

'Namgis First Nation

Financial Statements

March 31, 2019

'Namgis First Nation**Consolidated Financial Statements**

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'Namgis First Nation

Management's Statement of Responsibility for Financial Reporting

March 31, 2019

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.

Mayo
Councillor
Den Smith
Councillor

Aug. 6, 2019
Date
Aug 6 2019
Date



MINTOSH | 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

Opinion

We have audited the consolidated financial statements of 'Namgis First Nation, which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2019, and the results of its consolidated operations, its changes in its consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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Independent Auditor's Report, continued

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

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

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

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

McIntosh Norton Williams

MCINTOSH | NORTON | WILLIAMS
chartered professional accountants

Qualicum Beach, British Columbia
August 6, 2019

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'Namgis First Nation**Consolidated Statement of Financial Position**

March 31	2019	2018 Restated (Note 16)
	\$	\$
Financial Assets		
Cash and term deposits (Note 3)	19,059,009	16,542,819
Restricted cash and deposits (Note 3)	3,118,829	2,546,566
Accounts receivable (Note 4)	1,170,341	1,255,644
Inventory (Note 5)	44,406	53,555
<u>Long-term investments (Note 6)</u>	<u>19,439,206</u>	13,098,364
	42,831,791	33,496,948
Liabilities		
Accounts payable (Note 7)	1,791,533	1,597,599
Deferred revenue (Note 8)	293,246	99,321
Security deposit	9,372	7,850
Reserves (Note 9)	1,044,642	1,023,166
<u>Long-term debt (Note 10)</u>	<u>17,816,771</u>	18,092,254
	20,955,564	20,820,190
Net financial assets	21,876,227	12,676,758
Non-financial Assets		
Capital assets (Note 11)	11,969,196	12,660,343
<u>Prepaid expenses</u>	<u>221,504</u>	215,364
	12,190,700	12,875,707
Accumulated Surplus (Note 15)	34,066,927	25,552,465
Contingent liabilities (Note 18)		

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	2019 Budget	2019 Actual	2018 Actual Restated (Note 16)
	\$	\$	\$
Excess of revenue over expenditures	(414,274)	8,514,462	6,323,055
Acquisition of tangible capital assets	-	(590,947)	(723,643)
Amortization of tangible capital assets	-	1,279,119	980,577
Loss on disposal of capital assets	-	2,975	270,240
	-	691,147	527,174
Acquisition of prepaid asset	-	-	6,721
Use of prepaid asset	-	(6,140)	-
	-	(6,140)	6,721
Increase in net financial assets	(414,274)	9,199,469	6,856,950
Net financial assets at beginning of year	12,676,758	12,676,758	5,819,808
Net financial assets at end of year	12,262,484	21,876,227	12,676,758

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	2019 Budget	2019 Actual	2018 Actual Restated (Note 16)
	\$	\$	\$
Revenue			
Indigenous Services Canada	6,216,757	6,128,344	5,721,119
Share of net income of enterprises	1,815,000	7,273,846	4,697,035
First Nation Health Authority	4,204,443	4,211,964	3,969,703
Province of B.C.	1,981,325	2,146,697	2,344,822
Sales	1,421,487	1,570,333	1,425,744
Other	2,112,177	856,600	522,214
Nimpkish Fisheries Service	-	668,050	190,489
Rental income	755,919	584,030	529,671
Fisheries & Oceans	502,475	532,472	550,223
Interest income	223,183	393,417	219,004
First Nation Education Steering Committee	392,411	295,292	229,737
Contributions from related entities	4,225	287,891	186,904
North Vancouver Island Aboriginal Training Society	155,609	165,093	184,288
Licence lease	14,695	121,209	85,623
Municipal services	119,328	115,845	112,099
Canada Mortgage and Housing Corporation	62,494	83,488	58,954
	19,981,528	25,434,571	21,027,629
Expenditures			
Expenditures (Note 19)	20,352,033	16,920,109	14,704,574
Excess of revenue over expenditures	(414,274)	8,514,462	6,323,055
Surplus at beginning of year	25,552,465	25,552,465	19,229,410
Surplus at end of year	25,138,191	34,066,927	25,552,465

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, 2019	2019	2018 Restated (Note 16)
	\$	\$
Cash flows from Operating activities		
Excess of revenue over expenditures	8,514,462	6,323,055
Items not affecting cash		
Amortization	1,279,119	980,577
Loss on disposal	2,975	270,240
Share of losses (income) of government business enterprises, net	(7,273,846)	(4,697,035)
	2,522,710	2,876,837
Change in non-cash operating working capital		
Accounts receivable	85,303	(226,866)
Inventory	9,149	2,945
Prepaid expenses	(6,140)	6,721
Accounts payable	193,932	732,096
Deferred revenue	193,925	(67,753)
Reserves	21,476	(5,011)
Security deposit	1,522	650
	3,021,877	3,319,619
Capital activities		
Acquisition of capital assets	(590,945)	(723,643)
Financing activities		
Repayment of long-term debt	(561,149)	(2,132,081)
Proceeds of long-term debt	285,666	318,258
	(275,483)	(1,813,823)
Investing activities		
Advances from (to) Government Business Partnerships	933,004	2,385,034
Increase in cash and cash equivalents		
Cash and cash equivalents, beginning of year	19,089,385	15,922,198
Cash and cash equivalents, end of year	22,177,838	19,089,385
Represented by		
Cash and term deposits	19,059,009	16,542,819
Restricted cash and deposits	3,118,829	2,546,566
	22,177,838	19,089,385

The accompanying notes are an integral part of the financial statements

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

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 Economic Development Corporation

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

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, 2019

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, 2019

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 Services 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, 2019

3. Cash and term deposits

	2019	2018
	\$	\$
Externally restricted:		
Social Housing - Pre-1997 "Old" Program	37,764	37,565
Social Housing - Post 1997 "New" Program	89,075	112,010
Ottawa Trust Funds	39,446	34,344
Internally restricted:		
Sewage Treatment Plant	17,892	17,820
Fishing License Program	883,161	866,850
Kwagis Community Benefit Fund	133,001	160,597
Orca Sand and Gravel Community Benefit Fund	1,918,490	1,317,379
Unrestricted:		
Social Housing - Pre-1997 "Old" Program	133,892	125,988
Social Housing - Post 1997 "New" Program	26,299	15,076
Operating Fund	18,898,818	16,401,756
	22,177,838	19,089,385

The First Nation has two unused operating loan credit facilities with Coastal Community Credit Union of \$20,000. The interest rate on the operating loan is at the Credit Union's prime rate plus 0.50% per annum. The operating loan is 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, 2019

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

	2019	2018
	\$	\$
Due from members		
Garbage	53,066	54,390
Moorage	32,653	43,339
Sundry	32,518	27,488
Teacherages	1,500	1,500
Utilities	22,191	23,431
Travel	1,313	1,963
Social Housing	13,601	16,396
Revolving Housing	126,588	127,054
	<hr/> 283,430	<hr/> 295,561
Due from others		
Accounts receivable	1,428,908	1,367,327
Allowance for doubtful accounts	1,572,149 (401,808)	1,662,888 (407,244)
	<hr/> 1,170,341	<hr/> 1,255,644

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

5. Inventory

	2019	2018
	\$	\$
Tobacco Outlet	473	8,898
Gas Station	<u>43,933</u>	44,657
	44,406	53,555

6. Long-term investments

Long-term investments consist of the following:

	2019	2018
	\$	\$
Investment in Orca Sand & Gravel Limited Partnership	4,534,452	2,180,032
Investment in Kwagis Power Limited Partnership	<u>11,107,806</u>	9,446,549
Investment in Atli Resources Limited Partnership	2,774,178	1,907,598
Investment in Kuterra Limited Partnership	(369,269)	(1,824,165)
Investment in Mama'omas Limited Partnership	857,225	617,245
Investment in Danyas Forest Products Limited Partnership	428,607	771,105
Investment in Namgis Economic Development Corp	<u>106,207</u>	-
	19,439,206	13,098,364

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 and May 25, 2017, '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, 2019, Quality has advanced \$8,636,261 (2018 - \$8,350,595) to the First Nation (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.

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

6. Long-term investments, continued

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.

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 \$3,684,028 and liabilities of \$918,892 as at March 31, 2019 and revenues of \$13,058,575 and net income of \$1,481,213 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 \$679,492 and liabilities of \$1,049,877 as at March 31, 2019 and revenues of \$215,815 and a net loss of \$341,807 for the year then ended.

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%. As at the date of the financial statements, the final outcome of this purchase 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 \$1,082,566 and liabilities of \$558,870 as at March 31, 2019 and revenues of \$603,959 and a net income of \$146,414 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 \$1,390,312 and liabilities of \$518,724 as at December 31, 2018 and revenues of \$2,776,074 and a net income of \$745,078 for the year then ended.

'Namgis Economic Development Corporation

'Namgis Economic Development Corporation was established in 2019 to oversee economic opportunities and business interests of the First Nation. The Corporation is wholly-owned by the First Nation. The investment consists of \$180,000 investment made by the First Nation less accumulated losses of \$73,793

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

6. Long-term investments, continued

for the year ended March 31, 2019. The Corporation had assets of \$132,620 and liabilities of \$206,413 as at March 31, 2019 and revenues of nil, expenses of \$73,793 and a net loss of \$73,793 for the period then ended.

7. Accounts payable

	2019	2018
	\$	\$
Accounts payable and accrued liabilities	1,361,665	1,052,131
Due to government agencies	21,717	34,593
Accrued wages payable	408,151	510,875
	1,791,533	1,597,599

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:

	2019	2018
	\$	\$
First Nation Education Steering Committee (School Bus Purchase)	-	63,000
First Nation Education Steering Committee	93,246	-
Indigenous Services Canada		
Water system improvements	-	34,261
Vancouver Island Health Authority	-	2,060
Province of BC	200,000	-
	293,246	99,321

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

9. Reserves

	2019	2018
		Restated (Note 16)
	\$	\$
Fishing License Program	891,647	875,336
Sewage Treatment Plant Reserve	17,892	17,820
Replacement Reserve - "Old" Social Housing	22,972	21,239
Replacement Reserve - "New" Social Housing	52,010	61,279
Operating Reserve - "New" Social Housing	60,121	47,492
	1,044,642	1,023,166

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

March 31, 2019

10. Long-term debt

	2019	2018
	\$	Restated (Note 16) \$
Quality Sand & Gravel Ltd. - loan payable (see note below)	8,636,261	8,350,595
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
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.	7,772	20,907
All Nations Trust Company - mortgage payable in monthly instalments of \$1,144 including interest at 1.92% per annum. Subsequent to the year end, this mortgage was renewed at 1.86% interest per annum, monthly payments of \$1,142, maturing April 1, 2024.	99,809	111,508
	17,816,771	18,092,254
<u>Less current portion</u>	2,572,764	561,168
	15,244,007	17,531,086
Principal due within each of the next five years and thereafter on long-term debt is approximately as follows:		
2020	2,572,764	
2021	3,522,169	
2022	2,585,611	
2023	12,630	
<u>2024 and thereafter</u>	9,123,597	
	17,816,771	

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

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. It is expected that loan repayments will begin in 2020 from distributable earnings from the Limited Partnership. It is the First Nation's intention to direct all earnings distributions toward repayment of the loan until it is fully repaid. The five year repayment schedule is based on management's best estimate of distributable earnings during this period.

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 was 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.

Under the agreement with Orca Sand & Gravel Ltd., the Nation receives \$0.06 per tonne of sand and gravel sold by Orca Sand & Gravel Limited Partnership as a Community Benefit payment plus a further \$0.06 per tonne as advances on future distributions. If the aggregate of these payments is less than \$500,000 in a calendar year, Orca advances the difference needed to bring the aggregate to \$500,000 (annual advances). Together, the advances are added to the loan. The accumulated total advances are not to exceed \$1,500,000 and Orca has no obligation to pay the Nation any additional amount once the accumulated total reaches that amount.

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, 2019

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.

			Cost			Accumulated amortization		Net book value
	Rate	Balance, beginning of year	Additions	Disposals	Balance, end of year	Amortization	Accumulated amortization on disposals	Balance, end of year
Land	10%	619,178	-	619,178	15,186,117	292,490	-	619,178
Buildings	10%	18,065,838	90,363	18,156,201	1,288,991	61,090	(134,022)	2,677,594
Automotive	30%	1,459,537	66,173	(134,552)	1,391,158	1,340,225	-	1,216,059
Computer Equipment	30%	1,502,604	17,750	-	1,520,354	51,377	-	1,391,602
Office Furniture & Equipment	10%	676,398	7,599	-	683,997	529,693	-	544,744
Other Equipment	20%	1,660,167	130,848	-	1,791,015	1,390,130	-	1,457,222
Boats & Motors	15%	264,323	-	264,323	182,446	12,281	-	194,727
Water & Sewer	5%	6,541,482	32,390	-	6,573,872	4,150,876	-	4,629,807
Roads	4%	1,914,045	-	1,914,045	1,085,742	33,132	-	1,118,874
Other Infrastructure	4%	3,397,744	67,691	-	3,465,435	1,070,500	94,444	1,164,944
Gas Station Equipment	20%	245,000	-	245,000	200,813	8,837	-	209,650
Work-in-Progress	8,816	9,500	(13,316)	5,000	-	-	-	5,000
Revolving Housing (Note 12)		9,373,631	175,750	9,549,381	7,105,261	134,489	-	7,239,750
Social Housing (Note 13)		765,055	-	765,055	328,591	24,834	-	353,425
Substance Abuse Treatment Centre (Note 14)		153,792	6,195	(8,200)	151,787	127,880	5,069	(5,755)
		46,647,610	604,259	(156,068)	47,095,801	33,987,265	1,279,117	(139,777)
								35,126,605
								11,969,196
								12,660,343
								25,912

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, 2019

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.

		2019		2018
		Accumulated amortization	Net book value	Net book value
	Cost	\$	\$	\$
Houses	7,172,282	5,805,956	1,366,326	1,281,529
Major repair projects	562,010	-	562,010	572,933
Lot clearing	8,034	-	8,034	8,034
Yalis Apartments	464,458	451,125	13,333	14,814
Rental Houses	563,279	435,880	127,399	141,832
Duplexes	322,764	264,004	58,760	65,289
Triplexes	374,312	282,785	91,527	101,697
Smitty's Hill	82,242	-	82,242	82,242
	9,549,381	7,239,750	2,309,631	2,268,370

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, 2019

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.

		2019		2018
		Accumulated amortization	Net book value	Net book value
	Cost	\$	\$	\$
Pre-1997 ("Old") Program				
Phase III	244,051	195,727	48,324	61,458
"New" Program				
Phase I	521,004	157,698	363,306	375,006
	765,055	353,425	411,630	436,464

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, 2019

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

	Rate	Cost	2019 Accumulated amortization	Net book value	2018 Net book value
		\$	\$	\$	\$
Vehicles	30%	29,413	29,100	313	448
Computer Equipment	30%	29,037	28,511	526	750
Office Furniture & Equipment	10%	14,459	11,206	3,253	3,615
Other Equipment	20%	72,681	57,758	14,923	18,654
Shed	10%	6,197	619	5,578	2,445
		151,787	127,194	24,593	25,912

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

	2019	2018
		Restated (Note 16)
	\$	\$
Restricted		
Trust Fund	39,446	34,344
Unrestricted		
Fund balances	20,970,705	11,795,038
Provision for Capital Assets	11,982,126	12,648,433
Investment in Limited Partnership	1,074,650	1,074,650
	34,027,481	25,518,121
	34,066,927	25,552,465

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

16. Prior period restatement

The First Nation made a number of corrections to the prior period. The First Nation determined that loan advances from Orca Sand and Gravel Limited Partnership in 2018 were incorrectly recorded as revenue. In addition, Danyas Forest Products Limited Partnership made a correction to 2018 which resulted in an increase to the First Nation's share of earnings. Lastly, the First Nation recorded a contribution to the Social Housing operating reserve to meet minimum revenue requirements under the agreement with CMHC. The impact of these corrections resulted in the following restatements to comparative information:

For the year ended March 31	As previously stated in 2018 Actual	Adjustments		Restated 2019 Actual
		Increase (Decrease)	Actual	
		\$	\$	
Consolidated Statement of Financial Position				
Financial assets				
Long term investments	13,055,868	42,496		13,098,364
Liabilities				
Long-term debt	17,773,996	318,258		18,092,254
Reserves	1,021,069	2,097		1,023,166
Accumulated surplus	25,830,326	(277,861)		25,552,465
Consolidated Statement of Operations				
Revenue				
Share of net income from enterprises	4,654,539	42,496		4,697,035
Contributions from related entities	503,065	(316,161)		186,904
Other revenue	524,311	(2,097)		522,214
Current year surplus	6,600,916	(277,861)		6,323,055

17. Defined contribution plan

The First Nation participates in individual defined contribution pension plans (the "Plans") for its eligible employees. Eligible employees were required to contribute 6% of their earnings less contributions made to the Canada Pension Plan. This increased to 7% effective January 1, 2019. 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 \$175,599 to the Plans during the year (2018 - \$168,517).

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

18. Contingent Liabilities

- a) 'Namgis First Nation has guaranteed a loan to Kuterra Limited Partnership from the Greater Vancouver Community Assistance Foundation for \$85,883.
- b) '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, 2019, the balance on the operating line was \$444,166.
- c) 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, 2019 is \$70,796 (2018 - \$119,931).
- d) 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, 2019

19. Expenses by Object

For the year ended March 31	2019 Budget	2019 Actual	2018 Actual
Amortization	\$ 936,205	\$ 1,282,094	1,219,562
Contractors and consulting	3,164,968	2,635,284	1,721,977
Contributions to other entities	3,165	3,578	5,262
Cost of goods sold	529,050	515,788	471,005
Insurance, licenses and dues	292,683	252,562	251,050
Interest charges	67,981	51,599	110,060
Office and miscellaneous	2,809,705	825,287	777,608
Other expense	415,795	-	-
Professional fees	489,251	467,468	158,474
Program costs	1,657,318	2,055,693	1,102,941
Recovery of prior year funding	46,013	59,485	269,958
Rent and operating costs	312,237	164,599	172,480
Repairs and maintenance	1,294,089	511,582	582,181
Social Assistance	1,061,060	1,131,063	1,079,245
Travel and vehicle	675,611	345,677	306,728
Utilities and telephone	601,650	599,381	604,757
Wages and benefits	6,039,021	6,018,969	5,871,286
	20,395,802	16,920,109	14,704,574

20. 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, 2019

21. Segmented information

	Education		Administration		2019		Health	
	2019 Budget	2019 Actual	2018 Budget	2019 Actual	2018 Actual	Budget	2019 Budget	2018 Actual
Revenues								
Indigenous Services Canada	1,953,590	1,953,590	1,980,533	1,479,228	1,485,839	1,200,695	133,924	133,924
First Nation Health Authority	-	-	-	-	-	-	3,986,731	25,292
Province of B.C.	86,728	86,728	72,300	838,795	963,872	698,659	344,268	3,727,612
Sales	39,000	33,000	42,000	231,175	236,424	222,656	416,862	372,723
Nimpkish Fisheries Service	-	-	-	-	668,050	190,489	-	568,866
Rental income	64,200	52,975	53,900	104,755	106,750	102,805	45,200	-
North Vancouver Island Aboriginal Training Society	62,780	64,325	26,734	(7,939)	-	61,193	-	49,500
Other revenue	580,181	448,606	304,707	1,914,253	2,224,506	1,736,577	69,707	86,886
Total revenue	2,786,479	2,639,224	2,480,174	4,560,267	5,685,441	4,213,074	5,005,171	4,814,531
Expenses								
Wages and benefits	1,011,689	1,079,398	922,208	1,402,618	1,415,744	1,456,484	1,787,726	1,746,700
Office and miscellaneous	471,955	437,055	359,352	542,383	389,703	365,951	971,342	916,696
Repairs and maintenance	121,373	85,112	30,231	55,339	121,169	155,290	162,208	88,662
Contractors and consulting	70,000	9,178	8,025	1,708,951	1,344,621	762,194	637,684	66,479
Program costs	1,179,265	983,064	633,591	102,297	746,930	263,189	27,786	575,247
Insurance, licenses and dues	30,572	28,683	25,215	62,418	27,029	38,576	15,650	14,413
Utilities and telephone	101,500	97,649	96,452	296,673	299,577	292,563	127,904	16,620
Other expenses	33,590	26,214	13,484	1,258,780	833,966	549,793	531,554	17,371
Total expenses	3,019,944	2,746,353	2,088,558	5,429,459	5,178,739	3,884,040	4,321,864	3,967,563
Annual surplus (deficit)	(233,465)	(107,129)	391,616	(669,192)	506,702	329,034	683,307	846,968

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

21. Segmented information, continued

		Child and Family Services			Natural Resources			Capital Projects and Revolving Housing Fund		
		2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
Revenues										
Indigenous Services Canada	1,574,867	1,641,198	1,625,283	321,708	321,708	351,127	753,440	592,084	538,189	
First Nation Health Authority	209,233	225,233	242,091							
Province of B.C.	549,734	560,278	529,457	161,800	177,925	346,684				
Sales				(1,000)	293,450	466,565	210,858			
Rental income	36,000	36,730	58,000	37,280	37,280	26,720	425,936	453,753	411,190	
Fisheries & Oceans				502,475	532,472	550,223				
North Vancouver Island Aboriginal Training Society	70,468	70,468	96,360	30,300	30,300					
Other revenue	87,464	103,707	97,950	222,095	335,332	200,850	35,169	37,937	24,539	
Total revenue	2,527,766	2,641,614	2,648,141	1,569,108	1,901,582	1,686,462	1,214,545	1,083,774	973,918	
Expenses										
Wages and benefits	948,020	976,224	927,329	841,744	755,742	705,905				
Office and miscellaneous	370,429	342,466	338,564	299,058	254,853	296,753	130,084	135,307	184,171	
Repairs and maintenance	48,742	42,300	30,786	34,184	20,311	36,240	838,743	349,641	307,301	
Contractors and consulting	70,203	55,005	45,245	670,825	571,597	224,655				
Program costs	106,748	178,267	236,605	123,937	162,728	39,332	105,000	101,430	97,601	
Insurance, licenses and dues	10,087	9,507	9,953	37,068	35,652	28,306	126,015	123,331	120,034	
Utilities and telephone	29,218	24,806	27,000	45,560	49,513	63,970				
Other expenses	929,398	899,554	905,621	393,545	277,888	139,391	15,509	13,210	272,771	
Total expenses	2,512,845	2,528,129	2,521,103	2,445,921	2,128,284	1,534,552	1,215,351	722,919	982,128	
Annual surplus (deficit)	14,921	113,485	127,038	(876,813)	(226,702)	151,910	(806)	360,855	(8,210)	

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

21. Segmented information, continued

	Commercial Enterprises			Social Housing Fund			Trust Fund		
	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual	2019 Budget	2019 Actual	2018 Actual
Revenues									
Province of B.C.									
Sales	441,000	410,981	200,000						
Rental income			392,363						
Other revenue				42,548	42,166	40,451			
Total revenue	441,000	7,684,827	5,289,397	62,192	79,514	87,098			
Expenses									
Wages and benefits	43,500	40,301	43,155						
Office and miscellaneous	13,000	13,305	12,034	5,954	6,211	5,646			
Repairs and maintenance	2,000	2,823	12,351	31,500	3,189	33,285			
Contractors and consulting	500	79,897	36,961						
Program costs				12,285	32,047	9,435			
Insurance, licenses and dues	6,905	6,904	7,262	3,968	3,969	4,334			
Utilities and telephone	795	802	795						
Amortization					24,834	24,375			
Other expenses	343,050	334,589	376,980	34,237	9,264	10,023			
Total expenses	409,750	478,621	489,538	87,944	79,514	87,098			
Annual surplus (deficit)	31,250	7,206,206	4,799,859	(25,752)					
							5,102	5,028	

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

21. Segmented information, continued

	2019 Budget	Benefit Funds 2019 Actual	2018 Actual	2019 Budget	2019 Actual	Treaty Process 2019 Actual	2018 Actual
Revenues							\$
Province of B.C.							125,000
Other revenue							-
Total revenue		318,469	244,266				125,000
Expenses							
Wages and benefits							
Office and miscellaneous							
Contractors and consulting							
Program costs							
Other expenses							
Total expenses		13,255	18,290	16,519	16,527	157,489	
Annual surplus (deficit)		305,214	225,976	(16,519)	(16,527)	(32,489)	

'Namgis First Nation

Notes to Consolidated Financial Statements

March 31, 2019

21. Segmented information, continued

	Eliminations and Capital			2019 Budget	\$	\$	\$	\$	\$	Consolidated totals	2018 Actual
	2019 Budget	2019 Actual	2018 Actual								
Revenues											
Indigenous Services Canada	-	-	-	-	-	-	6,216,757	6,128,343	5,721,119		
First Nation Health Authority	-	-	-	-	-	-	4,204,443	4,211,964	3,969,703		
Province of B.C.	-	-	-	-	-	-	1,981,325	2,146,697	2,344,823		
Sales	-	(1,712)	-	-	-	-	1,421,487	1,570,333	1,425,743		
Nimpkish Fisheries Service	-	-	(199,363)	(138,547)	-	-	755,919	668,050	190,489		
Rental income	-	-	-	-	-	-	502,475	532,472	604,019		
Fisheries & Oceans	-	-	-	-	-	-	550,223	550,223	550,223		
North Vancouver Island Aboriginal Training Society	500,000	(1,444,152)	(1,400,913)	-	-	-	155,609	165,093	184,287		
Other revenue	-	-	-	-	-	-	3,428,513	9,427,587	6,037,223		
Total revenue	500,000	(1,845,227)	(1,539,460)	18,666,528	18,666,528	18,666,528	25,434,570	25,434,570	21,027,629		
Expenses											
Wages and benefits	-	-	(1,671,621)	(1,697,055)	-	-	6,039,021	6,018,985	5,871,282		
Office and miscellaneous	-	(199,079)	(90,902)	(90,902)	2,805,205	2,805,205	825,287	825,287	771,841		
Repairs and maintenance	-	(5,018)	(13,200)	(13,200)	1,294,089	1,294,089	511,582	511,582	581,061		
Contractors and consulting	-	(175,750)	(211,896)	(211,896)	3,164,968	3,164,968	2,635,284	2,635,284	1,721,977		
Program costs	-	-	-	-	1,657,318	1,657,318	2,055,693	2,055,693	1,102,242		
Insurance, licenses and dues	-	-	-	-	292,683	292,683	252,562	252,562	251,051		
Utilities and telephone	-	-	-	-	601,650	601,650	599,124	599,124	604,757		
Amortization	936,205	1,257,260	1,195,187	1,195,187	936,205	936,205	1,282,094	1,282,094	1,219,562		
Other expenses	(2,584)	(197,872)	(207,919)	(207,919)	3,602,079	3,602,079	2,739,497	2,739,497	2,580,801		
Total expenses	1,244,550	(992,080)	(1,025,785)	(1,025,785)	20,704,147	20,704,147	16,920,108	16,920,108	14,704,574		
Annual surplus (deficit)	(744,550)	(653,147)	(513,675)	(2,037,619)	8,514,462	8,514,462	6,323,055	6,323,055			

