

'Namgis First Nation

Financial Statements

March 31, 2018

'Namgis First Nation

Consolidated Financial Statements

March 31, 2018

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 Financial Assets	2
Consolidated Statement of Operations and Accumulated Surplus	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 26

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

Consolidated Summary Schedule of Operations and Accumulated Surplus by Program	27 - 30
Education	
Post Secondary	31
Support Services - NISS	32
School O&M	33
Aboriginal Language Initiative	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

'Namgis First Nation

Consolidated Financial Statements

March 31, 2018

Page

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

Aboriginal Land Claims	47
'Namgis Buildings	48
Sewage Treatment	49
Public Works	50
Net Loft & Breakwater	51
Economic Development	52
Tobacco Outlet	53
Nimkish Fisheries	54
St. Michael's Prevention	55
Aquaculture Government to Government	56
Risk Management Governance	57
Business Resources	58
Asset Condition Report	59
New Market Housing Strategy	60
Information Management /Management Information System cluster Upgrade	61
Health	
Dental Clinic	62
Health Centre O&M	63
Substance Abuse Treatment	64
Physician Services	65
Mental Health	66
Health Administration	67
Community Health	68
Health Care Fundraising	69
Patient Travel	70
First Nation In-Home Care	71
New Horizons for Seniors	72
Emergency Management	73

'Namgis First Nation

Consolidated Financial Statements

March 31, 2018

Page

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

Child and Family Services

Recreation Centre Operations and Maintenance	74
Child and Family Services	75
Kwakwalatsi Operations	76
Delegated Child Welfare	77
Aboriginal Infant Development	78
Amlilas	79
Victim Services	80
Social Assistance Service Delivery	81
Social Development	82
Community Development Fundraising	83
National Child Benefit	84
North Island Early Intervention	85
Home & Community Care	86
Assisted Living Service Delivery	87

Natural Resources

CMT Survey Crew	88
Yukusam Heritage Society	89
Campsite Management	90
Fisheries	91
Forest and Range Agreement	92
Forestry	93
Natural Resources	94
Gwa'ni Hatchery	95
Treaty Related Measures	96
Capacity Initiative	97
TRM - Human Resource Plan	98
Community Planning	99
Closed Containment	100
Economic Alternative Net Fishing	101

'Namgis First Nation

Consolidated Financial Statements

March 31, 2018

Page

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

Fisheries TRM	102
Wild Salmon Ecosystem	103
Northern Goshawk Strategy	104
Oil Spill Response	105
Land Management Code	106
Recognition of Indigenous Rights and Self-Determination	107
Capital Projects and Revolving Housing Fund	
Revolving Housing Fund	108
T'lisalagi'lakw School-Capital	109
Capital Projects	110
Capital Reserve	111
Commercial Enterprises	
Orca Sand and Gravel	112
Kwagis Power Limited Partnership	113
Atli Resources Limited Partnership and Corporation	114
Gas Station	115
Kuterra Limited Partnership	116
Namgis Excavating LP	117
Mama'omas Limited Partnership	118
Danyas GP	119
Social Housing Fund	
Social Housing Fund - Pre-1997 ("Old") Schedule of Financial Position	120
Social Housing Fund - Pre-1997 ("Old")	121
Social Housing Fund - Post 1997 ("New") Schedule of Financial Position	122
Social Housing Fund - Post 1997 ("New")	123
Trust Fund	
Trust Fund Schedule of Financial Position	124
Trust Fund	125
Provision for Capital Assets	126

'Namgis First Nation

Consolidated Financial Statements

March 31, 2018

Page

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

Treaty Process	
Treaty Process	127
Benefit Funds	
Kwagis Benefit Fund	128
Orca Sand and Gravel Benefit Fund	129

'Namgis First Nation

Management's Statement of Responsibility for Financial Reporting

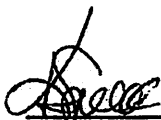
March 31, 2018

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.



Councillor



Councillor

July 30 2018
Date

July 30 2018
Date



McINTOSH | NORTON | WILLIAMS
Chartered Professional Accountants

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, 2018, and the consolidated statements of operations and accumulated surplus, change in net financial assets 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.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of 'Namgis First Nation as at March 31, 2018, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

McINTOSH | NORTON | WILLIAMS
chartered professional accountants

Port Alberni, British Columbia
July 30, 2018

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

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

www.mnwcga.com • info@mnwcga.com

'Namgis First Nation

Consolidated Statement of Financial Position

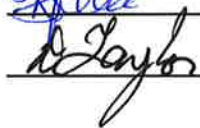
March 31	2018	2017
	\$	\$
Financial Assets		
Cash and term deposits (Note 3)	16,542,819	14,082,574
Restricted cash and deposits (Note 3)	2,546,566	1,839,624
Accounts receivable (Note 4)	1,255,644	1,028,778
Inventory (Note 5)	53,555	56,500
Long-term investments (Note 6)	13,055,868	14,312,810
	33,454,452	31,320,286
Liabilities		
Accounts payable (Note 7)	1,597,599	865,505
Deferred revenue (Note 8)	99,321	167,074
Security deposit	7,850	7,200
Reserves (Note 9)	1,021,069	1,028,177
Long-term debt (Note 10)	17,773,996	23,432,524
	20,499,835	25,500,480
Net financial assets	12,954,617	5,819,806
Non-financial Assets		
Capital assets (Note 11)	12,660,345	13,187,519
Prepaid expenses	215,364	222,085
	12,875,709	13,409,604
Accumulated Surplus (Note 15)	25,830,326	19,229,410

Contingent liabilities (Note 17)

Approved on behalf of the 'Namgis First Nation



, Councillor



, Councillor

The accompanying notes are an integral part of the financial statements

'Namgis First Nation**Consolidated Statement of Change in Net Financial Assets**

For the year ended March 31	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Excess of revenue over expenditures	(266,033)	6,600,916	5,910,134
Acquisition of tangible capital assets	-	(723,641)	(1,003,745)
Amortization of tangible capital assets	1,247,134	980,577	970,259
Loss on disposal of capital assets	-	270,238	546,039
	1,247,134	527,174	512,553
Acquisition of prepaid asset	-	6,721	(39,562)
Increase in net financial assets	981,101	7,134,811	6,383,125
Net financial assets (net debt) at beginning of year	5,819,806	5,819,806	(563,319)
Net financial assets at end of year	6,800,907	12,954,617	5,819,806

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	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenue			
Indigenous and Northern Affairs Canada	4,923,119	5,721,119	5,192,825
Share of net income of enterprises	500,000	4,654,539	3,859,994
First Nation Health Authority	3,961,246	3,969,703	3,779,393
Province of B.C.	2,001,100	2,344,822	1,935,766
Sales	1,362,062	1,425,744	1,544,825
Fisheries & Oceans	532,416	550,223	608,411
Rental income	765,747	529,671	567,576
Other	1,562,104	524,311	1,911,590
Contributions from related entities	2,797	503,065	806,770
First Nation Education Steering Committee	212,969	229,737	209,338
Interest income	115,771	219,004	95,633
Nimpkish Fisheries Service	-	190,489	170,798
North Vancouver Island Aboriginal Training Society	184,287	184,288	109,091
Municipal services	128,647	112,099	119,517
Licence lease	-	85,623	74,787
Canada Mortgage and Housing Corporation	45,129	58,954	233,469
School District #85	-	-	12,000
	16,297,394	21,303,391	21,231,783
Expenditures			
Expenditures (Note 18)	16,563,427	14,702,475	15,321,649
Excess of revenue over expenditures	(266,033)	6,600,916	5,910,134
Surplus at beginning of year	19,229,410	19,229,410	13,319,276
Surplus at end of year	18,963,377	25,830,326	19,229,410

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, 2018	2018	2017
	\$	\$
Cash flows from		
Operating activities		
Excess of revenue over expenditures	6,600,916	5,910,134
Items not affecting cash		
Amortization	960,580	970,259
Loss on disposal	270,240	546,039
Share of losses (income) of government business enterprises, net	(4,654,539)	(3,859,994)
	3,177,197	3,566,438
Change in non-cash operating working capital	440,033	(788,907)
	3,617,230	2,777,531
Capital activities		
Acquisition of capital assets	(703,646)	(1,012,746)
Proceeds on disposal of capital assets	-	9,000
	(703,646)	(1,003,746)
Financing activities		
Security deposit	650	500
Long-term debt	(2,132,081)	(645,408)
	(2,131,431)	(644,908)
Investing activities		
Advances from Government Business Partnerships	2,385,034	3,071,218
Increase in cash and cash equivalents	3,167,187	4,200,095
Cash and cash equivalents, beginning of year	15,922,198	11,722,103
Cash and cash equivalents, end of year	19,089,385	15,922,198
Represented by		
Cash and term deposits	16,542,819	14,082,574
Restricted cash and deposits	2,546,566	1,839,624
	19,089,385	15,922,198

The accompanying notes are an integral part of the financial statements

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

1. Basis of Presentation and Significant Accounting Policies

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

(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.
6. Namgis Education Society

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
- Kuterra Limited Partnership
- Kuterra General Partner Inc.
- Mama'omas Limited Partnership
- Danyas Forest Products Limited Partnership

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

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, 2018

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 11, 12 and 14.

(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. Unrestricted contributions are recognized as revenue when received. Revenue from rents is recognized on a monthly basis as it is earned and when collectability is reasonably assured. Interest and other income is recognized as they are earned and collectability is reasonably assured. Revenues from sales of tobacco products, gasoline, dental and medical services is recognized upon delivery of the products or services.

(i) 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. Items requiring the use of significant estimates include tangible capital assets (amortization), accounts payable and accrued liabilities.

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

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

(j) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

(k) 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.

(l) 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 Indigenous and Northern Affairs Canada and First Nations Health Authority. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

3. Cash and term deposits

	2018 \$	2017 \$
Externally restricted:		
Social Housing - Pre-1997 "Old" Program	37,565	33,807
Social Housing - Post 1997 "New" Program	112,010	120,313
Ottawa Trust Funds	34,344	29,316
Internally restricted:		
Sewage Treatment Plant	17,820	1,137
Fishing License Program	866,850	789,427
Kwagis Community Benefit Fund	160,597	60,026
Orca Sand and Gravel Community Benefit Fund	1,317,379	805,596
Unrestricted:		
Social Housing - Pre-1997 "Old" Program	125,988	128,218
Social Housing - Post 1997 "New" Program	15,076	19,260
Operating Fund	16,401,756	13,935,098
	19,089,385	15,922,198

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, 2018

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.
- d) The Nation established the Kwagis Community Benefit Fund for the development of social, cultural and community interests. Each year, a contribution is made to the fund from Kwagis Power Limited Partnership. 'Namgis members may apply for an allocation of funds from the Fund in accordance with the procedures and criteria set out in the Kwagis Community Benefit Fund Policy.
- e) Beginning with the 2017 fiscal year, the Nation receives annual payments from Orca Sand and Gravel Limited Partnership equal to \$0.06 per tonne of sand and gravel sold by the Partnership. These funds are for the development of social, cultural, economic development and environmental interests of the Nation.

4. Accounts receivable

	2018 \$	2017 \$
Due from members		
Garbage	54,390	53,115
Moorage	43,339	43,344
Sundry	27,488	24,450
Teacherages	1,500	3,300
Utilities	23,431	24,082
Travel	1,963	1,683
Social Housing	16,396	18,384
Revolving Housing	127,054	177,976
	295,561	346,334
Due from others		
Accounts receivable	1,367,327	1,074,121
	1,662,888	1,420,455
Allowance for doubtful accounts	(407,244)	(391,677)
	1,255,644	1,028,778

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

5. Inventory

	2018	2017
	\$	\$
Tobacco Outlet	8,898	11,153
Gas Station	44,657	45,347
	53,555	56,500

6. Long-term investments

Long-term investments consist of the following:

	2018	2017
	\$	\$
Investment in Orca Sand & Gravel Limited Partnership	2,180,033	5,308,957
Investment in Kwagis Power Limited Partnership	9,446,549	8,625,789
Investment in Atli Resources Limited Partnership	1,907,598	680,662
Investment in Kuterra Limited Partnership	(1,824,165)	(1,474,724)
Investment in Mama'omas Limited Partnership	617,244	461,058
Investment in Danyas Forest Products Limited Partnership	728,609	711,068
	13,055,868	14,312,810

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 it's 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, 2018, Quality has advanced \$8,032,337 (2017 - \$11,558,783) to the First Nation after forgiving accrued interest of \$3,526,446 effective May 2017 (Note 10).

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 it's 25% interest in Kwagis Power GP Inc., the Partnership's General Partner.

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

6. Long-term investments, continued

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.

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. In addition, the Partnership owns a Woodlot license with an annual allowable cut of 1,864 cubic meters which expires in 2032.

Atli Resources Limited Partnership had assets of \$2,705,496 and liabilities of \$820,373 as at March 31, 2018 and revenues of \$7,216,334 and net income of \$1,206,314 for the year then ended.

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 \$1,039,332 and liabilities of \$3,029,022 as at March 31, 2018 and revenues of \$2,231,462 and a net loss of \$345,476 for the year then ended.

Subsequent to March 31, 2018, Kuterra Limited Partnership entered into a Letter of Intent ("LOI") to sell an 88% interest in the aquaculture business, reducing the First Nation's interest to 12%. The LOI provides the prospective purchaser 60 days to complete due diligence and finalize an agreement. As at the date of the financial statements, the final outcome was unknown.

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. Mama'omas Limited Partnership had assets of \$1,244,164 and liabilities of \$865,682 as at March 31, 2018 and revenues of \$446,910 and a net income of \$89,290 for the year then ended.

Danyas Forest Products Limited Partnership

The First Nation owns 49.5% of Danyas Forest Products Limited Partnership. The Partnership was established in 2016 to operate in the forest industry. The Partnership had assets of \$2,838,619 and liabilities of \$1,362,405 as at December 31, 2017 and revenues of \$2,123,927 and a net income of \$4,913 for the period then ended.

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

7. Accounts payable

	2018	2017
	\$	\$
Accounts payable and accrued liabilities	1,126,663	524,976
Due to government agencies	34,593	22,345
Accrued wages payable	436,343	318,184
	1,597,599	865,505

8. 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:

	2018	2017
	\$	\$
First Nation Education Steering Committee (School Bus Purchase)	63,000	-
Indigenous and Northern Affairs Canada		
Water system improvements	34,261	152,552
Vancouver Island Health Authority	2,060	4,522
BC Rural Dividend Fund	-	10,000
	99,321	167,074

9. Reserves

	2018	2017
	\$	\$
Fishing License Program	875,336	869,660
Sewage Treatment Plant Reserve	17,820	17,769
Replacement Reserve - "Old" Social Housing	21,239	17,481
Replacement Reserve - "New" Social Housing	61,279	69,676
Operating Reserve - "New" Social Housing	45,395	53,591
	1,021,069	1,028,177

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

March 31, 2018

10. Long-term debt

	2018 \$	2017 \$
Quality Sand & Gravel Ltd. - loan payable (see note below)	8,032,337	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.	536,315	2,644,022
Government of Canada - loan payable under BC Treaty Process (see note below)	9,072,929	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.	20,907	33,804
All Nations Trust Company - mortgage payable in monthly instalments of \$1,144 including interest at 1.92% per annum, maturing April 1, 2019.	111,508	122,986
	17,773,996	23,432,524
Less current portion	561,168	1,545,249
	17,212,828	21,887,275

Principal due within each of the next five years and thereafter on long-term debt is approximately as follows:

2019	561,168
2020	107,562
2021	-
2022	-
2023 and thereafter	17,105,266
	17,773,996

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

10. Long-term debt, continued

The loan payable to Quality Sand & Gravel Ltd. is repayable from amounts distributable from Orca Sand & Gravel Limited Partnership (Note 6). 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 May 25, 2017, the First Nation signed an "Amending Agreement" with Quality Sand & Gravel Ltd. amending the loan agreement dated April 1, 2005 and the First Amendment to Loan Agreement dated March 31, 2010. Pursuant to the amending agreement, interest accrued on the loan up to and including September 30, 2009 is forgiven and not payable. Interest is to be accrued on the loan as follows:

- (i) 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 Lender has shipped four million metric tonnes of product from, collectively, the Orca Sand & Gravel Project and the Black Bear Project.
- (ii) Commencing on the date that is one year after the end of the first fiscal year in which the Lender has shipped four million metric tonnes of product from, collectively, the Orca Sand & Gravel Project and the Black Bear Project, the loan 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 (2017 - \$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, 2018

11. 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.

		Accumulated amortization							Net book value	
	Rate	Balance, beginning of year \$	Additions \$	Disposals \$	Balance, end of year \$	Balance, beginning of year \$	Amortization \$	Balance, end of year \$	2018 \$	2017 \$
Land		619,178	-	-	619,178	-	-	-	619,178	619,178
Buildings	10%	17,963,731	102,107	-	18,065,838	14,871,821	314,296	15,186,117	2,879,721	3,091,910
Automotive	30%	1,459,537	-	-	1,459,537	1,215,899	73,092	1,288,991	170,546	243,638
Computer Equipment	30%	1,394,325	108,279	-	1,502,604	1,293,837	46,388	1,340,225	162,379	100,488
Office Furniture & Equipment	10%	676,398	-	-	676,398	513,393	16,300	529,693	146,705	163,005
Other Equipment	20%	1,538,346	121,821	-	1,660,167	1,337,849	52,281	1,390,130	270,037	200,497
Boats & Motors	15%	264,323	-	-	264,323	167,997	14,449	182,446	81,877	96,326
Water & Sewer	5%	6,426,354	115,128	-	6,541,482	4,028,084	122,792	4,150,876	2,390,606	2,398,270
Roads	4%	1,914,045	-	-	1,914,045	1,051,230	34,512	1,085,742	828,303	862,815
Other Infrastructure	4%	3,373,123	24,621	-	3,397,744	974,044	96,456	1,070,500	2,327,244	2,399,079
Gas Station Equipment	20%	245,000	-	-	245,000	189,766	11,047	200,813	44,187	55,234
Work-in-Progress		5,816	3,000	-	8,816	-	-	-	8,816	5,816
Revolving Housing (Note 12)		9,420,716	223,153	270,238	9,373,631	6,955,830	149,431	7,105,261	2,268,370	2,464,886
Social Housing (Note 13)		765,055	-	-	765,055	304,217	24,374	328,591	436,464	460,838
Substance Abuse Treatment Centre (Note 14)		148,261	5,531	-	153,792	122,721	5,159	127,880	25,912	25,540
		46,214,208	703,640	270,238	46,647,610	33,026,688	960,577	33,987,265	12,660,345	13,187,520

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, 2018

12. 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.

		2018		2017
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Houses	6,985,609	5,704,080	1,281,529	1,367,200
Major repair projects	572,933	-	572,933	647,543
Lot clearing	8,034	-	8,034	8,034
Yalis Apartments	464,458	449,644	14,814	16,460
Rental Houses	563,279	421,447	141,832	157,869
Duplexes	322,764	257,475	65,289	72,543
Triplexes	374,312	272,615	101,697	112,995
Smitty's Lot	36,792	-	36,792	36,792
Smitty's Hill	45,450	-	45,450	45,450
	9,373,631	7,105,261	2,268,370	2,464,886

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, 2018

13. 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 12).

"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.

	Cost \$	2018 Accumulated amortization \$	Net book value \$	2017 Net book value \$
<u>Pre-1997 ("Old") Program</u>				
Phase III	244,051	182,593	61,458	74,355
<u>"New" Program</u>				
Phase I	521,004	145,998	375,006	386,483
	765,055	328,591	436,464	460,838

Amortization is provided on houses and duplexes at a rate equal to the annual principal reduction of the related mortgage insured by CMHC (Note 10). 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, 2018

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

	Rate	Cost \$	2018 Accumulated amortization \$	Net book value \$	2017 Net book value \$
Vehicles	30%	29,413	28,965	448	639
Computer Equipment	30%	29,039	28,289	750	1,073
Office Furniture & Equipment	10%	14,459	10,844	3,615	4,016
Other Equipment	20%	72,681	54,027	18,654	17,095
Shed	10%	8,200	5,755	2,445	2,717
		153,792	127,880	25,912	25,540

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.

15. Accumulated surplus

	2018 \$	2017 \$
Restricted Trust Fund	34,344	29,317
Unrestricted		
Fund balances	12,072,899	4,974,187
Provision for Capital Assets	12,648,433	13,151,256
Investment in Limited Partnership	1,074,650	1,074,650
	25,795,982	19,200,093
	25,830,326	19,229,410

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

16. Defined contribution plan

The First Nation participates in individual defined contribution pension plans (the "Plans") for its eligible employees. Eligible employees are required to contribute 6% of their earnings less contributions made to the Canada Pension Plan. Additional voluntary contributions, up to annual contribution limits, are permitted. The First Nation contributes amounts equal to the employees' required contributions. The First Nation contributed \$168,517 to the Plans during the year (2017 - \$167,336).

17. Contingent Liabilities

- a) 'Namgis First Nation has guaranteed loans from Nuu-chah-nulth Economic Development Corporation to Kuterra Limited Partnership for \$1,353,030.
- b) 'Namgis First Nation has guaranteed a loan to Kuterra Limited Partnership from the Greater Vancouver Community Assistance Foundation for \$578,295.
- 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, 2018, the balance on the operating line was \$440,535.
- d) 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, 2018 is \$119,931 (2017 - \$180,340).
- e) The First Nation is the plaintiff in a legal case. In the event that the litigation is unsuccessful, there is a possibility that costs could be awarded to the defendants. The outcome is unknown and, therefore, any possible liability is unknown and no liability has been recorded in these financial statements.

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

18. Expenditures

For the year ended March 31	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Expenditures			
Amortization	1,260,541	1,219,562	1,516,300
Contractors and consulting	1,920,170	1,721,977	1,710,839
Contributions to other entities	6,036	3,165	941,205
Cost of goods sold	488,750	471,005	433,007
Insurance, licenses and dues	267,949	251,050	242,921
Interest charges	50,010	110,060	167,141
Office and miscellaneous	2,466,244	777,608	865,754
Professional fees	176,590	158,474	103,146
Program costs	1,097,181	1,102,941	845,772
Recovery of prior year funding	-	269,958	318,620
Rent and operating costs	386,063	172,480	179,675
Repairs and maintenance	723,190	582,181	505,655
Social Assistance	663,272	1,079,245	1,014,275
Travel and vehicle	368,066	306,728	247,799
Utilities and telephone	568,803	604,757	526,437
Wages and benefits	6,120,562	5,871,284	5,703,103
	16,563,427	14,702,475	15,321,649

19. 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, 2018

20. Segmented information

	2018 Budget	Education 2018 Actual	2017 Actual	2018 Budget	Administration 2018 Actual	2017 Actual	2018 Budget	Health 2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous and Northern Affairs Canada	1,980,071	1,980,533	1,759,143	1,147,581	1,200,695	1,200,524	25,292	25,292	63,500
First Nation Health Authority	-	-	-	-	-	-	3,685,166	3,670,612	3,517,160
Province of B.C.	40,662	72,300	39,920	512,478	698,659	303,618	365,806	366,490	381,216
Sales	20,000	42,000	18,000	200,000	222,656	207,516	581,362	558,866	582,036
Nimpkish Fisheries Service	-	-	-	-	190,489	170,798	-	-	-
Rental income	47,575	53,900	37,605	94,960	102,805	92,905	41,200	40,000	41,700
North Vancouver Island Aboriginal Training Society	26,734	26,734	38,623	61,193	61,193	-	-	-	-
Other revenue	298,097	304,707	391,989	1,409,833	1,736,577	1,516,075	70,288	75,310	72,314
Total revenue	2,413,139	2,480,174	2,285,280	3,426,045	4,213,074	3,491,436	4,769,114	4,736,570	4,657,926
Expenses									
Wages and benefits	1,019,000	922,208	1,029,814	1,369,608	1,456,484	1,203,558	1,751,364	1,703,567	1,734,592
Office and miscellaneous	356,385	359,352	335,888	364,153	365,951	277,230	872,700	866,303	821,641
Repairs and maintenance	73,000	30,231	22,696	183,500	155,290	24,460	116,085	65,609	113,057
Contractors and consulting	-	8,025	32,225	849,090	762,194	439,867	692,350	579,982	604,400
Program costs	728,920	633,591	507,318	52,060	263,189	273,232	97,345	68,454	57,649
Insurance, licenses and dues	23,320	25,215	23,312	65,060	38,576	48,720	9,358	11,132	7,814
Utilities and telephone	95,700	96,452	94,933	280,658	292,563	236,881	86,260	84,768	77,976
Other expenses	5,500	13,484	20,424	518,469	549,793	444,909	283,757	467,448	518,681
Total expenses	2,301,825	2,088,558	2,066,610	3,682,598	3,884,040	2,948,857	3,909,219	3,847,263	3,935,810
Annual surplus (deficit)	111,314	391,616	218,670	(256,553)	329,034	542,579	859,895	889,307	722,116

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

20. Segmented information, continued

	Child and Family Services			Natural Resources			Capital Projects and Revolving Housing Fund		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous and Northern Affairs Canada	1,489,229	1,625,283	1,630,533	38,993	351,127	211,960	241,953	538,189	327,165
First Nation Health Authority	276,080	299,091	262,233	-	-	-	-	-	-
Province of B.C.	497,843	535,689	491,935	459,311	346,684	452,707	-	-	-
Sales	-	(1,000)	2,000	154,700	210,858	317,341	-	-	-
Rental income	74,000	67,500	74,050	26,520	26,720	28,020	440,044	411,190	456,125
Fisheries & Oceans	-	-	-	532,416	550,223	608,411	-	-	-
North Vancouver Island Aboriginal Training Society	96,360	96,360	70,468	-	-	-	-	-	-
Other revenue	69,750	103,179	75,591	181,000	200,850	732,565	599	24,539	110,965
Total revenue	2,503,262	2,726,102	2,606,810	1,392,940	1,686,462	2,351,004	682,596	973,918	894,255
Expenses									
Wages and benefits	1,173,585	1,032,996	1,040,211	756,475	705,905	651,328	-	-	-
Office and miscellaneous	376,218	358,922	311,622	237,968	296,753	239,966	211,757	184,171	381,793
Repairs and maintenance	37,505	31,656	10,986	33,000	36,240	203,236	219,267	307,301	268,610
Contractors and consulting	75,500	45,245	83,913	206,996	224,655	416,084	-	-	-
Program costs	29,369	236,605	37,308	66,250	39,332	48,572	105,000	97,601	483,637
Insurance, licenses and dues	13,900	16,192	13,908	31,988	28,306	30,555	113,230	120,034	109,358
Utilities and telephone	51,490	65,959	59,756	53,600	63,970	56,119	660	250	-
Other expenses	781,460	905,662	1,122,816	145,328	139,391	113,102	17,736	270,674	4,554
Total expenses	2,539,027	2,693,237	2,680,520	1,531,605	1,534,552	1,758,962	667,650	980,031	1,247,952
Annual surplus (deficit)	(35,765)	32,865	(73,710)	(138,665)	151,910	592,042	14,946	(6,113)	(353,697)

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

20. Segmented information, continued

	Commercial Enterprises			Social Housing Fund				Trust Fund	
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Province of B.C.	-	200,000	100,000	-	-	-	-	-	-
Sales	406,000	392,363	425,432	-	-	-	-	-	-
Rental income	-	-	-	41,448	40,451	42,586	-	-	-
Other revenue	-	4,654,538	4,799,994	37,850	46,647	26,033	-	5,028	4,810
Total revenue	406,000	5,246,901	5,325,426	79,298	87,098	68,619	-	5,028	4,810
Expenses									
Wages and benefits	43,530	43,155	43,603	-	-	-	-	-	-
Office and miscellaneous	11,900	12,034	13,600	5,400	5,646	5,696	-	-	-
Repairs and maintenance	9,859	12,351	8,225	47,974	33,285	12,802	-	-	-
Contractors and consulting	3,000	36,961	92,185	-	-	-	-	-	-
Program costs	-	-	-	12,957	9,435	13,204	-	-	-
Insurance, licenses and dues	7,261	7,262	6,736	3,832	4,334	2,518	-	-	-
Utilities and telephone	435	795	773	-	-	-	-	-	-
Amortization	-	-	-	13,407	24,375	23,932	-	-	-
Other expenses	337,450	376,980	1,355,573	22,258	10,023	10,467	-	-	-
Total expenses	413,435	489,538	1,520,695	105,828	87,098	68,619	-	-	-
Annual surplus (deficit)	(7,435)	4,757,363	3,804,731	(26,530)	-	-	-	5,028	4,810

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

20. Segmented information, continued

	2018 Budget	Benefit Funds 2018 Actual	2017 Actual	2018 Budget	Treaty Process 2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$
Revenues						
Province of B.C.	-	-	-	125,000	125,000	166,371
Other revenue	-	562,524	856,055	-	-	-
Total revenue	-	562,524	856,055	125,000	125,000	166,371
Expenses						
Wages and benefits	-	-	-	7,000	6,967	-
Office and miscellaneous	-	-	-	18,858	19,763	22,633
Contractors and consulting	-	-	-	93,234	78,115	78,164
Program costs	-	17,765	11,915	-	-	-
Other expenses	-	525	50	48,598	52,644	31,779
Total expenses	-	18,290	11,965	167,690	157,489	132,576
Annual surplus (deficit)	-	544,234	844,090	(42,690)	(32,489)	33,795

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2018

20. Segmented information, continued

	Eliminations and Capital			Consolidated totals		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$
Revenues						
Indigenous and Northern Affairs Canada	-	-	-	4,923,119	5,721,119	5,192,825
First Nation Health Authority	-	-	-	3,961,246	3,969,703	3,779,393
Province of B.C.	-	-	-	2,001,100	2,344,822	1,935,767
Sales	-	-	(7,500)	1,362,062	1,425,743	1,544,825
Nimpkish Fisheries Service	-	-	-	-	190,489	170,798
Rental income	-	(138,547)	(205,415)	765,747	604,019	567,576
Fisheries & Oceans	-	-	-	532,416	550,223	608,411
North Vancouver Island Aboriginal Training Society	-	-	-	184,287	184,287	109,091
Other revenue	500,000	(1,400,913)	(1,263,294)	2,567,417	6,312,986	7,323,097
Total revenue	500,000	(1,539,460)	(1,476,209)	16,297,394	21,303,391	21,231,783
Expenses						
Wages and benefits	-	-	-	6,120,562	5,871,282	5,703,106
Office and miscellaneous	-	(1,697,055)	(1,542,535)	2,455,339	771,840	867,534
Repairs and maintenance	-	(90,902)	(158,417)	720,190	581,061	505,655
Contractors and consulting	-	(13,200)	(36,000)	1,920,170	1,721,977	1,710,838
Program costs	-	(263,730)	(587,632)	1,091,901	1,102,242	845,203
Insurance, licenses and dues	-	-	-	267,949	251,051	242,921
Utilities and telephone	-	-	-	568,803	604,757	526,438
Amortization	1,247,134	1,195,187	1,492,359	1,260,541	1,219,562	1,516,291
Other expenses	(2,584)	(207,921)	(218,692)	2,157,972	2,578,703	3,403,663
Total expenses	1,244,550	(1,077,621)	(1,050,917)	16,563,427	14,702,475	15,321,649
Annual surplus (deficit)	(744,550)	(461,839)	(425,292)	(266,033)	6,600,916	5,910,134