

**RECONCILIATION OF  
 INDIGENOUS SERVICES CANADA (ISC)  
 FUNDING CONFIRMATION REPORT REVENUE WITH  
 STATEMENT OF OPERATIONS/INCOME STATEMENT REVENUE  
 2019/2020 FISCAL YEAR**

Recipient Name	Recipient #
NADLEH WHUT'EN INDIAN BAND	612
<b>ISC Revenue per Consolidated Statement of Operations / Income Statement</b>	<b>\$3,126,476</b>
<b>Explanations:</b>	<b>Adjustments:</b>
less: Prior Year Deferred Revenue	Add / (Subtract) \$
add: Current Year Deferred Revenue	
<b>Net Adjustments</b>	<b>\$0</b>
<b>INAC Funding Confirmation Report - Net Funding Arrangement Budget (see Note 1)</b>	<b>\$3,126,476</b>

**Note 1:** Includes ISC Current Payable At Year End (PAYE)

Excludes BCTC Treaty Loans

Excludes Recoveries for the prior year

Includes Reimbursements for the prior year

**NADLEH WHUT'EN INDIAN BAND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**



**NADLEH WHUT'EN INDIAN BAND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2020**

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# NADLEH WHUT'EN INDIAN BAND

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

**MARCH 31, 2020**

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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 and as such include amounts that are the best estimates and judgments of management.

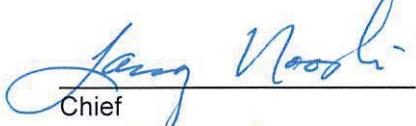
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

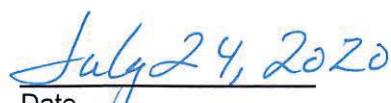
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

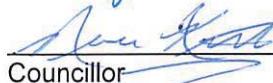
The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the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

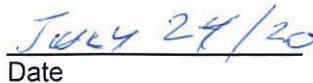
The external auditors, DMC Chartered Professional Accountants Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Nadleh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

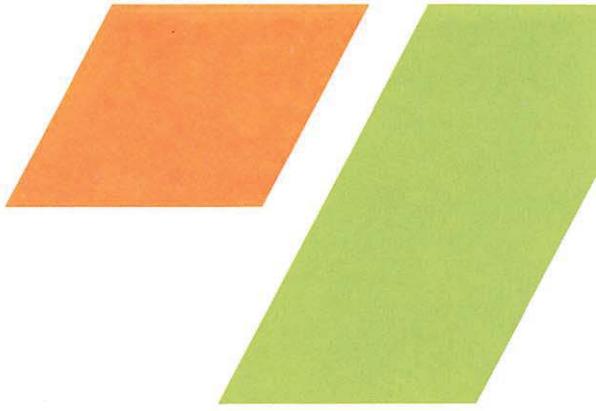
On behalf of Nadleh Whut'en Indian Band:

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Date July 24, 2020

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Date July 24/20



## Independent Auditor's Report

To the Members of  
Nadleh Whut'en Indian Band

### *Report on the Audit of the Consolidated Financial Statements*

#### *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, 2020, and the consolidated statements of revenue, expenditures and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 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, 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 24, 2020

# NADLEH WHUT'EN INDIAN BAND

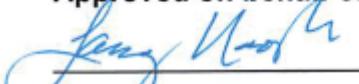
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 1,335,256	\$ 2,382,508
Accounts receivable (Note 4)	2,953,255	1,038,792
Due from government (Note 5)	28,278	35,203
Inventory held for sale (Note 6)	30,944	20,486
Portfolio investments (Note 7)	127,401	121,852
Investment and advances in band owned entities (Note 8, 9)	9,334	9,582
Trust funds (Note 10)	1,375,044	857,179
	<b>5,859,512</b>	<b>4,465,602</b>
<b>LIABILITIES</b>		
Bank indebtedness (Note 11)	1,057,863	12,968
Accounts payable and accrued liabilities (Note 12)	343,679	309,561
Due to government agencies (Note 13)	34,787	27,305
Deferred revenue (Note 14)	808,507	-
Advances from band owned entities (Note 15)	10,000	10,000
Long-term debt (Note 16)	11,616,310	13,574,614
Replacement reserves	-	90,334
	<b>13,871,146</b>	<b>14,024,782</b>
<b>NET DEBT</b>	<b>(8,011,634)</b>	<b>(9,559,180)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Note 17)	26,587,345	25,594,844
Prepaid expenses	55,044	55,145
	<b>26,642,389</b>	<b>25,649,989</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 18,630,755</b>	<b>\$ 16,090,809</b>

Contingent liabilities (Note 18)  
 Economic dependence (Note 19)  
 Subsequent events (Note 20)

Approved on behalf of the Nadleh Whut'en Indian Band

, Chief

, 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, 2020**

	<b>2020</b>	<b>2019</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 2,539,946</b>	<b>\$ 603,070</b>
Acquisition of tangible capital assets	(2,387,558)	(1,343,059)
Amortization of tangible capital assets	1,395,057	1,386,341
	<b>(992,501)</b>	<b>43,282</b>
Acquisition of prepaid asset	(124,772)	(55,145)
Use of prepaid asset	124,873	43,934
	<b>101</b>	<b>(11,211)</b>
Increase in net financial assets	1,547,546	635,141
<b>NET DEBT AT BEGINNING OF YEAR</b>	<b>(9,559,180)</b>	<b>(10,194,321)</b>
<b>NET DEBT AT END OF YEAR</b>	<b>\$ (8,011,634)</b>	<b>\$ (9,559,180)</b>

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, 2020**

	<b>2020 Budget</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>REVENUE</b>			
Federal government transfers (Note 22)	\$ 1,928,695	\$ 3,152,714	\$ 2,157,346
Provincial government transfers (Note 22)	-	2,590,240	159,168
Other Aboriginal Groups	625,160	1,071,919	1,433,534
Band Generated	2,038,438	3,147,822	4,329,400
Other Revenue	63,180	288,512	1,220,021
Trust Funds income	-	497,027	15,752
Income from portfolio investments	-	16,319	17,534
Interest income	35,441	45,723	34,437
Transfer from deferred revenue	-	-	359,500
Transfer to deferred revenue	-	(750,000)	-
	4,690,914	10,060,276	9,726,692
<b>COST OF GOODS SOLD</b>	<b>1,356,000</b>	<b>1,336,864</b>	<b>1,401,681</b>
<b>GROSS PROFIT</b>	<b>3,334,914</b>	<b>8,723,412</b>	<b>8,325,011</b>

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, 2020**

	<b>2020 Budget</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
<b>EXPENDITURES</b>			
Administration	1,644,636	1,713,732	2,738,512
Social Services	552,719	511,443	516,528
Education	1,080,645	1,282,613	1,218,549
Housing	84,820	118,231	131,315
Capital	357,590	2,613,896	1,562,537
Economic Development	345,704	1,008,987	933,388
Community Services	424,763	687,888	583,867
	<b>4,490,877</b>	<b>7,936,790</b>	<b>7,684,696</b>
<b>RECOVERY</b>	-	-	(30,491)
<b>REPLACEMENT RESERVE</b>	<b>(36,000)</b>	-	(6,756)
<b>EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER ITEMS</b>	<b>(941,964)</b>	<b>786,618</b>	<b>603,070</b>
<b>OTHER ITEMS</b>			
Loss in band owned entities	-	(2,329)	-
Debt forgiveness (Note 16)	-	1,407,264	-
Province of British Columbia - Motor Fuel Tax rebate	-	259,830	-
Extinguished replacement reserve requirement	-	88,563	-
	-	<b>1,753,328</b>	-
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>(941,964)</b>	<b>2,539,946</b>	<b>603,070</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	-	<b>16,090,809</b>	<b>15,487,739</b>
<b>CAPITALIZATION OF TANGIBLE CAPITAL ASSETS</b>	<b>966,058</b>	-	-
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>\$ 24,094</b>	<b>\$ 18,630,755</b>	<b>\$ 16,090,809</b>

See accompanying notes to these financial statements.

**NADLEH WHUT'EN INDIAN BAND**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

	<b>2020</b>	<b>2019</b>
<b>Cash flows from</b>		
<b>OPERATING ACTIVITIES</b>		
EXCESS OF REVENUE OVER EXPENDITURES	\$ 2,539,946	\$ 603,070
Items not affecting cash		
Amortization	1,395,057	1,386,341
Replacement reserve	(1,771)	20,890
Extinguishment of replacement reserve	(88,563)	-
Debt forgiveness	(1,407,264)	-
	2,437,405	2,010,301
Change in non-cash operating working capital		
Accounts receivable	(1,914,463)	(458,409)
Due from government	6,925	(16,207)
Inventory held for sale	(10,458)	2,993
Prepaid expenses	101	(11,211)
Accounts payable and accrued liabilities	34,120	(161,462)
Due to government agencies	7,482	12,841
Deferred revenue	808,507	(359,500)
	1,369,619	1,019,346
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(2,387,558)	(1,343,062)
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(551,041)	(2,534,135)
Advances from short-term financing	1,044,895	12,968
	493,854	(2,521,167)
<b>INVESTING ACTIVITIES</b>		
Increase in investment in Vanderhoof Co-op	(5,440)	(5,846)
Increase in Ottawa Trust Fund Revenue	(517,865)	(15,752)
Advances to band owned entities (net)	248	(14,656)
Increase in portfolio investments	(110)	-
	(523,167)	(36,254)
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,047,252)	(2,881,137)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>2,382,508</b>	<b>5,263,645</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,335,256</b>	<b>\$ 2,382,508</b>
<b>REPRESENTED BY</b>		
Cash	\$ 1,335,256	\$ 2,382,508

See accompanying notes to these financial statements.

# **NADLEH WHUT'EN INDIAN BAND**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**

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### **1. 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.

### **2. 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 the Canadian Institute of Chartered Accountants.

#### **(a) 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, 2020**

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### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(b) 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.

#### **(c) 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.

#### **(d) 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.

#### **(e) 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, 2020**

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### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(f) 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.

#### **(g) Investment in Band Owned Entities**

Nadleh Whut'en Indidan Band's investment in First Nation Entities owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are accounted for using the modified equity method. Under the modified equity method, the equity method is modified only to the extent that the First Nation entity accounting principles are not adjusted to conform to those of the First Nation. The First Nation's investment in these entities is recorded at cost and increased or decreased for it's proportionate share of the post acquisition earnings, losses and distributions received. Entities accounted for under the modified equity method include:

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

#### **(h) 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, 2020**

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### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(i) 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	2% - 10% Declining balance
Automotive equipment	25% Declining balance
Computer equipment	55% Declining balance
Office equipment	20% Declining balance
Equipment	25% Declining balance
Roads and bridges	5% Declining balance
Computer software	100% Declining balance
Small equipment	20% Declining balance

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.

#### **(j) 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.

#### **(k) 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.

# **NADLEH WHUT'EN INDIAN BAND**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**

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### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(l) Revenue recognition**

Revenue and funding are recognized as follows:

- i) 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.
- ii) Income from investments is recorded on the accrual basis.
- iii) Government transfers with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when, and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Any such liability is reduced, and an equivalent amount of revenue is recognized, as the liability is settled.
- iv) Government transfers without stipulations are recognized in the period in which the transfer is authorized, any eligibility criteria have been met and a reasonable estimate of the amount to be received can be made.

#### **(m) 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.

#### **(n) 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.

#### **(o) 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.

#### **(p) 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.

**NADLEH WHUT'EN INDIAN BAND****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2020**

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**3. CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
Externally Restricted		
Replacement Reserve	\$      -	\$ 124,564
Unrestricted		
Operating	801,734	2,068,006
Social Housing	122,616	74,398
Property Tax	120,294	83,636
Nautley Store	22,842	4,869
Mortgage account	140,366	27,035
Replacement Reserve	127,404	-
	<hr/> 1,335,256	2,257,944
	<hr/> \$ 1,335,256	\$ 2,382,508

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 4. ACCOUNTS RECEIVABLE

	2020	2019
<b>Due from funders</b>		
Indigenous Services Canada	\$ 109,837	\$ 5,982
Canada Mortgage and Housing Corporation	125	1,733
Carrier Sekani Family Services	32,253	135,712
Carrier Sekani Tribal Council	1,692,958	340,218
First Nation Health Authority	64,347	59,614
First Peoples' Heritage, Lanaguage and Culture	25,950	19,931
National Indian Brotherhood	-	50,000
New Relationship Trust	5,000	19,838
Prince George Nechako Aboriginal Employment and Training Association	45,165	8,375
Province of BC	264,677	194,023
	<hr/> <b>2,240,312</b>	<hr/> 835,426
<b>Due from members</b>		
Rent receivable	599,925	530,765
Member loans	5,758	6,094
	<hr/> <b>605,683</b>	<hr/> 536,859
<b>Due from others</b>		
Services - non-members	675,301	175,027
Other	56,690	47,388
	<hr/> <b>731,991</b>	<hr/> 222,415
Allowance for doubtful accounts	<hr/> <b>3,577,986</b>	<hr/> 1,594,700
	<hr/> <b>(624,731)</b>	<hr/> (555,908)
	<hr/> <b>\$ 2,953,255</b>	<hr/> \$ 1,038,792

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

### 5. DUE FROM GOVERNMENT AGENCIES

	2020	2019
Federal government - GST Rebate	<hr/> \$ 28,278	<hr/> \$ 35,203

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 6. INVENTORY HELD FOR RESALE

	2020	2019
Fuel and oil	\$ 11,132	\$ 8,809
Cigarettes and tobacco	6,229	4,235
Groceries, confectionary	13,583	7,442
	<hr/> <b>\$ 30,944</b>	<hr/> <b>\$ 20,486</b>

### 7. PORTFOLIO INVESTMENTS

	2020	2019
Vanderhoof Co-operative Equity Investment	\$ 127,289	\$ 121,850
Pacific Trail/First Nation Group Limited Partnership (PTP - 780 Units)	1	1
FNLP GP2 Inc. (1Common Share)	1	1
British Columbia First Nations Gaming Revenue Sharing General Partner	10	-
British Columbia First Nations Gaming Revenue Sharing Limited Partner	100	-
	<hr/> <b>\$ 127,401</b>	<hr/> <b>\$ 121,852</b>

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

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.

	2020	2019
Chundo Yus Real Estate General Partner (100% ownership)	\$ 21	\$ 21
Chundo Yus Forestry Limited Partnership (99.99% ownership)	9,500	9,500
Chundo Yus Real Estate Limited Partnership (99.99% ownership)	39	39
Nadleh Limited Partner Ltd. (100% ownership)	1	1
	<hr/> <b>\$ 9,561</b>	<hr/> <b>\$ 9,561</b>

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2020

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### 8. INVESTMENT IN BAND OWNED ENTITIES, continued

	Chundo Yus Forestry General Partner (100% ownership)	Chundo Yus Real Estate General Partner (100% ownership)	Chundo Yus Forestry Limited Partnership (99.99% ownership)	Chundo Yus Real Estate Limited Partnership (99.99% ownership)	Nadleh Limited Partner Ltd. (100% ownership)
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	-
<b>Total assets</b>	<b>\$ 21</b>	<b>\$ 21</b>	<b>\$ 9,500</b>	<b>\$ 132</b>	<b>\$ 1</b>
Bank indebtedness	\$ -	\$ -	\$ -	\$ 117	\$ -
Accounts payable	-	-	-	\$ 94	-
Due to Nadleh Whut'en	2,777	2,761	-	580,768	-
<b>Total liabilities</b>	<b>2,777</b>	<b>2,761</b>	<b>-</b>	<b>580,979</b>	<b>-</b>
<b>Equity</b>	<b>(2,756)</b>	<b>(2,740)</b>	<b>9,500</b>	<b>(580,978)</b>	<b>1</b>
<b>Total liabilities and equity</b>	<b>\$ 21</b>	<b>\$ 21</b>	<b>\$ 9,500</b>	<b>\$ 1</b>	<b>\$ 1</b>
	Chundo Yus Forestry General Partner (100% ownership)	Chundo Yus Real Estate General Partner (100% ownership)	Chundo Yus Forestry Limited Partnership (99.99% ownership)	Chundo Yus Real Estate Limited Partnership (99.99% ownership)	Nadleh Limited Partner Ltd. (100% ownership)
Bank charges	\$ -	\$ -	\$ -	\$ 248	\$ -
Professional fees	-	-	-	2,081	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,329</b>	<b>-</b>
<b>Net income (loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,329)</b>	<b>\$ -</b>

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 9. ADVANCES TO BAND OWNED ENTITIES

	2020	2019
Chundo Yus Forestry General Partner (100% ownership)	\$ 2,777	\$ 2,777
Chundo Yus Real Estate General Partner (100% ownership)	2,761	2,761
Chundo Yus Real Estate Limited Partnership (99.99% ownership)	<u>580,768</u>	<u>578,687</u>
	<hr/> <u>\$ 586,306</u>	<hr/> <u>\$ 584,225</u>

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.

### 10. TRUST FUNDS

	2020	2019
Capital funds held in trust	\$ 14,423	\$ 14,423
Revenue funds held in trust	<u>1,360,621</u>	<u>842,756</u>
	<hr/> <u>\$ 1,375,044</u>	<hr/> <u>\$ 857,179</u>
	March 31, 2019	Additions, 2020
Capital funds held in trust	\$ 14,423	\$ -
Revenue funds held in trust	<u>842,756</u>	<u>555,624</u>
	<hr/> <u>\$ 857,179</u>	<hr/> <u>\$ 555,624</u>
	Withdrawals, 2020	March 31, 2020
	\$ -	\$ 14,423
	(37,759)	1,360,621
	<hr/> <u>\$ (37,759)</u>	<hr/> <u>\$ 1,375,044</u>

### 11. BANK INDEBTEDNESS

Bank indebtedness consists of an operating line of credit authorized to \$1,200,000 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.

	2020	2019
Cheques in excess of cash	\$ 3,296	\$ 12,968
Operating line of credit	<u>1,054,567</u>	-
	<hr/> <u>\$ 1,057,863</u>	<hr/> <u>\$ 12,968</u>

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trade payables	\$ 3	\$ -
Accrued payables	81,117	94,030
Wages payable	52,997	79,099
Vacation payable	121,572	55,162
Social Housing Rent payable	52,053	46,762
Other payables	26,037	23,948
	9,900	10,560
	<hr/> <b>\$ 343,679</b>	<hr/> <b>\$ 309,561</b>

### 13. DUE FROM GOVERNMENT AGENCIES

	2020	2019
Federal government	\$ 29,483	\$ 24,234
Provincial government	5,304	3,071
	<hr/> <b>\$ 34,787</b>	<hr/> <b>\$ 27,305</b>

### 14. DEFERRED REVENUE

	March 31, 2019	Funding received, 2020	March 31, 2020
<b>Federal government</b>			
Indigenous Services Canada - QZHN-001	\$ -	\$ 500,000	\$ 500,000
Indigenous Services Canada - QZI8-001	-	250,000	250,000
	<hr/> -	<hr/> 750,000	<hr/> <b>750,000</b>
<b>Other</b>			
Carrier Sekani Family Services - Cabin / Dock	-	28,689	28,689
Carrier Sekani Family Services - Health 20/21	-	29,818	29,818
	<hr/> -	<hr/> 58,507	<hr/> <b>58,507</b>
	<hr/> <b>\$ -</b>	<hr/> <b>\$ 808,507</b>	<hr/> <b>\$ 808,507</b>

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 15. ADVANCES FROM BAND OWNED ENTITIES

	2020	2019
Chundo Yus Forestry Limited Partnership (99.99%) Nadleh Limited Partner	\$ 9,999 1	\$ 9,999 1
	<hr/> \$ 10,000	<hr/> \$ 10,000

### 16. LONG-TERM DEBT

	2020	2019
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.	\$ 11,563,661	\$ 12,089,835
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 \$53,193 and a Government of Canada Ministerial Guarantee. The loan matures on August 1, 2022.	52,649	69,839
First Nation Negotiation Support Agreements, forgiven during the current year.	-	1,407,264
CMHC mortgage repaid during the year.	-	7,676
	<hr/> \$ 11,616,310	<hr/> \$ 13,574,614

Effective March 31, 2020, due to the continued commitment to advancing reconciliation and recognizing Indigenous rights, the Minister of Crown-Indigenous Relations in coordination with the Government of Canada forgave all comprehensive land claim negotiation loans for all First Nations and Tribal Councils.

As such we have shown the First Nation negotiation support agreements loan in current year as fully forgiven.

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### **16. LONG-TERM DEBT, continued**

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

2021	\$ 504,985
2022	505,521
2023	503,963
2024	487,273
2025 and thereafter	9,614,568

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\$ 11,616,310

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	2020	2019
Interest expense for the year on long-term debt	\$ 661,044	\$ 659,863

## NADLEH WHUT'EN INDIAN BAND

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2020

#### 17. TANGIBLE CAPITAL ASSETS

##### Accumulated amortization

	Cost	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2020 net book value
Buildings and infrastructure	\$ 37,161,964	\$ 1,520,109	\$ 38,682,073	\$ 12,928,842	\$ 1,227,447	\$ 14,156,289	\$ 24,525,784	
Automotive equipment	586,010	-	586,010	394,073	48,113	442,186	143,824	
Computer equipment	81,645	1,409	83,054	57,217	16,712	73,929	9,125	
Office equipment	208,081	6,540	214,621	57,254	30,971	88,225	126,396	
Equipment	302,904	9,893	312,797	297,128	3,405	300,533	12,264	
Roads and bridges	986,722	780,972	1,767,694	24,668	61,661	86,329	1,681,365	
Computer software	21,679	-	21,679	21,679	-	21,679	-	
Small equipment	66,261	68,635	134,896	39,561	6,748	46,309	88,587	
	\$ 39,415,266	\$ 2,387,558	\$ 41,802,824	\$ 13,820,422	\$ 1,395,057	\$ 15,215,479	\$ 26,587,345	

##### Accumulated amortization

	Cost	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2019 Net book value
Buildings and infrastructure	\$ 37,128,463	\$ 33,501	\$ 37,161,964	\$ 11,648,742	\$ 1,280,100	\$ 12,928,842	\$ 24,233,122	
Automotive equipment	388,980	197,030	586,010	362,805	31,268	394,073	191,937	
Computer equipment	55,016	26,629	81,645	41,004	16,213	57,217	24,428	
Office equipment	113,742	94,339	208,081	31,340	25,914	57,254	150,827	
Equipment	302,904	-	302,904	295,190	1,938	297,128	5,776	
Roads and bridges	-	986,722	986,722	-	24,668	24,668	962,054	
Computer software	21,679	-	21,679	21,679	-	21,679	-	
Small equipment	61,422	4,839	66,261	33,322	6,239	39,561	26,700	
	\$ 38,072,206	\$ 1,343,060	\$ 39,415,266	\$ 12,434,082	\$ 1,386,340	\$ 13,820,422	\$ 25,594,844	

# **NADLEH WHUT'EN INDIAN BAND**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**

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### **18. 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) Ministerial Loan Agreement**

The First Nation is contingently liable for Ministerial Loan Guarantees in the amount of \$20,213 for loans to individual First Nations Members.

#### **c) Credit Facility**

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

#### **d) 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.**

### **19. 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.

### **20. SUBSEQUENT EVENTS**

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within Nadleh Whut'en Indian Band's environment and in the global markets due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on Nadleh Whut'en Indian Band's operations.

The extent of the impact of this outbreak and related containment measures on Nadleh Whut'en Indian Band's operations cannot be reliably estimated at this time.

Subsequent to year end, the First Nation entered into a contract on May 30, 2020 with Nechako Valley Construction Ltd and Winton Homes and Cottages to build six new homes for a total estimated cost of \$1,529,155 which will be funded by a line of credit / housing loan provided by the Bank of Montreal.

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 21. 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 2020 were \$89,839 (2019 - \$86,819).

### 22. GOVERNMENT TRANSFERS

	<b>2020</b>		
	<b>Operating</b>	<b>Capital</b>	<b>Total</b>
<b>Federal government transfers</b>			
Indigenous Services Canada	\$ 1,896,307	\$ 1,230,169	\$ 3,126,476
Canada Mortgage and Housing Corporation	26,238	-	26,238
<b>Total</b>	<b>1,922,545</b>	<b>1,230,169</b>	<b>3,152,714</b>
<b>Provincial government transfers</b>			
	2,590,240	-	2,590,240
	<b>\$ 4,512,785</b>	<b>\$ 1,230,169</b>	<b>\$ 5,742,954</b>

	<b>2019</b>		
	<b>Operating</b>	<b>Capital</b>	<b>Total</b>
<b>Federal government transfers</b>			
Indigenous Services Canada	\$ 1,806,623	\$ 339,453	\$ 2,146,076
Canada Mortgage and Housing Corporation	11,270	-	11,270
<b>Total</b>	<b>1,817,893</b>	<b>339,453</b>	<b>2,157,346</b>
<b>Provincial government transfers</b>			
	159,168	-	159,168
	<b>\$ 1,977,061</b>	<b>\$ 339,453</b>	<b>\$ 2,316,514</b>

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### **23. 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, 2020**

#### **23. SEGMENTED INFORMATION, continued**

	Administration		2019		2020		Social Services		2019		2020		Education		
	2020 Budget	2020 Actual	2019 Actual	2019 Budget	2020 Budget	2020 Actual	2020 Budget	2020 Actual	2019 Actual	2019 Budget	2020 Actual	2020 Budget	2019 Actual	2019 Budget	
<b>Revenues</b>															
Indigenous Services Canada	\$ 235,274	\$ 274,274	\$ 245,897	\$ 274,274	\$ 792,765	\$ 384,908	\$ 535,027	\$ 381,106	\$ 1,159,539	\$ 1,189,817	\$ 1,179,620	\$ 1,179,620	\$ 1,179,620	\$ 1,179,620	
Provincial Government	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Other Aboriginal Groups	87,299	122,298	124,420	122,298	340,584	112,990	137,878	202,121	134,318	209,256	209,256	149,949	149,949	149,949	149,949
Band Generated	329,912	287,246	30,978	30,978	698,286	12,730	85,588	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Other Revenue	46,310	535,411	48,333	535,411	48,333	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Other Revenue	283,400	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Total revenue	982,195	2,042,972	1,457,520	510,628	758,493	583,227	1,295,357	1,425,734	1,490,367	1,490,367	1,490,367	1,490,367	1,490,367	1,490,367	1,490,367
<b>Expenses</b>															
Consulting fees	15,000	170,534	235,325	18,230	1,408	4,297	119,500	121,614	108,776	108,776	108,776	108,776	108,776	108,776	108,776
Contracted services	13,000	5,190	180	4,500	-\$	4,500	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Interest on long-term debt	600,000	-\$	657,219	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Materials and supplies	15,369	54,612	140,033	6,303	10,876	9,791	46,250	37,919	42,202	42,202	42,202	42,202	42,202	42,202	42,202
Tuition and allowances	-\$	-\$	3,500	-\$	-\$	-\$	615,500	650,342	528,676	528,676	528,676	528,676	528,676	528,676	528,676
Wages and benefits	498,153	580,173	930,226	195,321	149,643	167,340	195,902	170,759	157,779	157,779	157,779	157,779	157,779	157,779	157,779
Other expenses	503,114	903,223	797,029	376,761	349,516	330,600	232,119	301,939	381,116	381,116	381,116	381,116	381,116	381,116	381,116
Total expenses	1,644,636	1,713,732	2,763,512	601,115	511,443	516,528	1,209,271	1,282,613	1,218,549	1,218,549	1,218,549	1,218,549	1,218,549	1,218,549	1,218,549
Other income	(662,441)	329,240	(1,305,992)	(90,487)	247,050	66,699	86,086	143,121	271,818	271,818	271,818	271,818	271,818	271,818	271,818
Annual surplus (deficit)	\$ (662,441)	\$ 1,407,264	\$ (1,305,992)	\$ (90,487)	\$ 247,050	\$ 66,699	\$ 86,086	\$ 143,121	\$ 271,818	\$ 271,818	\$ 271,818	\$ 271,818	\$ 271,818	\$ 271,818	\$ 271,818

## NADLEH WHUT'EN INDIAN BAND

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

#### **23. SEGMENTED INFORMATION, continued**

	2020 Budget	Housing 2020 Actual	2019 Actual	2020 Budget	Capital 2020 Actual	2019 Actual	2020 Budget	Economic Development 2020 Actual	2019 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 26,238	\$ 11,270	\$ -	\$ 917,690	\$ 165,706	\$ 148,974
Federal Government	-	-	-	-	-	-	-	-	-
Provincial Government	-	-	-	-	-	-	-	1,497,675	159,168
Other Aboriginal Groups	-	-	-	-	-	-	-	314,509	600,273
Band Generated	187,526	186,338	171,507	11,868	-	-	-	2,670,782	3,807,084
Other Revenue	-	-	-	-	-	-	359,500	2,640	147,475
Transfer from deferred revenue	-	-	-	-	-	-	-	-	145,128
Transfer to deferred revenue	-	-	-	-	-	-	-	-	-
Other revenue	2,041	1,818	1,857	-	(750,000)	2,067	-	-	19,774
<b>Total revenue</b>	<b>189,567</b>	<b>214,394</b>	<b>196,502</b>	<b>-</b>	<b>169,757</b>	<b>525,206</b>	<b>1,691,446</b>	<b>4,828,684</b>	<b>4,902,934</b>
<b>Expenses</b>									
Consulting fees	6,000	-	-	175,295	163,921	219,593	5,000	324,395	277,960
Contracted services	-	1,789	2,644	175,295	355,275	-	15,000	23,614	15,068
Interest on long-term debt	-	1,824	3,045	-	659,255	-	-	-	-
Materials and supplies	500	-	-	-	3,201	-	-	42,185	40,461
Purchases	-	48,032	46,012	-	-	-	1,356,000	1,336,864	1,401,681
Wages and benefits	36,864	66,586	86,370	7,000	1,432,244	1,342,944	190,314	301,251	228,455
Other expenses	77,456	-	-	-	-	-	125,390	317,542	376,937
<b>Total expenses</b>	<b>120,820</b>	<b>118,231</b>	<b>138,071</b>	<b>357,590</b>	<b>2,613,896</b>	<b>1,562,537</b>	<b>1,701,704</b>	<b>2,345,851</b>	<b>2,340,562</b>
Other income	68,747	96,163	58,431	(357,590)	(2,444,139)	(1,037,331)	(10,258)	2,482,833	2,562,372
<b>Annual surplus (deficit)</b>	<b>\$ 68,747</b>	<b>88,563</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257,500</b>	<b>-</b>
								<b>(1,037,331)\$</b>	<b>(1,037,331)\$</b>
								<b>2,740,333 \$</b>	<b>2,562,372</b>

## NADLEH WHUT'EN INDIAN BAND

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

#### 23. SEGMENTED INFORMATION, continued

	Community Services		2019 Actual	2020 Budget	2020 Budget	Consolidated totals 2020 Actual	2019 Actual
	2020 Budget	2020 Actual					
<b>Revenues</b>							
Indigenous Services Canada	\$ -	\$ 31,139	\$ -	\$ -	\$ 1,928,695	\$ 3,126,476	\$ 2,146,076
Federal Government	-	-	-	-	-	26,238	11,270
Provincial Government	271,720	239,860	356,770	10,225	625,160	2,590,240	159,168
Other Aboriginal Groups	-	287,977	3,456	203,941	2,038,438	3,147,822	1,433,533
Band Generated	-	57,810	63,180	-	348,512	4,329,400	1,220,021
Other Revenue	-	-	-	-	-	355,500	355,500
Transfer from deferred revenue	-	-	-	-	-	(750,000)	-
Transfer to deferred revenue	-	-	-	-	-	499,070	67,724
Other revenue	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>271,720</b>	<b>620,242</b>	<b>570,936</b>	<b>4,940,914</b>	<b>10,060,276</b>	<b>9,726,692</b>	
<b>Expenses</b>							
Consulting fees	3,680	195,028	25,642	342,705	976,900	871,593	
Contracted services	-	-	-	207,795	384,079	19,748	
Interest on long-term debt	-	-	-	600,000	661,044	659,863	
Materials and supplies	16,774	38,234	74,147	95,196	188,851	309,679	
Costs of good sold	-	-	-	1,356,000	1,336,864	1,401,681	
Tuitions and allowances	2,250	2,250	-	617,750	652,592	532,176	
Wages and benefits	199,057	242,947	159,423	1,315,611	1,492,845	1,689,235	
Other expenses	228,224	209,429	324,655	1,550,064	3,580,479	3,639,651	
<b>Total expenses</b>	<b>449,985</b>	<b>687,888</b>	<b>583,867</b>	<b>6,085,121</b>	<b>9,273,654</b>	<b>9,123,626</b>	
Other income	(178,265)	(67,646)	(12,931)	(1,144,208)	786,622	603,066	
<b>Annual surplus (deficit)</b>	<b>\$ (178,265)\$</b>	<b>(67,646)\$</b>	<b>(12,931)\$</b>	<b>(1,144,208)\$</b>	<b>1,753,327</b>	<b>-</b>	

# NADLEH WHUT'EN INDIAN BAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 24. EXPENDITURES BY OBJECT

	2020 Budget	2020 Actual	2019 Actual
Advertising expense	\$ 500	\$ 432	\$ 3,195
Amortization	-	1,395,057	1,386,341
Bad debts	2,000	74,213	47,881
COVID19 Expenses	-	92,931	-
Capital purchases	21,622	-	-
Catering	14,500	47,644	122,139
Child care	20,145	23,500	21,989
Christmas	1,800	9,997	5,418
Community Development (recovery)	-	3,770	(399)
Consulting fees	342,705	991,690	871,592
Contracted services	207,795	384,079	19,748
Donations	-	67,073	14,517
Economic development	2,500	9,210	2,500
Election	8,500	15,900	25,000
Fees	4,500	6,072	8,310
Honorarium	137,180	145,916	177,740
Insurance	76,430	102,030	84,748
Interest and bank charges	14,362	40,183	18,038
Interest on long-term debt	600,000	661,044	659,863
Materials and supplies	95,197	188,844	309,680
Meeting and workshop expenses	93,352	92,029	84,481
Municipal services	-	-	6,431
Office expenses	31,525	84,824	59,421
Professional fees	40,000	124,332	74,477
Regional District Services	21,000	18,001	20,942
Relocation costs	300	3,021	262
Rent	203,300	222,655	246,826
Repairs and maintenance	40,000	173,205	134,490
Social assistance and support	228,015	256,963	202,020
Training	23,600	81,704	190,944
Travel	151,827	246,678	363,942
Tuitions and allowances	617,750	652,592	532,176
Utilities and telephone	166,361	218,271	282,480
Vehicle	8,500	10,085	18,268
Wages and benefits	1,315,611	1,492,845	1,689,236
	<hr/> \$ 4,490,877	<hr/> \$ 7,936,790	<hr/> \$ 7,684,696

# **NADLEH WHUT'EN INDIAN BAND**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**

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### **25. 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.

### **26. BUDGETED FIGURES**

Budgeted figures have been provided for comparison purposes and have been derived from estimates, and were approved by Chief and Council on March 29, 2019.

### **27. COMPARATIVE AMOUNTS**

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