)
Increase in Ottawa Trust Fund Revenue	(15,752)	(73,068)
Advances to band owned entities (net)	(14,656)	(6,070)
	(36,254)	(83,006)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,881,136)	1,864,656
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,263,645	3,398,989
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,382,509	\$ 5,263,645
REPRESENTED BY		
Cash	\$ 2,257,945	\$ 5,140,681
Restricted cash	124,564	122,964
	\$ 2,382,509	\$ 5,263,645

See accompanying notes to these financial statements.

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

DESCRIPTION OF OPERATIONS

Nadleh Whut'en Indian Band is a self-governed First Nations Band and operates on Nadleh Whut'en First Nation traditional territory, located in Fort Fraser, BC. Off-reserve aboriginal communities are also located throughout Northern BC with its head office located in Fort Fraser, BC.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are prepared in accordance with Canadian Public Sector Accounting Standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(b) Reporting entity principles of financial reporting

The First Nation reporting entity includes the First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

The First Nation also prepares Financial Statements that summarize the assets, liabilities and results of operations for the following entities:

1. Nadleh Whut'en Administration Fund
2. Nadleh Whut'en Social Services Fund
3. Nadleh Whut'en Education Fund
4. Nadleh Whut'en Social Housing Fund
5. Nadleh Whut'en Capital Fund
6. Nadleh Whut'en Economic Development Fund
7. Nadleh Whut'en Community Services Fund
8. Equity in First Nation Investments

All inter-entity balances have been eliminated.

These financial statements account for the activities of Chundo Yus Forestry Ltd., Chundo Yus Forestry LLP, Chundo Yus Real Estate Ltd., Chundo Yus Real Estate LLP, Nadleh LLP, as government business enterprises as defined in the Public Sector Accounting Handbook, using the modified equity method.

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

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

(c) Fund accounting

The Nadleh Whut'en 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 purposes of presentation in the Summary Financial Statements. Detail of the operations of each fund are set out in the supplementary schedules. The First Nation maintains the following funds:

- The Administration Fund which reports the general activities of the First Nation administration.
- The Social Services Fund which reports the activities of the First Nation's social assistance programs.
- The Education Fund which reports the activities of the First Nation's education programs
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Capital Fund which reports the tangible capital assets of the First Nation and their activities.
- The Economic Development Fund which reports the Investment in Band owned entities along with all other investments and their activities.
- The Community Services Fund which reports the activities of the general community which includes health and wellness and other community related programs and all their activities.

(d) Financial instruments

The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The entity subsequently measures all of its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash (restricted and unrestricted), accounts receivable, advances from related parties, portfolio investments and trust funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, reserves, advances to related parties and long-term debt.

Fair value is determined by the price that is quoted in an active market. The most recent quote price becomes its new carrying value. When a quoted price in an active market is not available for an equity instrument that is a portfolio investment, it is measured at cost.

The Nation does not currently have any financial instruments that are measured at fair value.

(e) Cash and cash equivalents

Cash includes cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

(f) Inventories for resale

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value based on first in first out basis.

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

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

(g) Portfolio investments

Portfolio investments are recorded at amortized cost. Portfolio investments are written down where there has been a loss in value that is other than temporary decline.

The investment in the Co-op is recorded at cost plus the patronage income earned on purchases by the Nation; the investment in the Co-op is reduced by any patronage dividend paid to the Nation.

(h) Investments in Band Owned Entities

Investments in the following band owned entities are accounted for using the modified equity method:

- Chundo Yus Forestry Ltd.
- Chundo Yus Forestry LLP
- Chundo Yus Real Estate Ltd.
- Chundo Yus Real Estate LLP
- Nadleh LLP

(i) Trust funds

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's 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 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.

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

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

(j) 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 Nadleh Whut'en Indian Band's incremental cost of borrowing.

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

Buildings and infrastructure	5% - 10% Declining balance
Automotive equipment	25% Declining balance
Computer equipment and software	55% - 100% Declining balance
Office equipment	20% Declining balance
Equipment	20% - 25% Declining balance
Roads and bridges	5% Declining balance

Social housing assets acquired under Canadian Mortgage and Housing Corporation ("CMHC") sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in related long-term debt, as required for CMHC reporting purposes, and is recorded as a charge against social housing operations.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Nadleh Whut'en 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.

(k) Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as excess of the carrying value of the asset over its fair life.

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

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

(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.

(m) Replacement reserve

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

(n) Revenue recognition

Revenue and funding are recognized as follows:

- i) Government funding is recognized as revenue when it becomes available under the terms of the applicable funding agreements. Funding received under the funding agreements relating to a subsequent period is reflected as deferred revenue in the year of receipt.
- ii) Housing revenue is recognized based on lower end of market (LEM) rent for CMHC subsidized housing and based on collected receipts for non-subsidized houses. Rents not collected are written off to bad debts.
- iii) Income from investments is recorded on the accrual basis.
- iv) Government transfers are recognized in the financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met and reasonable estimates of the amount can be made.

(o) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible assets, prepaid expenses and inventory of supplies.

(p) Net debt

The Nation's financial statements are presented so as to highlight net financial debt as the measurement of financial position. The net financial debt of the Nation is determined by its liabilities less financial assets. Net financial debt is comprised of two components, non-financial assets and accumulated surplus.

(q) Segment Disclosure

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.

NADLEH WHUT'EN INDIAN BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2019**

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**(r) 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 reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accounts specifically affected by estimates in these financial statements are allowance for doubtful accounts, accounts receivable impairment, cost of inventory and amortization. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Nadleh Whut'en Indian Band must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund. Cash and cash equivalents is comprised of the following:

	2019	2018
Externally restricted		
Replacement Reserve	\$ 124,564	\$ 122,964
Unrestricted		
Operating	2,068,006	4,454,050
Social Housing	74,398	47,496
Property Tax	83,636	82,057
Nautley Store	4,869	43,045
Mortgage account	27,036	514,033
	<hr/> 2,257,945	<hr/> 5,140,681
	<hr/> \$ 2,382,509	<hr/> \$ 5,263,645

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

3. ACCOUNTS RECEIVABLE

	2019	2018
		Restated
Due from funders		
Indigenous Services Canada	\$ 5,982	\$ 175,096
Canada Mortgage and Housing Corporation	1,733	1,156
Carrier Sekani Family Services	135,712	54,220
Carrier Sekani Tribal Council	340,218	35,607
First Nation Health Authority	59,614	65,169
First Peoples' Heritage, Lanaguage and Culture	19,931	8,620
National Indian Brotherhood	50,000	-
Province of British Columbia	194,023	20,300
New Relationship Trust	19,838	5,460
Prince George Nechako Aboriginal Employment and Training Association	8,375	4,704
	835,426	370,332
Due from members		
Rent receivable	530,765	483,038
Member loans	6,094	8,564
	536,859	491,602
Due from others		
Services - non-members	175,027	185,156
Other	47,388	43,944
	222,415	229,100
Allowance for doubtful accounts	1,594,700	1,091,034
	(555,908)	(510,651)
	\$ 1,038,792	\$ 580,383

Amounts due from Nation members (including rent receivable) shown above are unsecured and non-interest bearing.

4. DUE FROM GOVERNMENT AGENCIES

	2019	2018
Federal government - GST Rebate	\$ 35,203	\$ 18,996

NADLEH WHUT'EN INDIAN BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2019**

5. INVENTORY HELD FOR RESALE

	2019	2018
Fuel and oil	\$ 8,809	\$ 6,798
Cigarettes and tobacco	4,235	9,648
Groceries, confectionary	7,442	7,033
	<hr/>	<hr/>
	\$ 20,486	\$ 23,479

6. PORTFOLIO INVESTMENTS

	2019	2018
Vanderhoof Co-operative Equity Investment	\$ 121,850	\$ 116,004
Pacific Trail/First Nation Group Limited Partnership (PTP - 780 Units)	1	1
<u>FNLP GP2 Inc. (1Common Share)</u>	<u>1</u>	<u>1</u>
	<hr/>	<hr/>
	\$ 121,852	\$ 116,006

7. INVESTMENT IN BAND OWNED ENTITIES

Nadleh Whut'en Indian Band's investment in government business partnerships consists of the following:

- ◆ Chundo Yus Forestry General Partner (100%)
- ◆ Chundo Yus Real Estate General Partner (100%)
- ◆ Chundo Yus Forestry Limited Partnership (99.99%)
- ◆ Chundo Yus Real Estate Limited Partnership (99.99%)
- ◆ Nadleh Limited Partner Ltd. (100%)

The First Nation entered into a Bare Trust / Agency Agreement with Nadleh Limited Partner Ltd. on May 29, 2015, which states that all income received from the Trust Property will belong to and be for the sole benefit of the First Nation and will be paid to the First Nation upon the direction of the Chief and Council.

	2019	2018
Chundo Yus Forestry General Partner (100%)	\$ 21	\$ 21
Chundo Yus Real Estate General Partner (100%)	21	21
Chundo Yus Forestry Limited Partnership (99.99%)	9,500	9,500
Chundo Yus Real Estate Limited Partnership (99.99%)	39	(483)
Nadleh Limited Partner Ltd. (100%)	1	1
	<hr/>	<hr/>
	\$ 9,582	\$ 9,060

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

7. INVESTMENT IN BAND OWNED ENTITIES, continued

	Chundo Yus Forestry General Partner (100%)	Chundo Yus Real Estate General Partner (100%)	Chundo Yus Forestry Limited Partnership (99.99%)	Chundo Yus Real Estate Limited Partnership (99.99%)	Nadleh Limited Partner Ltd. (100%)
Cash	\$ -	\$ -	\$ -	\$ 131	\$ -
Accounts receivable	20	20	-	-	-
Investment	1	1	-	-	-
Due from Nadleh Whut'en	-	-	9,499	-	1
Due from Chundo Yus General Partners	-	-	1	1	-
Total assets	\$ 21 \$	21 \$	9,500 \$	132 \$	1
Accounts payable	\$ -	\$ -	\$ 94	\$ -	-
Due to Nadleh Whut'en	2,777	2,761	-	578,687	-
Total liabilities	2,777	2,761	-	578,781	-
Equity	(2,756)	(2,740)	9,500	(578,649)	1
Total equity	(2,756)	(2,740)	9,500	(578,649)	1
Total liabilities and equity	\$ 21 \$	21 \$	9,500 \$	132 \$	1
	Chundo Yus Forestry General Partner (100%)	Chundo Yus Real Estate General Partner (100%)	Chundo Yus Forestry Limited Partnership (99.99%)	Chundo Yus Real Estate Limited Partnership (99.99%)	Nadleh Limited Partner Ltd. (100%)
Bank charges	\$ -	\$ -	\$ -	\$ 1,479	\$ -
Professional fees	-	-	-	12,656	-
Total expenses	-	-	-	14,135	-
Net income	\$ -	\$ -	\$ -	\$ (14,135)	-

NADLEH WHUT'EN INDIAN BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2019****8. ADVANCES TO BAND OWNED ENTITIES**

	2019	2018
Chundo Yus Forestry General Partner (100%)	\$ 2,777	\$ 2,777
Chundo Yus Real Estate General Partner (100%)	2,761	2,761
Chundo Yus Real Estate Limited Partnership (99.99%)	<u>578,687</u>	<u>564,030</u>
	<hr/> \$ 584,225	<hr/> \$ 569,568

Related party balances are non-interest bearing with no set terms of repayment

Related party transactions, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

During the year, the Nadleh Whut'en Indian Band paid consulting and professional fees for its related parties as follows:

Chundo Yus Forestry General Partner Ltd. - 2019 - \$500 (2018 - \$500)
 Chundo Yus Real Estate General Partner Ltd. - 2019 - \$500 (2018 - \$500)
 Chundo Yus Real Estate Limited Partnership - 2019 - \$3,750 (2018 - \$3,750)

9. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2019	2018		
Capital funds held in trust	\$ 14,423	\$ 14,423		
Revenue funds held in trust	<u>842,756</u>	<u>827,004</u>		
	<hr/> \$ 857,179	<hr/> \$ 841,427		
	March 31, 2018	Additions, 2019	Withdrawals, 2019	March 31, 2019
Capital funds held in trust	\$ 14,423	\$ -	\$ -	\$ 14,423
Revenue funds held in trust	<u>827,004</u>	<u>27,352</u>	<u>(11,600)</u>	<u>842,756</u>
	<hr/> \$ 841,427	\$ 27,352	\$ (11,600)	\$ 857,179

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.

NADLEH WHUT'EN INDIAN BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2019**

10. BANK INDEBTEDNESS

Bank indebtedness consists of an operating line of credit authorized to \$800,000 and is secured by a general security agreement providing first ranking security interest over all of the tangible and intangible assets of the First Nation, with interest charged at prime plus 1% per annum.

	2019	2018
Cheques in excess of cash	\$ 12,968	\$ -

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
Trade payables	\$ 94,030	\$ 262,536
Accrued payables	79,099	53,437
Wages payable	55,162	68,272
Vacation payable	46,762	41,398
Social Housing Rent payable	23,948	23,124
Other payables	10,565	22,255
	<hr/> \$ 309,566	<hr/> \$ 471,022

12. DUE TO GOVERNMENT AGENCIES

	2019	2018
Federal government	\$ 24,234	\$ 11,342
Provincial government	3,071	3,122
	<hr/> \$ 27,305	<hr/> \$ 14,464

13. ADVANCES FROM BAND OWNED ENTITIES

	2019	2018
Chundo Yus Forestry Limited Partnership (99.99%)	\$ 9,999	\$ 9,999
Nadleh Limited Partner	1	1
	<hr/> \$ 10,000	<hr/> \$ 10,000

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

14. LONG-TERM DEBT

	2019	2018
Treaty Loan, Carrier Sekani Tribal Council Treaty negotiation loan, non-interest loan, non-interest bearing, repayable at the earlier of: a) the twelfth anniversary of the date of signing of the agreement in principle by the Carrier Sekani Tribal Council; b) the date on which a treaty is signed by the Carrier Sekani Tribal Council.	\$ 1,407,264	\$ 1,407,264
CIBC Mortgage bearing interest at 2.99% per annum, repayable in monthly payments of \$1,586 including interest. The loan is secured by buildings with a net book value \$70,383 and a Government of Canada Ministerial Guarantee. The loan matures on August 1, 2022.	69,839	86,523
CMHC mortgage bearing interest at 1.22% per annum, repayable in monthly payments of \$2,539 including interest. The loan is secured by buildings with a net book value \$18,158 and a Government of Canada Ministerial Guarantee. The loan matures on June 1, 2019.	7,676	37,854
Construction Loan - Facility 3 bearing interest at prime plus 1.25% per annum, repayable in monthly payments of \$40,606 plus interest, due on demand. The loan is secured by a general security agreement providing first ranking security interest over all of the tangible and intangible assets of the borrower, all risk insurance including course of construction and general liability insurance with the lender named as a loss payee, and a pledge of the borrower's revenue stream as required.. The loan matures on March 1, 2042.	<u>12,089,835</u>	<u>14,577,109</u>
	<hr/> <u>\$ 13,574,614</u>	<hr/> <u>\$ 16,108,750</u>

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

2020	\$ 512,139
2021	504,985
2022	505,521
2023	503,963
2024 and thereafter	11,548,006
	<hr/> \$ 13,574,614

	2019	2018
Interest expense for the year on long-term debt	\$ 659,863	\$ 447,532

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

15. REPLACEMENT RESERVE

Under the terms of an agreement with Canada Mortgage and Housing Corporation (CMHC), the First Nation is required to make annual deposits of at least \$6,756 to a separate replacement reserve for the replacement of certain items contained in the rental housing projects financed by CMHC.

	2019	2018
Balance, beginning of year	\$ 83,578	\$ 78,064
Contributions, required during the year	6,756	6,756
Withdrawals	-	(1,242)
	<hr/> \$ 90,334	<hr/> \$ 83,578

As at March 31, 2019 the replacement reserve cash account was overfunded by \$34,230 (2018 - overfunded \$39,386)

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

16. TANGIBLE CAPITAL ASSETS

Accumulated amortization

	Cost	Balance, beginning of year	Additions	Balance, end of year	beginning of year	Amortization	Balance, end of year	2019 net book value
Buildings and infrastructure								
Automotive equipment	\$ 37,128,463	\$ 33,501	\$ 37,161,964	\$ 11,648,742	\$ 1,280,100	\$ 12,928,842	\$ 24,233,122	
Computer equipment	388,980	197,030	586,010	362,805	31,268	394,073	191,937	
Office equipment	76,695	26,629	103,324	62,683	16,213	78,896	24,428	
Equipment	113,742	94,339	208,081	31,340	25,914	57,254	150,827	
Roads and bridges	364,326	4,839	369,165	328,512	8,176	336,688	32,477	
	-	986,722	986,722	-	24,668	24,668	962,054	
	\$ 38,072,206	\$ 1,343,060	\$ 39,415,266	\$ 12,434,082	\$ 1,386,339	\$ 13,820,421	\$ 25,594,845	

Accumulated amortization

	Cost	Balance, beginning of year	Additions	Balance, end of year	beginning of year	Amortization	Balance, end of year	2018 Net book value
Buildings and infrastructure								
Automotive equipment	\$ 35,760,676	\$ 1,367,787	\$ 37,128,463	\$ 10,249,466	\$ 1,399,276	\$ 11,648,742	\$ 25,479,721	
Computer equipment	388,980	-	388,980	354,080	8,725	362,805	26,175	
Office equipment	62,642	14,053	76,695	52,644	10,039	62,683	14,012	
Equipment	110,918	2,824	113,742	11,092	20,248	31,340	82,402	
Roads and bridges	349,354	14,972	364,326	320,788	7,724	328,512	35,814	
	\$ 36,672,570	\$ 1,399,636	\$ 38,072,206	\$ 10,988,070	\$ 1,446,012	\$ 12,434,082	\$ 25,638,124	

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

17. CONTINGENT LIABILITIES

a) Recoveries of Government Funding

Under the terms of the agreement with Indigenous Services Canada and other government agencies, certain surplus may be recoverable and so repayable to the government by the First Nation. The amount of the liability, if any, of the First Nation is not determinable at this time.

b) Carrier Sekani Treaty Funding Loan Agreement

The Carrier Sekani Tribal Council has signed an agreement on behalf of its member First Nations with Canada and British Columbia. The First Nation has signed a treaty loan agreement with the Carrier Sekani Tribal Council. The loan to the First Nation shall accrue interest at a rate established pursuant to the First Nation loan agreement between the Carrier Sekani Tribal Council with Canada and British Columbia. The amount of the liability for interest, if any, of the First Nation is not determinable at this time.

c) Ministerial Loan Agreement

The First Nation is contingently liable for Ministerial Loan Guarantees in the amount of \$24,141 for loans to individual First Nations Members.

d) Credit Facility

The First Nation has a \$800,000 revolving credit facility with the Bank of Montreal for general working capital purposes and is secured by a general security agreement providing first ranking security interest over all of the tangible and intangible assets of the borrower, with interest charged at prime plus 1% per annum.

e) The First Nation has a \$50,000 MasterCard facility for general working capital purposes

f) The First Nation has a \$2,000,000 on-reserve housing loan program which provides up to 80% of the mortgage value to qualified borrowers for the construction, renovation, refinance or purchase of a dwelling on reserve, and a \$1,440,000 Treasury Risk Management Facility to facilitate hedging of interest rate risk.

18. ECONOMIC DEPENDENCE

Nadleh Whut'en Indian Band receives a significant portion of its revenue pursuant to a funding agreement with Indigenous Services Canada. The First Nation's ability to operate certain programs depends on the contribution of this funding.

19. EMPLOYMENT RETIREMENT PLAN

The First Nation has a defined contribution plan for its employees, where 5% of employees gross payroll is contributed to a defined contribution plan. Total band contributions for 2019 were \$86,819 (2018 - \$73,510).

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

20. GOVERNMENT TRANSFERS

	2019		
	Operating	Capital	Total
Federal government transfers			
Indigenous Services Canada	\$ 1,806,623	\$ 339,453	\$ 2,146,076
Canada Mortgage and Housing Corporation	11,270	-	11,270
Total	1,817,893	339,453	2,157,346
Provincial government transfers			
	129,168	-	129,168
	\$ 1,947,061	\$ 339,453	\$ 2,286,514
	2018		
	Operating	Capital	Total
Federal government transfers			
Indigenous Services Canada	\$ 2,545,008	\$ 469,312	\$ 3,014,320
Canada Mortgage and Housing Corporation	14,476	-	14,476
Other	31,000	-	31,000
Total	2,590,484	469,312	3,059,796
Provincial government transfers			
	75,000	-	75,000
	\$ 2,665,484	\$ 469,312	\$ 3,134,796

NADLEH WHUT'EN INDIAN BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2019**

21. PRIOR PERIOD RESTATEMENT

The comparative figures have been restated for an error in Canada Housing and Mortgage Subsidy revenue and Accrued liabilities. As a result, Canada Housing and Mortgage Subsidy revenue and accounts receivable along with accrued liabilities and consulting fees have changed as follows:

	As previously stated in 2018 Actual	Adjustments Increase (Decrease) Actual	Restated 2018 Actual
Consolidated Statement of Financial Position			
Financial assets			
Canada Housing and Mortgage receivables	3,098	(1,942)	1,156
Liabilities			
Accrued liabilities	71,308	(17,870)	53,438
Accumulated surplus	15,471,812	15,928	15,487,740
Consolidated Statement of Operations			
Revenue			
Canada Housing and Mortgage subsidy	16,418	(1,942)	14,476
Expenses			
Consulting fees	700,540	(17,870)	682,670

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

22. SEGMENTED INFORMATION

Nadleh Whut'en Indian Band is a First Nation organization that provides a wide range of services to its members including social, education, housing, capital, economic development and community services. For management reporting purposes, the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Administration

The Administration departments provides operational and programmatic support to the Nation. It also manages the Nation's financial records to ensure that the government's operations are fiscally responsible and accurate financial results of government programming are being reported.

Social Services

The Social Services program provides assistance to community members unable to provide for themselves and their dependents. The services include, but are not limited to, income assistance, child and family services, and assisted living.

Education

The Education program offers aboriginal employment and training programs to assist members to attain employment, provides kindergarten to grade 12 courses and provides post secondary education support.

Housing

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

Capital

The Capital program provides for the development of new capital projects and infrastructure programs on the reserve.

Economic Development

The Economic Development department is responsible for creating and sustaining businesses and partnerships that provide economic growth and stability for the Nation.

Community Services

The Community Services department supports the members in their efforts to enhance their self-awareness, health and wellness, education and employment. Various programs are being offered in this department.

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.

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

22. SEGMENTED INFORMATION, continued

	Administration		Social Services		2018		2019		Education	
	2019 Budget	2019 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual
Revenues										
Indigenous Services Canada	\$ 232,952	\$ 245,897	\$ 474,115	\$ 383,496	\$ 381,106	\$ 377,185	\$ 1,142,628	\$ 1,179,620	\$ 1,146,470	
Federal Government	-	-	25,000	-	-	-	-	-	-	-
Provincial Government	-	-	45,000	-	-	-	-	-	-	-
Other Aboriginal Groups	85,749	124,420	101,000	140,204	202,121	140,924	115,703	149,949	477,437	
Band Generated	279,914	335,484	334,144	-	-	-	-	-	-	-
Other Revenue	61,500	703,386	47,713	-	-	10,000	500	160,798	36,835	
Other revenue	609,500	48,334	77,320	-	-	-	-	-	-	-
Total revenue	1,269,615	1,457,521	1,104,292	523,700	583,227	528,109	1,258,831	1,490,367	1,660,742	
Expenses										
Other expenses	1,686,490	2,763,513	1,759,562	536,240	516,528	456,300	1,340,812	1,218,549	1,240,397	
Total expenses	1,686,490	2,763,513	1,759,562	536,240	516,528	456,300	1,340,812	1,218,549	1,240,397	
Annual surplus (deficit)	\$ (416,875)	\$ (1,305,992)	\$ (655,270)	\$ (12,540)	\$ 66,699	\$ 71,809	\$ (81,981)	\$ 271,818	\$ 420,345	

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

22. SEGMENTED INFORMATION, continued

	Housing		2019		2018		2019		Capital		2018		2019		Economic Development		
	2019 Budget	2019 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2018 Budget	2018 Actual	
Revenues																	
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ 11,270	\$ 14,476	\$ -	\$ 165,706	\$ 165,706	\$ -	\$ -	\$ -	\$ -	\$ 147,210	\$ 173,747	\$ 245,310	
Federal Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	129,168	600,273	3,172,885
Other Aboriginal Groups	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,850	3,788,500	1,529,536
Band Generated	195,455	171,507	146,762	-	-	-	-	-	-	-	-	-	-	-	22,236	191,584	85,920
Other Revenue	11,700	11,868	10,445	-	-	-	-	-	-	-	-	-	-	-	11,000	17,534	10,877
Other revenue	-	1,857	1,314,965	-	-	-	-	359,500	(359,500)	-	-	-	-	-	-	-	-
Total revenue	207,155	196,502	1,486,648		165,706		525,206		411,740		1,547,796		4,900,986		5,044,528		
Expenses																	
Other expenses	147,463	138,071	236,977		71,701		1,562,537		1,379,561		1,479,493		2,338,614		2,046,211		
Total expenses	147,463	138,071	236,977		71,701		1,562,537		1,379,561		1,479,493		2,338,614		2,046,211		
Other income	59,692	58,431	1,249,671		94,005		(1,037,331)		(987,821)		68,303		2,562,372		2,998,317		478
Annual surplus (deficit)	\$ 59,692	\$ 58,431	\$ 1,249,671		\$ 94,005		\$ (1,037,331)		\$ (987,821)		\$ 68,303		\$ 2,562,372		\$ 2,998,795		

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

22. SEGMENTED INFORMATION, continued

	Community Services						Consolidated totals		
	2019		2018		2019		2019	2018	2018
	Budget	Actual	Actual	Budget	Actual	Budget	Actual	Actual	
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,071,992	\$ 2,146,076	\$ 3,014,320	
Federal Government	-	-	-	6,000	-	-	11,270	45,476	
Provincial Government	-	-	-	30,000	-	-	129,168	75,000	
Other Aboriginal Groups	149,220	356,771	171,075	508,726	1,433,534	4,063,321			
Band Generated	-	10,225	8,467	1,824,869	4,305,896	2,018,909			
Other Revenue	100,000	203,742	31,066	195,936	1,271,378	221,979			
Other revenue	-	198	-	620,500	427,423	1,043,662			
Total revenue	249,220	570,936	246,608	5,222,023	9,724,745	10,482,667			
Expenses									
Other expenses	458,427	583,867	333,343	5,720,626	9,121,679	7,452,351			
Total expenses	458,427	583,867	333,343	5,720,626	9,121,679	7,452,351			
Other income	(209,207)	(12,931)	(86,735)	(498,603)	603,066	3,030,316			
Annual surplus (deficit)	\$ (209,207)	\$ (12,931)	\$ (86,735)	\$ (498,603)	\$ 603,066	\$ 3,030,794			

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

23. EXPENSES BY OBJECT

	2019 Budget	2019 Actual	2018 Actual
Advertising expense	\$ 2,000	\$ 3,195	-
Administration fees	195,700	-	-
Amortization	-	1,386,341	1,446,011
Bad debts	2,000	47,881	49,881
Capital purchases	46,590	-	-
Catering	79,050	122,139	62,039
Child care	20,145	21,989	21,014
Christmas	3,430	5,418	4,446
Community Development	5,000	(399)	5,393
Consulting fees	261,479	871,592	682,670
Contracted services	36,873	45,779	51,567
Donations	-	14,517	1,679
Economic development	2,500	2,500	2,500
Election	-	25,000	8,500
Fees	3,200	8,310	3,188
Honorarium	123,975	177,740	127,917
Insurance	73,992	84,748	83,583
Interest and bank charges	13,900	18,038	21,241
Interest on long-term debt	570,000	659,863	447,532
Janitorial	3,000	19,485	21,893
Materials and supplies	135,081	290,197	127,272
Meeting expenses	50,488	58,588	48,538
Municipal services	-	6,431	6,942
Office expenses	56,780	59,282	45,830
Professional fees	56,247	74,477	72,459
Project expenses	-	-	10,769
Purchases	1,211,000	1,401,681	1,171,889
Regional District Services	19,700	20,942	17,607
Relocation costs	-	262	300
Rent	212,829	246,826	212,282
Repairs and maintenance	70,476	134,490	132,742
Social assistance and support	273,451	254,324	272,649
Supplies	1,000	-	-
Training	136,950	190,944	122,404
Travel	199,364	363,941	236,099
Tuitions and allowances	595,286	532,176	653,068
Utilities and telephone	174,986	280,375	172,636
Vehicle	10,000	18,425	10,313
Wages and benefits	1,056,769	1,636,933	1,090,742
	<hr/>	<hr/>	<hr/>
	\$ 5,703,241	\$ 9,084,430	\$ 7,445,595

NADLEH WHUT'EN INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

24. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Interest rate risk

The First Nation is exposed to interest rate risk. Interest rate risk is the risk that the First Nation has interest rate exposure on its bank contingent liabilities, which are variable based on the bank's prime rates. This exposure may have an effect on its earnings in future periods. The First Nation reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates, which have been relatively stable over the period presented. There are some loans that are at fixed term rates and do not effect interest rate risk. The First Nation does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management, the interest rate risk to the First Nation is low and not material.

25. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from estimates. The budgets for the 2018 - 2019 year were not approved by Chief and Council.

26. COMPARATIVE AMOUNTS

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