

**'Namgis First Nation**

**Financial Statements**

**March 31, 2016**

---

# 'Namgis First Nation

## Consolidated Financial Statements

---

March 31, 2016

Page

### Management's Responsibility for Financial Reporting

### Independent Auditor's Report

### Financial Statements

Consolidated Statement of Financial Position	1
Consolidated Statement of Change in Net Debt	2
Consolidated Statement of Operations and Accumulated Surplus	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 27

### Consolidated Schedules of Financial position and Operations and Accumulated Surplus by Program

Consolidated Summary Schedule of Operations and Accumulated Surplus by Program	28 - 31
Education	
Post Secondary	32
Support Services - NISS	33
School O&M	34
T'lisalagi'lakw School	35
School Bus	36
Student Assistance	37
School Cultural Program	38
Secondary Program	39
Training and Employment Support Initiatives	40
Teacherage	41
Administration	
June Sports	42
Employee Benefits	43
Technical Services	44
'Namgis Administration	45
Funeral Trust Funds	46
Aboriginal Land Claims	47

---

# 'Namgis First Nation

## Consolidated Financial Statements

---

March 31, 2016

Page

### Consolidated Schedules of Financial position and Operations and Accumulated Surplus by Program (continued)

'Namgis Buildings	48
Sewage Treatment	49
Public Works	50
Net Loft & Breakwater	51
Economic Development	52
Tobacco Outlet	53
Nimpkish Fisheries	54
St. Michael's Prevention	55
Risk Management Governance	56
Business Resources	57
Asset Condition Report	58
Health	
Dental Clinic	59
Health Centre O&M	60
Substance Abuse Treatment	61
Physician Services	62
Mental Health	63
Health Administration	64
Community Health	65
Health Care Fundraising	66
Patient Travel	67
Cultural Health Support	68
First Nation In-Home Care	69
New Horizons for Seniors	70
Child and Family Services	
Recreation Centre Operations and Maintenance	71
Child and Family Services	72
Kwakwalatsi Operations	73
Delegated Child Welfare	74
Aboriginal Infant Development	75

---

# 'Namgis First Nation

## Consolidated Financial Statements

---

March 31, 2016

Page

### Consolidated Schedules of Financial position and Operations and Accumulated Surplus by Program (continued)

Amlilas	76
Victim Services	77
Social Assistance Service Delivery	78
Social Development	79
Community Development Fundraising	80
National Child Benefit	81
North Island Early Intervention	82
Home & Community Care	83
Assisted Living Service Delivery	84
Natural Resources	
CMT Survey Crew	85
Yukusam Heritage Society	86
Campsite Management	87
Fisheries	88
Forest and Range Agreement	89
Forestry	90
Natural Resources	91
Gwa'ni Hatchery	92
Treaty Related Measures	93
Provincial Parks	94
Capacity Initiative	95
TRM - Human Resource Plan	96
Johnstone Strait Kayak Tenure	97
Community Planning	98
Closed Containment	99
Economic Alternative Net Fishing	100
Kwagis Benefit Fund	101
Fisheries TRM	102
Wild Salmon Ecosystem	103
Northern Goshawk Strategy	104

---

# 'Namgis First Nation

## Consolidated Financial Statements

---

March 31, 2016

Page

### Consolidated Schedules of Financial position and Operations and Accumulated Surplus by Program (continued)

Capital Projects and Revolving Housing Fund	
Revolving Housing Fund	105
T'lisalagi'lakw School-Capital	106
Capital Projects	107
Capital Reserve	108
Commercial Enterprises	
Orca Sand and Gravel	109
Kwagis Power Limited Partnership	110
Atli Resources Limited Partnership and Corporation	111
Gas Station	112
Kuterra Limited Partnership	113
Namgis Excavating LP	114
Mama'omas Limited Partnership	115
Danyas GP	116
Social Housing Fund	
Social Housing Fund - Pre-1997 ("Old") Schedule of Financial Position	117
Social Housing Fund - Pre-1997 ("Old")	118
Social Housing Fund - Post 1997 ("New") Schedule of Financial Position	119
Social Housing Fund - Post 1997 ("New")	120
Trust Fund	
Financial Position 009 Schedule of Financial Position	121
Trust Fund	122
Provision for Capital Assets	
Provision for Capital Assets	123
Treaty Process	
Treaty Process	124

---

**'Namgis First Nation**

**Management's Statement of Responsibility for Financial Reporting**

**March 31, 2016**

The accompanying consolidated financial statements are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and necessarily include estimates which are based on management's best judgements.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

McINTOSH | NORTON | WILLIAMS, an independent firm of chartered professional accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

D. Hansen  
Chief Councillor

K. Speer  
Councillor

Aug. 9th, 2016  
Date

Aug. 9th, 2016  
Date



Cory McIntosh, CPA, CGA CAFM, CFP\*  
 Jason S. Moore, BA, CPA, CGA\*  
 Michael K. Williams, CPA, CGA\*

\*practising as a professional corporation.

*'It's not what you earn, it's what you keep!'*

### Independent Auditor's Report

#### To the Members of 'Namgis First Nation

We have audited the accompanying consolidated financial statements of 'Namgis First Nation, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### **Auditor's Responsibility**

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

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

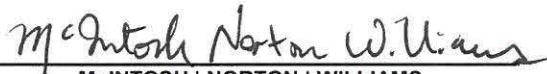
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Basis for Qualified Opinion**

'Namgis First Nation's investment in Danyas Forest Products Limited Partnership, accounted for by the equity method, is carried at \$233,461 on the statement of financial position as at March 31, 2016, and 'Namgis First Nation's share of Danyas Forest Products Limited Partnership's net income of \$201,896 is included in 'Namgis First Nation's excess of revenue over expenditures for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of 'Namgis First Nation's investment in Danyas Forest Products Limited Partnership as at March 31, 2016 and 'Namgis First Nation's share of income from Danyas Forest Products Limited Partnership for the year then ended because the financial statements for this entity were not audited. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

#### **Qualified Opinion**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of 'Namgis First Nation as at March 31, 2016, and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

  
 McIntosh Norton Williams  
 chartered professional accountants

Port Alberni, British Columbia  
 August 9, 2016

**QUALICUM BEACH**  
 102-222 Second Ave. W.  
 Qualicum Beach BC V9K 0A4  
 T: (250) 752.6996 • F: (250) 752.1071  
 TF: 1.877.752.6996

[www.mnwca.com](http://www.mnwca.com) • [info@mnwca.com](mailto:info@mnwca.com)

**PARKSVILLE**  
 141 Alberni Hwy.  
 Parksville, BC  
 T: (250) 586.7996

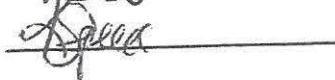
**PORT ALBERNI**  
 4757 Tebo Ave.  
 Port Alberni, BC V9Y 8A9  
 T: (250) 724.0185 • F: (250) 724.1774  
 TF: 1.866.724.0185

# 'Namgis First Nation

## Consolidated Statement of Financial Position

March 31	2016	2015 (Restated - Note 3)
	\$	\$
<b>Financial Assets</b>		
Cash and term deposits (Note 4)	10,688,118	9,468,417
Restricted cash and deposits (Note 4)	1,033,985	1,178,845
Accounts receivable	549,132	667,356
Inventory (Note 5)	34,202	28,164
Long-term investments (Note 6)	13,524,034	11,064,572
	<b>25,829,471</b>	<b>22,407,354</b>
<b>Liabilities</b>		
Accounts payable	1,296,813	1,861,056
Deferred revenue (Note 7)	1,969	14,371
Security Deposit	6,700	5,402
Reserves (Note 8)	1,009,377	987,084
Long-term debt (Note 9)	24,077,931	26,100,468
	<b>26,392,790</b>	<b>28,968,381</b>
<b>Net debt</b>	<b>(563,319)</b>	<b>(6,561,027)</b>
<b>Non-financial Assets</b>		
Capital assets (Note 10)	13,700,071	14,480,533
Prepaid expenses	182,523	136,194
	<b>13,882,594</b>	<b>14,616,727</b>
<b>Accumulated Surplus (Note 14)</b>	<b>13,319,275</b>	<b>8,055,700</b>
Contingent liabilities (Note 15)		

Approved on behalf of the 'Namgis First Nation

, Chief Councillor  
, Councillor

The accompanying notes are an integral part of the financial statements

# 'Namgis First Nation

## Consolidated Statement of Change in Net Debt

For the year ended March 31	2016	2015 (Restated - Note 3)
	\$	\$
<b>Excess (deficiency) of revenue over expenditures</b>	<b>5,263,575</b>	<b>(263,527)</b>
Acquisition of tangible capital assets	(466,673)	(1,204,432)
Amortization of tangible capital assets	1,036,339	1,117,525
Loss on disposal of capital assets	210,796	83,395
	<b>780,462</b>	<b>(3,512)</b>
Acquisition of prepaid asset	(46,329)	-
Use of prepaid asset	-	12,798
	<b>(46,329)</b>	<b>12,798</b>
Correction of prior period income	-	320,556
Increase in net financial assets	5,997,708	66,315
<b>Net debt at beginning of year</b>	<b>(6,561,027)</b>	<b>(6,627,342)</b>
<b>Net debt at end of year</b>	<b>(563,319)</b>	<b>(6,561,027)</b>

The accompanying notes are an integral part of the financial statements

## 'Namgis First Nation

### Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2016 Budget	2016 Actual	2015 Actual (Restated - Note 3)
		\$	\$
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	5,047,744	<b>5,201,003</b>	7,976,860
First Nation Health Authority	3,415,854	<b>3,626,982</b>	3,329,727
Sales	1,358,563	<b>1,377,966</b>	1,479,119
Province of B.C.	1,756,417	<b>1,888,526</b>	1,676,889
Other Revenue	1,204,702	<b>1,037,262</b>	1,488,739
Fisheries & Oceans	528,079	<b>572,622</b>	523,986
Rental Income	680,169	<b>508,545</b>	515,832
Nimpkish Fisheries Service	-	<b>280,080</b>	1,099,550
North Vancouver Island Aboriginal Training Society	171,298	<b>175,359</b>	134,560
Municipal services	127,607	<b>121,455</b>	92,193
First Nation Education Steering Committee	92,972	<b>116,019</b>	111,505
Interest income	84,600	<b>79,119</b>	97,028
School District #85	82,000	<b>51,256</b>	82,000
Canada Mortgage and Housing Corporation	96,000	<b>15,370</b>	114,493
Contributions from controlled entities	24,000	<b>9,000</b>	8,400
Licence lease	-	<b>91,191</b>	38,000
Share of net income of enterprises	-	<b>4,904,162</b>	97,336
	14,670,005	<b>20,055,917</b>	18,866,217
<b>Expenditures</b>			
Expenditures (Note 16)	15,814,446	<b>14,792,342</b>	19,129,744
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(1,144,441)</b>	<b>5,263,575</b>	(263,527)
<b>Surplus at beginning of year</b>	<b>7,067,346</b>	<b>8,055,700</b>	8,319,227
<b>Surplus at end of year</b>	<b>5,922,905</b>	<b>13,319,275</b>	8,055,700

The accompanying notes are an integral part of the financial statements

# 'Namgis First Nation

## Consolidated Statement of Cash Flows

For the year ended March 31, 2016	2016	2015 (Restated - Note 3)
	\$	\$
<b>Cash flows from Operating activities</b>		
Excess (deficiency) of revenue over expenditures	<b>5,263,575</b>	(263,527)
Items not affecting cash		
Amortization	<b>1,036,339</b>	1,117,525
Loss on disposal	<b>210,796</b>	83,395
Share of losses (income) of government business enterprises, net	<b>(4,904,162)</b>	(97,336)
	<b>1,606,548</b>	840,057
Change in non-cash operating working capital	<b>(488,498)</b>	1,290,801
	<b>1,118,050</b>	2,130,858
<b>Capital activities</b>		
Acquisition of capital assets	<b>(466,671)</b>	(1,204,432)
<b>Financing activities</b>		
Security Deposit	<b>1,298</b>	1,156
Long-term debt	<b>(2,022,536)</b>	(2,164,727)
	<b>(2,021,238)</b>	(2,163,571)
<b>Investing activities</b>		
Advances from Government Business Partnerships	<b>2,444,700</b>	3,213,058
<b>Increase in cash and cash equivalents</b>		
<b>Cash and cash equivalents, beginning of year</b>	<b>10,647,262</b>	8,671,349
<b>Cash and cash equivalents, end of year</b>	<b>11,722,103</b>	10,647,262
<b>Represented by</b>		
Cash and term deposits	<b>10,688,118</b>	9,468,417
Restricted cash and deposits	<b>1,033,985</b>	1,178,845
	<b>11,722,103</b>	10,647,262

The accompanying notes are an integral part of the financial statements

---

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

---

March 31, 2016

---

### 1. Basis of Presentation and Significant Accounting Policies

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

#### (a) Reporting entity principles of financial reporting

These financial statements consolidate the assets, liabilities and results of operations for the 'Namgis First Nation ("First Nation") government and all related entities which are either owned or controlled by the First Nation. The entities that are included in the consolidated financial statements are as follows:

1. 'Namgis First Nation Government
2. 'Namgis First Nation Trust Funds
3. 'Namgis First Nation Social Housing Programs
4. 'Namgis Substance Abuse Treatment Centre Society
5. 'Namgis First Nation Holding Company Ltd.

All inter-entity assets and liabilities have been eliminated, but transactions between funds have been shown on the individual fund schedules.

#### (b) Government Business Enterprises

Commercial enterprises that are owned, controlled or subject to significant influence by the Nation and meet the definition of a government business enterprise are included in the consolidated financial statements using the modified equity method. These include:

- Atli Resources Corporation
- Atli Resources Limited Partnership
- Kwagis Power Limited Partnership
- 'Namgis Power Corporation
- 'Namgis Sand & Gravel Ltd.
- Orca Sand and Gravel Limited Partnership
- Wa'as Hydro GP Inc.
- Wa'as Power Limited Partnership
- Kuterra Limited Partnership
- Kuterra General Partner Inc.
- Mama'omas Limited Partnership
- 'Namgis Excavating Limited Partnership
- Danyas Forest Products Limited Partnership

---

# **'Namgis First Nation**

## **Notes to Consolidated Financial Statements**

---

**March 31, 2016**

---

### **1. Basis of Presentation and Significant Accounting Policies (continued)**

#### **(c) Fund accounting**

'Namgis First Nation 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 in the Consolidated Financial Statements. The Nation maintains the following funds:

- Revenue and Capital Projects and Revolving Housing Funds, which report the general activities and capital assets of the First Nation, together with their related financing
- The Social Housing Fund, which reports the Social Housing assets of the First Nation, together with the related activities
- Government Trust Funds, which reports on trust funds owned by the First Nation and held by the Government of Canada

#### **(d) Asset Classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or 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 capital assets, prepaid expenses and inventories of supplies.

#### **(e) Financial instruments**

The First Nation's financial instruments consist of cash and term deposits, accounts receivable, restricted cash and deposits, funds held in trust by government, investment in First Nation affiliated entities, accounts payable and accrued liabilities, security deposits and down payments and long-term debt. It is Council's opinion that the First Nation is not exposed to significant interest rate and credit risks arising from these financial instruments and that the carrying values approximate fair values.

#### **(f) Inventory**

Inventories are valued at the lower of cost and net realizable value.

---

# **'Namgis First Nation**

## **Notes to Consolidated Financial Statements**

---

**March 31, 2016**

---

### **1. Basis of Presentation and Significant Accounting Policies (continued)**

#### **(g) Tangible capital assets**

Tangible capital assets include acquired, built, developed and improved tangible capital assets, where the useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods or delivering services.

Tangible capital asset policies of government business enterprises entities that are consolidated in the financial statements are not adjusted to conform to First Nation policies. Policies that could differ include amortization rates, estimates of useful lives and dollar thresholds for capitalization.

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.

#### **Social Housing**

Social Housing housing units are amortized at a rate equivalent to the annual principal reduction in related long-term debt.

#### **'Namgis First Nation Government**

Tangible capital assets, other than the tangible capital assets of its Social Housing Programs, are amortized over their estimated useful lives on the declining-balance method, as disclosed in Notes 9, 10 and 12.

#### **(h) Revenue recognition**

Revenue from government funding agencies is recognized as it becomes receivable under the terms of the applicable funding agreement. Funding that is restricted by a funding agency as to its use is recognized as the funds are spent on the particular project. The total unspent portion of funding is recorded as deferred revenue.

#### **(i) Budget**

Draft budgets are prepared early in the fiscal year and are reviewed and approved by the appropriate boards and committees. They are then reviewed by the First Nation's Finance Committee, who recommends their adoption to Chief and Council. Later in the fiscal year, the budgets are updated to reflect funding and expenditure changes. The revised budgets go through the same approval process as the draft budgets. The committees that review the budgets include the Education Board and Health Board.

#### **(j) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the year reported. Actual results could differ from those estimates.

---

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

---

March 31, 2016

---

### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (k) Comparative figures

Prior year's comparative amounts have been reclassified where necessary to conform to the current year's presentation.

### 2. Economic Dependence

The First Nation receives a substantial portion of its revenues from Aboriginal Affairs and Northern Development Canada and Health Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

### 3. Correction of Prior Period Income

The prior period balances have been corrected to record transactions related to the First Nation's investment in the Kwagis Power Limited Partnership. The corrections are as follows:

	Opening Balance \$	Adjustment \$	Revised Balance \$
Long-term investments	4,525,519	6,539,053	11,064,572
Long-term debt	20,835,910	5,264,858	26,100,768
Share of income of enterprises	(1,320,514)	1,417,850	97,336
Interest charges	19,935	463,911	483,846
Surplus at beginning of year	7,998,671	320,556	8,319,227
Surplus at end of year	6,781,205	1,274,495	8,055,700

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 4. Cash and term deposits

	2016	2015
	\$	\$
Externally restricted:		
Social Housing - Pre-1997 "Old" Program	29,705	25,982
Social Housing - Post 1997 "New" Program	109,596	95,988
Ottawa Trust Funds	24,506	19,802
Internally restricted:		
Sewage Treatment Plant	17,765	17,541
Fishing License Program	852,413	845,351
Unrestricted:		
Social Housing - Pre-1997 "Old" Program	100,432	101,503
Social Housing - Post 1997 "New" Program	19,185	22,053
Operating Fund	10,568,501	9,519,042
	<b>11,722,103</b>	<b>10,647,262</b>

The First Nation has two unused operating loan credit facilities with Coastal Community Credit Union of \$20,000 and \$200,000, respectively. The interest rate on both operating loans is at the Credit Union's prime rate plus 0.50% per annum. Both are secured by cash collateral equal to the amount of any borrowings.

a) Social Housing funds held in Replacement, Subsidy Surplus and Operating Reserves according to the terms of the agreements with CMHC under Section 95 of the National Housing Act of Canada are presented on the Statements of Funded Reserves with the Social Housing Fund financial information.

Under the terms of the agreements with CMHC these funds, along with accumulated interest, must be held in separate bank accounts and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise may be mutually agreed to by the First Nation and CMHC. Withdrawals from the reserves are credited to interest first and then to principal.

At the year end, the funds in the reserves consisted of cash and term deposits.

#### Pre-1997 ("Old") Social Housing Program

Under the terms of the agreement with CMHC, the Replacement Reserve account must be credited by up to \$3,435 annually. The funds in the account may only be used as approved by CMHC.

Under the terms of the agreement with CMHC, excess Federal assistance payments received may be retained in a Subsidy Surplus Reserve up to a maximum of \$500 per unit plus interest. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants over and above the maximum Federal assistance. At year end there were no funds in the Subsidy Surplus Reserve.

#### "New" Social Housing Program

Under the terms of the agreement with CMHC, the Replacement Reserve account must be credited by up to \$6,000 annually. The funds in the account may only be used as approved by CMHC.

Under terms of the agreement with CMHC, operating surpluses may be retained in an Operating Reserve. The funds in this reserve may only be used for the ongoing operating costs of the program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund.

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

March 31, 2016

---

#### 3. Cash and term deposits (continued)

- b) The Nation leases out several different types of fishing licenses. Surplus lease revenues are placed in a fund for purchasing additional licenses.
- c) In 2011 the Nation signed an Operation and Maintenance Contribution Agreement with the Village of Alert Bay regarding the sharing of the Nation's wastewater treatment plant operating costs. The Nation agreed to place any surplus funds, up to a maximum of \$50,000, into an operating reserve. Operating reserve funds are to be used in years when treatment plant operating costs exceed revenues.

#### 5. Inventory

	2016	2015
	\$	\$
Tobacco Outlet	6,835	8,841
Gas Station	27,367	19,323
	<hr/> <b>34,202</b>	<hr/> <b>28,164</b>

#### 6. Long-term investments

	2016	2015
	\$	\$
Investment in Orca Sand & Gravel Limited Partnership	5,473,891	4,898,582
Investment in Kwagis Power Limited Partnership	7,298,284	6,541,578
Investment in Atli Resources Limited Partnership	1,691,725	637,358
Investment in Wa'as Power Limited Partnership	2,525	2,525
Investment in Kuterra Limited Partnership	(1,515,377)	(1,226,789)
Investment in 'Namgis Excavating Limited Partnership	122	122
Investment in Mama'omas Limited Partnership	339,403	211,196
Investment in Danyas Forest Products Limited Partnership	233,461	-
	<hr/> <b>13,524,034</b>	<hr/> <b>11,064,572</b>

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

March 31, 2016

---

#### 6. Long-term investments, continued

##### Orca Sand & Gravel Limited Partnership

On April 1, 2005 the First Nation and Polaris Minerals Corporation ("Polaris") formed the Orca Sand & Gravel Limited Partnership to develop a sand and gravel pit adjacent to the Cluxewe River. The First Nation has a 12% interest in the Partnership.

The First Nation formed 'Namgis Sand & Gravel Ltd. to hold its 12% interest in Orca Sand & Gravel Ltd., the Partnership's General Partner. Pursuant to a loan agreement entered into on April 1, 2005 and amended March 31, 2010, 'Namgis Sand & Gravel Ltd. also acts as borrower regarding advances made by Quality Sand & Gravel Ltd. ("Quality"), a subsidiary of Polaris, to finance the First Nation's required contributions to the Partnership. As at March 31, 2016, Quality has advanced \$11,558,783 (2015 - \$11,558,783) to the First Nation (Note 9).

##### Kwagis Power Limited Partnership

On October 26, 2006 the First Nation and Brookfield Power Inc. ('Brookfield') formed the Kwagis Power Limited Partnership to design, develop, construct, maintain, own, operate and manage a 41.5MW run of river hydroelectric power generation facility within the Kokish River watershed near Beaver Cove, British Columbia. The First Nation has 25% interest in the Partnership. The fiscal year end of the Partnership is December 31.

The First Nation formed 'Namgis Power Corporation ("Namgis Power") to hold its 25% interest in Kwagis Power GP Inc., the Partnership's General Partner.

The liability of the First Nation for the Partnership's liabilities is limited to the amount of the First Nation's contribution of capital for its Limited Partnership Units, plus its share of the undistributed income of the Partnership. Following the full payment of the subscription price for its Limited Partnership units, the First Nation will not be liable for any further calls for assessments or further contributions to the Partnership.

On April 22, 2010 the Limited Partnership signed an Electricity Purchase Agreement with B.C. Hydro. The term is for forty years after the Commercial operation date of the hydro power generation facility. The hydroelectric power generation facility became operational April 9, 2014.

##### Wa'as Power Limited Partnership

On November 9, 2007 the First Nation and Brookfield Power Inc. formed the Wa'as Power Limited Partnership to design, develop, construct, maintain, own, operate and manage a hydroelectric power generation facility on Clint Creek, which flows into Woss Lake, near Woss, British Columbia. The First Nation has a 15% interest in the Partnership. The fiscal year end of the Partnership is December 31.

'Namgis Power, wholly-owned by the First Nation, holds a 25% interest in Wa'as Hydro GP Inc., the Partnership's General Partner.

The liability of the First Nation for the Partnership's liabilities is limited to the amount of the First Nation's contribution of capital for its Limited Partnership Units, plus its share of the undistributed income of the Partnership. Following the full payment of the subscription price for its Limited Partnership units, the First Nation will not be liable for any further calls for assessments or further contributions to the Partnership.

An equity loan agreement between the First Nation and Brookfield is being negotiated.

---

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

March 31, 2016

---

#### 6. Long-term investments, continued

The Limited Partnership has not yet received the environmental certificates necessary for the project to proceed. No further work is being done on the project until economic conditions improve.

##### Atli Resources Limited Partnership and Atli Resources Corporation

In 2007 the First Nation set up Atli Resources Limited Partnership to carry out logging activities in the First Nation's Traditional Territory. The Nation formed Atli Resources Corporation to act as the Partnership's General Partner. In 2008 a Non-Renewable Forest License for 228,000 cubic meters was secured. The license was renewed in 2014 for a period of 20 years, expiring July 2034.

Atli Resources Limited Partnership had assets of \$2,187,099 and liabilities of \$505,540 as at March 31, 2016 and revenues of \$5,462,631 and net income of \$1,174,279 for the year then ended.

Subsequent to the year end, Atli Resources Limited Partnership approved a \$1,000,000 distribution to 'Namgis First Nation.

##### Kuterra Limited Partnership

In 2012 the First Nation set up Kuterra Limited Partnership to construct and operate a land-based, closed containment recirculating aquaculture system (RAS) for Atlantic salmon.

Kuterra Limited Partnership had assets of \$4,158,463 and liabilities of \$5,843,773 as at March 31, 2016 and revenues of \$1,975,035 and a net loss of \$456,882 for the year then ended.

##### Mama'omas Limited Partnership

Mama'omas Limited Partnership was established in 2012 to manage fishing licences that the Nation was given access to by the Department of Fisheries and Oceans through two different programs. The business is still in the startup phase and has mainly consisted of training activities. Mama'omas Limited Partnership had assets of \$362,110 and liabilities of \$195,921 as at March 31, 2016 and revenues of \$318,172 and a net income of \$48,475 for the year then ended.

##### Danyas Forest Products Limited Partnership

The First Nation owns 49.95% of Danyas Forest Products Limited Partnership. The Partnership was established in 2016 to operate in the forest industry. The Partnership commenced operations in March 2016 and had assets of \$1,512,071 and liabilities of \$1,111,244 as at March 31, 2016 and a net income of \$404,377 for the period then ended.

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

---

March 31, 2016

---

#### 7. Deferred revenue

Funding that is restricted as to its use is recognized as revenue as funds are spent. The unspent funding is recorded as deferred revenue. Deferred revenue at March 31 is as follows:

	2016	2015
	\$	\$
Indigenous and Northern Affairs Canada		
'Namgis House Demolition	-	14,214
Vancouver Island Health Authority	1,969	-
Social Housing prepaid rents	-	157
	<b>1,969</b>	<b>14,371</b>

#### 8. Reserves

	2016	2015
	\$	\$
Fishing License Program	862,900	855,839
Sewage Treatment Plant Reserve	17,765	17,541
Replacement Reserve - "Old" Social Housing	14,913	11,190
Replacement Reserve - "New" Social Housing	64,190	59,301
Operating Reserve - "New" Social Housing	49,609	43,213
	<b>1,009,377</b>	<b>987,084</b>

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 9. Long-term debt

	2016 \$	2015 \$
Quality Sand & Gravel Ltd. - loan payable, including interest payable of \$3,526,446 (see note below)	<b>11,558,783</b>	11,558,783
PPP Canada Inc. - loan payable from periodic distributions from the Kwagis Power Limited Partnership; interest calculated at 4.5% per annum; due February 2027. Payments are made directly to PPP Canada Inc. by Kwagis Power Limited Partnership out of partnership distributions. The first \$250,000 of such payment is payable to 'Namgis First Nation as a distribution of partnership profits. The balance of each payment is applied to the loan interest and principal. Secured by a second charge against all property and assets pertaining to the power project.	<b>3,265,497</b>	5,264,558
Government of Canada - loan payable under BC Treaty Process (see note below)	<b>9,072,929</b>	9,072,929
All Nations Trust Company mortgage payable in monthly instalments of \$1,117 including interest at 1.83% per annum, maturing October 1, 2019.	<b>46,470</b>	58,904
All Nations Trust Company - mortgage payable in monthly instalments of \$1,144 including interest at 1.92% per annum, maturing April 1, 2019.	<b>134,252</b>	145,294
<u>Current portion</u>	<b>24,077,931</b>	26,100,468
	<b>1,904,222</b>	23,554
	<b>22,173,709</b>	26,076,914
Principal due within each of the next five years and thereafter on long-term debt is approximately as follows:		
2017	1,904,222	
2018	1,409,684	
2019	24,853	
2020	107,460	
2021 and thereafter	<b>20,631,712</b>	
	<b>24,077,931</b>	

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

---

March 31, 2016

---

#### 9. Long-term debt, continued

The loan payable to Quality Sand & Gravel Ltd. is repayable from amounts distributable from Orca Sand & Gravel Limited Partnership (Note 5). The lender has no recourse against the Nation or 'Namgis Sand & Gravel Ltd. for repayment of the advances except as to the distributions from the Partnership to which the Nation is entitled. Pursuant to the loan agreement, should the Partnership terminate the sand and gravel project, the lender will forgive the entire amount owing by the Nation and 'Namgis Sand & Gravel Ltd.

On March 31, 2010, the First Nation signed a "First Amendment to Loan Agreement" with Quality Sand & Gravel Ltd. amending the loan agreement dated April 1, 2005. Pursuant to the amending agreement, interest is to be accrued on the loan as follows:

- (i) Interest has been suspended on all loans effective September 30, 2009. No interest shall accrue on the loans until the date that is one year after the end of the first fiscal year in which the Orca quarry has shipped four million metric tonnes of product.
- (ii) Commencing on the date that is one year after the end of the first fiscal year in which the Orca quarry has shipped four million metric tonnes of product, the loans and any accrued and unpaid interest will accrue interest at a rate per annum equal to six percent.

#### Treaty Loan

'Namgis First Nation has signed First Nation Negotiation Support Agreements resulting in loans totaling \$9,072,929 (2015 - \$9,072,929), made by Canada for treaty negotiations. Repayment provisions for these loans are outlined in Sections 13.0 and 14.0 of the First Nations Negotiation Support Agreements. Under the Agreements, the loan advances are without interest until the loans become due and payable.

On August 21, 2015 the First Nation signed an extension agreement with the British Columbia Treaty Commission and Canada, which extended the date the loans are due and payable, under section 13.1 (b) or 13.1 (c) of the First Nation Negotiation Support Agreements, to January 6, 2020.

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 10. Tangible Capital Assets

Tangible capital assets are amortized over their estimated useful lives on the declining balance method, at the annual rates indicated below. One-half of the amortization rates are applied to assets acquired during the year. Assets are not amortized in the year of disposition.

	Rate	Balance, beginning of year			Accumulated amortization			Net book value	
		\$	\$	\$	\$	\$	\$	\$	\$
Land		619,178	-	-	619,178	-	-	619,178	619,178
Buildings	10%	17,850,464	113,267	-	17,963,731	14,152,851	375,424	14,528,275	3,435,456
Automotive	30%	1,372,756	-	-	1,372,756	1,185,461	56,188	1,241,649	131,107
Computer Equipment	30%	1,345,563	21,175	-	1,366,738	1,214,053	42,629	1,256,682	110,056
Office Furniture & Equipment	10%	674,834	-	-	674,834	475,427	19,941	495,368	179,466
Other Equipment	20%	1,498,860	19,101	-	1,517,961	1,235,738	54,535	1,290,273	227,688
Boats & Motors	15%	251,323	13,000	-	264,323	132,147	18,851	150,998	113,325
Water & Sewer	5%	5,375,523	902,320	-	6,277,843	3,804,668	101,100	3,905,768	2,372,075
Roads	4%	1,803,002	-	-	1,803,002	984,867	32,725	1,017,592	785,410
Other Infrastructure	4%	3,373,123	-	-	3,373,123	769,955	104,128	874,083	2,499,040
Gas Station Equipment	20%	245,000	-	-	245,000	158,697	17,261	175,958	69,042
Work-in-Progress		737,716	(737,716)	-	-	-	-	-	737,716
Revolving Housing (Note 11)		9,517,128	128,722	(210,796)	9,435,054	6,605,309	184,482	6,789,791	2,645,263
Social Housing (Note 12)		765,055	-	-	765,055	256,809	23,474	280,283	484,772
Substance Abuse Treatment Centre (Note 13)		138,703	6,799	-	145,502	111,713	5,595	117,308	28,194
		45,568,228	466,668	(210,796)	45,824,100	31,087,695	1,036,333	32,124,028	13,700,072
									14,480,533

On June 1, 2007 the Nation signed a lease agreement with the Village of Alert Bay whereby the fire truck is leased to the Village of Alert Bay for a lease payment of \$1 per year. The term of the lease is fifty years or until the Nation sells or otherwise disposes of the fire truck.

Work-in-Progress are costs related to projects currently under planning, development, or construction that will result in a finished asset at a future date. Costs related to planning, development, or construction are capitalized until such time as the property is ready for use. These costs have not been amortized. Amortization of these assets will commence when each specific asset is put into service.

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 11. Tangible Capital Assets - Revolving Housing Program

#### Old Agreement Houses

Prior to March 31, 1988 under the 'Namgis Revolving Housing Program, the First Nation would build a house for a First Nation member, who would then assume title of the home and would owe the First Nation monies equal to the costs of construction. The First Nation member would then accumulate equity in the home by repaying the initial loan. Houses built using these agreements are called "Old Agreement Houses". These houses are not amortized.

#### Licence to Occupy Houses

Since April 1, 1988, First Nation members are required to sign a twenty-five year "Licence to Occupy" housing agreement, in which case title to the house remains with the First Nation until the costs of construction are repaid in full to the Revolving Housing Program. Houses built under these agreements are called "Licence to Occupy Houses".

#### Rentals

The Revolving Housing Program also provides rental accommodation to First Nation members. First Nation owned rental stock includes eight single family houses, two duplexes, two triplexes and four apartment buildings with thirteen apartment units. In addition, the First Nation has leased two houses and a duplex off reserve available as rental accommodation for First Nation members and non-members.

The net investment in the 'Namgis Revolving Housing Program represents expenditures, net of applicable amortization.

		2016		2015
		Accumulated	Net book	Net book
	Cost	amortization	value	value
Houses	6,901,540	5,465,111	1,436,429	1,615,593
Major repair projects	718,425	-	718,425	761,082
Lot clearing	8,034	-	8,034	8,034
Yalis Apartments	464,458	446,169	18,289	20,321
Rental Houses	563,279	387,591	175,688	195,486
Duplexes	322,764	242,160	80,604	89,559
Triplexes	374,312	248,760	125,552	139,502
Smitty's Lot	36,792	-	36,792	36,792
Smitty's Hill	45,450	-	45,450	45,450
	9,435,054	6,789,791	2,645,263	2,911,819

Capital assets of the Revolving Housing Program, other than Old Agreement Houses, are amortized over their estimated useful lives on the declining balance method, at an annual rate of 10%. One-half of the amortization rate is applied to assets acquired during the year.

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

March 31, 2016

---

#### 12. Tangible Capital Assets - Social Housing Program

The First Nation operates two separate social housing programs:

Pre-1997 ("Old") Program

Eighteen houses were constructed with funds borrowed from financial institutions pursuant to Section 95 of the National Housing Act ("NHA"), under the Pre-1997 On-Reserve Program provisions. The mortgage for the first five houses was paid off in 2006. Those houses have been transferred to the Revolving Housing Program Program (Note 11).

"New" Program

Three duplexes were constructed with funds borrowed from financial institutions pursuant to Section 95 of the National Housing Act, under the 1997 On-Reserve Program.

		2016		2015
		Accumulated amortization	Net book value	Net book value
	Cost	\$	\$	\$
<u>Pre-1997 ("Old") Program</u>				
Phase III	244,051	157,029	87,022	99,455
<u>"New" Program</u>				
Phase I	521,004	123,254	397,750	408,791
	765,055	280,283	484,772	508,246

Amortization is provided on houses and duplexes at a rate equal to the annual principal reduction of the related mortgage insured by CMHC (Note 9). The land on which the houses and duplexes are situated is owned by the First Nation.

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 13. Tangible Capital Assets - 'Namgis Substance Abuse Treatment Centre Society

	Rate	Cost	2016 Accumulated amortization	Net book value	2015 Net book value
		\$	\$	\$	\$
Vehicles	30%	29,413	28,500	913	1,305
Computer Equipment	30%	29,039	27,505	1,534	2,191
Office Furniture & Equipment	10%	14,459	9,996	4,463	4,958
Other Equipment	20%	64,391	46,126	18,265	15,182
Shed	10%	8,200	5,181	3,019	3,354
		<b>145,502</b>	<b>117,308</b>	<b>28,194</b>	<b>26,990</b>

Capital assets are amortized over their estimated useful lives on the declining-balance method, at the annual rates indicated. One-half of the amortization rates are applied to assets acquired during the year. Assets are not amortized in the year of disposition.

The 'Namgis Substance Abuse Treatment Centre Society was incorporated in March 2003. On April 1, 2003 the First Nation transferred all the moveable assets in its treatment centre to the Society when the Society entered into a Health Transfer Agreement with Health Canada. The assets were transferred at values mutually agreed upon by the First Nation and Health Canada.

### 14. Accumulated surplus

	2016	2015
	\$	\$
Restricted		
Trust Fund	<b>24,507</b>	<b>19,802</b>
Unrestricted		
Fund balances	(1,410,761)	(7,426,619)
Provision for Capital Assets	<b>13,630,879</b>	<b>14,387,867</b>
Investment in Limited Partnership	<b>1,074,650</b>	<b>1,074,650</b>
	<b>13,294,768</b>	<b>8,035,898</b>
	<b>13,319,275</b>	<b>8,055,700</b>

---

## 'Namgis First Nation

### Notes to Consolidated Financial Statements

---

March 31, 2016

---

#### 15. Contingent Liabilities

- a) 'Namgis First Nation has guaranteed loans from Nuu-chah-nulth Economic Development Corporation to Kuterra Limited Partnership for \$1,580,193.
- b) 'Namgis First Nation has guaranteed a loan to Kuterra Limited Partnership from the Greater Vancouver Community Assistance Foundation for \$551,000.
- c) 'Namgis First Nation has guaranteed an operating line of credit for Kuterra Limited Partnership. The operating line has an authorized limit of \$1,000,000 and bears interest at prime plus 1% per annum. As at March 31, 2016, the balance on the operating line was \$890,847.
- d) Effective January 25, 2001, the First Nation entered into a \$488,300 loan agreement with Canada Mortgage and Housing Corporation to finance the construction of a residential care facility (Hilikalas). The loan proceeds were received in the 2001 and 2002 fiscal years. The loan is forgivable over the fifteen-year term of the agreement provided the First Nation is not in default under the agreement and continues to own and use the facility as a residential care facility.

As the First Nation has and intends to continue to comply with the loan agreement, the loan has been classified as a conditional grant, with loan proceeds recognized as revenue as the funds are received under the terms of the agreement. No liability has been recorded in the financial statements. The balance of the unrecorded, contingent loan payable as at March 31, 2016 is \$nil (2015 - \$32,554).

- e) The First Nation and individual band members have entered into loan agreements with Canada Mortgage and Housing Corporation to finance renovations under the On-Reserve Residential Rehabilitation Assistance Program (RRAP). The loans are forgivable over the terms of the agreements (between 1 and 5 years) provided the First Nation is not in default under the agreement and that the band members continue to own and occupy their houses during the term. As the First Nation has and intends to continue to comply with the loan agreement, the loan has been classified as a conditional grant, with loan proceeds recognized as revenue as the funds are received under the terms of the agreement. No liability has been recorded in the financial statements. The balance of contingent loan payable as at March 31, 2016 is \$105,512 (2015 - \$121,692).

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 16. Expenditures

For the year ended March 31	2016 Budget (Unaudited)	2016 Actual	2015 Actual
	\$	\$	\$
<b>Expenditures</b>			
Amortization	1,200,917	1,247,134	1,200,917
Contractors and consulting	1,268,372	1,267,771	1,341,315
Contributions to other entities	-	425,294	938,572
Cost of goods sold	508,978	442,692	483,821
Insurance, licenses and dues	217,145	234,991	226,354
Interest charges	16,200	218,175	483,846
Office and miscellaneous	2,323,620	897,739	1,072,765
Professional fees	210,305	146,076	330,186
Program costs	950,468	1,241,866	2,387,524
Rent and operating costs	360,976	195,428	185,803
Repairs and maintenance	763,590	540,964	2,065,967
Social Assistance	1,059,191	956,850	990,796
Travel and vehicle	333,820	279,352	407,737
Utilities and telephone	520,624	571,102	516,608
Wages and benefits	6,080,240	6,126,908	6,497,533
	15,814,446	14,792,342	19,129,744

### 17. Due from Band Members

The following amounts, due from First Nation members, are included in accounts receivable:

	2016	2015
	\$	\$
Garbage	47,408	47,759
Moorage	44,220	38,823
Sundry	16,991	17,004
Teacherages	1,500	1,700
Travel advances	752	1,919
Utilities	22,985	21,858
Travel	133	-
Social Housing	15,277	12,782
	149,266	141,845

---

## **'Namgis First Nation**

### **Notes to Consolidated Financial Statements**

---

---

**March 31, 2016**

---

#### **18. Related Party Transactions**

The First Nation engages in a wide variety of transactions with its members, member owned organizations, and business enterprises. These transactions are all carried out at the exchange amount and in the normal course of operations.

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 19. Segmented information

	2016	Education	2015	2016	Administration	2015	2016	Health	2015
	Budget	2016			Budget			2016	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>									
Indigenous and Northern Affairs Canada	1,746,679	1,734,618	1,709,989	1,216,859	1,259,352	1,345,628	14,849	14,849	-
First Nation Health Authority	-	-	-	-	-	-	3,162,978	3,374,106	3,090,027
Province of B.C.	80,000	82,476	83,076	51,149	51,149	33,655	351,945	352,338	329,356
Sales	-	38,741	79,345	244,500	212,363	260,371	586,303	607,736	577,946
Nimpkish Fisheries Service	-	-	-	-	280,080	1,099,550	-	-	-
Rental Income	49,800	41,365	46,807	85,209	85,384	96,100	40,000	41,600	44,400
North Vancouver Island Aboriginal Training Society	80,570	85,735	60,400	20,260	19,156	-	-	-	-
Other revenue	260,112	249,888	337,024	1,101,657	1,206,952	1,283,591	71,138	109,480	97,161
<b>Total revenue</b>	<b>2,217,161</b>	<b>2,232,823</b>	<b>2,316,641</b>	<b>2,719,634</b>	<b>3,114,436</b>	<b>4,118,895</b>	<b>4,227,213</b>	<b>4,500,109</b>	<b>4,138,890</b>
<b>Expenses</b>									
Wages and benefits	1,063,751	1,110,374	1,139,350	1,318,180	1,320,942	1,370,708	1,760,146	1,769,829	1,632,437
Office and miscellaneous	288,264	279,929	282,575	248,018	243,321	281,347	735,633	712,210	740,375
Repairs and maintenance	49,700	37,413	31,435	123,500	146,097	82,972	77,100	73,998	70,209
Contractors and consulting	-	1,719	13,215	162,300	174,056	256,683	641,529	582,095	596,509
Program costs	619,300	586,210	643,833	112,050	391,288	1,233,031	78,793	74,278	68,269
Insurance, licenses and dues	21,506	21,660	19,977	41,110	42,066	41,229	9,000	8,147	8,087
Utilities and telephone	74,500	97,869	76,829	250,234	272,513	247,697	90,800	95,302	81,331
Other expenses	15,700	13,530	17,093	494,181	442,562	598,241	535,410	497,409	463,760
<b>Total expenses</b>	<b>2,132,721</b>	<b>2,148,704</b>	<b>2,224,307</b>	<b>2,749,573</b>	<b>3,032,845</b>	<b>4,111,908</b>	<b>3,928,411</b>	<b>3,813,268</b>	<b>3,660,977</b>
<b>Annual surplus (deficit)</b>	<b>84,440</b>	<b>84,119</b>	<b>92,334</b>	<b>(29,939)</b>	<b>81,591</b>	<b>6,987</b>	<b>298,802</b>	<b>686,841</b>	<b>477,913</b>

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 19. Segmented information, continued

	Child and Family Services			Natural Resources			Capital Projects and Revolving Housing Fund		
	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>									
Indigenous and Northern Affairs Canada	1,490,639	1,490,539	1,553,125	234,573	264,191	197,919	344,145	437,454	3,170,199
First Nation Health Authority	252,876	252,876	239,700	-	-	-	-	-	-
Province of B.C.	634,471	638,211	624,900	474,212	499,712	482,423	-	-	-
Sales	-	4,465	5,255	127,760	122,720	83,779	-	-	-
Rental Income	65,000	62,675	54,270	-	-	500	440,160	410,465	408,433
Fisheries & Oceans	-	-	-	528,079	572,622	523,986	-	-	-
North Vancouver Island Aboriginal Training Society	70,468	70,468	74,160	-	-	-	-	-	-
Other revenue	65,914	87,830	81,072	114,060	246,877	1,140,908	99,000	10,983	103,828
<b>Total revenue</b>	<b>2,579,368</b>	<b>2,607,064</b>	<b>2,632,482</b>	<b>1,478,684</b>	<b>1,706,122</b>	<b>2,429,515</b>	<b>883,305</b>	<b>858,902</b>	<b>3,682,460</b>
<b>Expenses</b>									
Wages and benefits	1,160,108	1,090,887	1,297,865	685,521	705,166	670,257	-	15,029	52,682
Office and miscellaneous	332,279	265,666	280,160	136,933	148,901	139,182	546,027	496,056	1,115,767
Repairs and maintenance	23,900	31,413	9,579	32,000	50,737	97,075	456,390	319,817	1,999,180
Contractors and consulting	20,800	40,222	30,778	398,243	385,813	252,546	-	-	-
Program costs	22,000	172,731	167,415	48,325	50,018	168,096	70,000	72,148	200,895
Insurance, licenses and dues	15,937	10,603	14,902	30,792	29,671	27,879	97,800	110,944	103,500
Utilities and telephone	55,340	64,397	64,339	48,000	39,377	40,966	-	-	-
Other expenses	937,091	823,402	882,573	113,748	120,780	1,059,123	11,800	7,303	12,821
<b>Total expenses</b>	<b>2,567,455</b>	<b>2,499,321</b>	<b>2,747,611</b>	<b>1,493,562</b>	<b>1,530,463</b>	<b>2,455,124</b>	<b>1,182,017</b>	<b>1,021,297</b>	<b>3,484,845</b>
<b>Annual surplus (deficit)</b>	<b>11,913</b>	<b>107,743</b>	<b>(115,129)</b>	<b>(14,878)</b>	<b>175,659</b>	<b>(25,609)</b>	<b>(298,712)</b>	<b>(162,395)</b>	<b>197,615</b>

---

**'Namgis First Nation****Notes to Consolidated Financial Statements**

---

---

**March 31, 2016**

---

**20. Aboriginal Affairs and Northern Development Canada Supplementary Information**

These financial statements include supplementary information required by Aboriginal Affairs and Northern Development Canada. The required information is presented on pages 125-129. As each program is an accumulation of a number of related activities the specific amounts reflected in the supplementary information may not necessarily be identifiable except by revenue and expenditure category.

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 19. Segmented information, continued

	Commercial Enterprises			Social Housing Fund			Trust Fund		
	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>									
Province of B.C.	-	100,000	-	-	-	-	-	-	-
Sales	400,000	392,240	487,098	-	-	-	-	-	-
Rental Income	-	-	-	-	41,815	39,819	-	-	-
Other revenue	-	5,506,478	97,336	-	19,849	22,152	-	4,705	4,699
<b>Total revenue</b>	<b>400,000</b>	<b>5,998,718</b>	<b>584,434</b>	<b>-</b>	<b>61,664</b>	<b>61,971</b>	<b>-</b>	<b>4,705</b>	<b>4,699</b>
<b>Expenses</b>									
Wages and benefits	35,650	35,452	69,092	-	-	-	-	-	-
Office and miscellaneous	12,600	15,987	19,882	-	5,641	5,763	-	-	-
Repairs and maintenance	1,000	3,483	164	-	1,347	871	-	-	-
Contractors and consulting	5,500	40,048	68,583	-	-	-	-	-	-
Program costs	-	-	-	-	15,112	15,465	-	-	-
Insurance, licenses and dues	1,000	6,736	5,500	-	5,164	5,280	-	-	-
Utilities and telephone	650	766	1,049	-	-	-	-	-	-
Amortization	-	-	-	-	23,475	22,867	-	-	-
Other expenses	338,750	918,064	812,383	-	10,925	11,725	-	-	-
<b>Total expenses</b>	<b>395,150</b>	<b>1,020,536</b>	<b>976,653</b>	<b>-</b>	<b>61,664</b>	<b>61,971</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Annual surplus (deficit)</b>	<b>4,850</b>	<b>4,978,182</b>	<b>(392,219)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,705</b>	<b>4,699</b>

# 'Namgis First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 19. Segmented information, continued

	Treaty Process		2016 Budget	2016 Actual	2015 Actual	Eliminations		Consolidated totals		
	2016 Budget	2016 Actual				2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual
Revenues	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Indigenous and Northern Affairs Canada	-	-	-	-	-	-	-	5,047,744	5,201,003	7,976,860
First Nation Health Authority	-	-	-	-	-	-	-	3,415,854	3,626,982	3,329,727
Province of B.C.	-	-	123,480	-	-	-	-	1,591,777	1,723,886	1,676,890
Sales	-	-	-	-	(300)	(14,675)	1,358,563	1,377,965	1,479,119	
Nimpkish Fisheries Service	-	-	-	-	-	-	-	280,080	1,099,550	
Rental Income	-	-	-	-	(174,759)	(174,497)	680,169	508,545	515,832	
Fisheries & Oceans	-	-	-	-	-	-	528,079	572,622	523,986	
North Vancouver Island Aboriginal Training Society	-	-	-	-	-	-	171,298	175,359	134,560	
Other revenue	164,640	164,640	-	-	(1,018,207)	(1,038,078)	1,876,521	6,589,475	2,129,693	
<b>Total revenue</b>	<b>164,640</b>	<b>164,640</b>	<b>123,480</b>	<b>-</b>	<b>(1,193,266)</b>	<b>(1,227,250)</b>	<b>14,670,005</b>	<b>20,055,917</b>	<b>18,866,217</b>	
Expenses										
Wages and benefits	56,884	79,224	266,399	-	-	(1,255)	6,080,240	6,126,903	6,497,535	
Office and miscellaneous	23,866	16,078	113,940	-	(1,286,050)	(1,906,226)	2,323,620	897,739	1,072,765	
Repairs and maintenance	-	-	-	-	(123,341)	(225,518)	763,590	540,964	2,065,967	
Contractors and consulting	40,000	44,119	124,038	-	(301)	(1,037)	1,268,372	1,267,771	1,341,315	
Program costs	-	-	440	-	(119,919)	(109,920)	950,468	1,241,866	2,387,524	
Insurance, licenses and dues	-	-	-	-	-	-	217,145	234,991	226,354	
Utilities and telephone	1,100	878	4,396	-	-	-	520,624	571,102	516,607	
Amortization	-	-	-	-	1,223,659	1,178,050	1,200,917	1,247,134	1,200,917	
Other expenses	42,790	17,595	157,179	-	(187,698)	(194,138)	2,489,470	2,663,872	3,820,760	
<b>Total expenses</b>	<b>164,640</b>	<b>157,894</b>	<b>666,392</b>	<b>-</b>	<b>(493,650)</b>	<b>(1,260,044)</b>	<b>15,814,446</b>	<b>14,792,342</b>	<b>19,129,744</b>	
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>6,746</b>	<b>(542,912)</b>	<b>-</b>	<b>(699,616)</b>	<b>32,794</b>	<b>(1,144,441)</b>	<b>5,263,575</b>	<b>(263,527)</b>	

---

**'Namgis First Nation****Notes to Consolidated Financial Statements**

---

---

**March 31, 2016**

---

**20. Aboriginal Affairs and Northern Development Canada Supplementary Information**

These financial statements include supplementary information required by Aboriginal Affairs and Northern Development Canada. The required information is presented on pages 125-129. As each program is an accumulation of a number of related activities the specific amounts reflected in the supplementary information may not necessarily be identifiable except by revenue and expenditure category.