

**PACHEEDAHT FIRST NATION**  
**FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

# **PACHEEDAHT FIRST NATION**

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## Pacheedaht First Nation

March 31, 2017

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Pacheedaht First Nation for the year ended March 31, 2017 and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgement. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Pacheedaht First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Pacheedaht First Nation's assets are appropriately accounted for and adequately safeguarded.

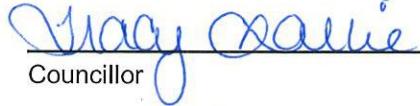
The Pacheedaht First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Council reviews the First Nation's financial statements. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report. The Council approves the financial statements for issuance to the Members. The Council also considers, for review and approval by the Members, the engagement of the external auditors.

The accompanying financial statements have been audited by Reid Hurst Nagy Inc., Chartered Professional Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the Members. Reid Hurst Nagy Inc., Chartered Professional Accountants have full and free access to the books and records of the First Nation.

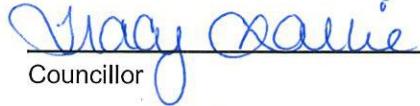


Chief

  
7/8/19

Date

Councillor

  
7/8/19

Date

## INDEPENDENT AUDITORS' REPORT

### PACHEEDAHT FIRST NATION

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#### **Report on the financial statements**

We have audited the accompanying summary financial statements of Pacheedaht First Nation, which comprise the summary statement of financial position as at March 31, 2017, the summary statements of operations, 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 financial statements**

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' responsibility**

Our responsibility is to express an opinion on these summary 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the 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 entity's internal controls.

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 financial statements.

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

#### **Basis for qualified opinion**

Beginning April 1, 2009, generally accepted accounting principles for government entities required that the Band record the net value of tangible capital assets in its financial statements. The Band has not applied these new financial statement reporting standards. Because the Band did not provide us with a completed capital asset register reflecting the total cost of tangible capital assets owned by the Band and appropriate accumulated amortization and any impairment attributable to each of those assets, we were unable to determine the net value of the tangible capital assets that should have been recorded as an asset and the related amortization or impairment that should have been recorded as an expense in the current and prior year. Upon adoption of PS 1200 Financial Statement Presentation, the Band did not fully adopt all aspects of the standard as they relate to the aforementioned tangible capital assets as they have reported capital purchases and long-term debt payments as expenses and have failed to appropriately report depreciation as an expense.

## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the summary financial statements present fairly, in all material respects, the financial position of Pacheedaht First Nation as at March 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



REID HURST NAGY INC.  
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, B.C.  
AUGUST 7, 2019

**PACHEEDAHT FIRST NATION**  
**SUMMARY STATEMENT OF FINANCIAL POSITION**  
**March 31, 2017**

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	2017	2016
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	3,739,296	3,172,742
Accounts receivable (Note 4)	652,636	1,055,987
Restricted cash (Note 6)	377,736	370,014
Due from band controlled entities (Note 5)	3,124,210	827,292
Investment in Treaty Process (Note 8)	7,884,632	7,511,767
Long term loans receivable (Note 9)	1	1
Long term Investments (Note 10)	3,080,629	2,037,603
	<hr/> 18,859,140	14,975,406
<b>LIABILITIES</b>		
Accounts payable	1,418,524	1,674,753
Deferred revenue (Note 11)	360,371	635
Long-term debt (Note 12)	9,238,762	7,514,580
	<hr/> 11,017,657	9,189,968
<b>NET FINANCIAL ASSETS</b>		
	<hr/> 7,841,483	5,785,438
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 1c, 1d and Note 13)	4,986,946	2,075,858
Prepaid expenses	-	7,340
	<hr/> 12,828,429	7,868,636

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APPROVED ON BEHALF OF  
 THE PACHEEDAHT FIRST NATION

John \_\_\_\_\_ Chief

Tracy Maalie Councillor

**PACHEEDAHT FIRST NATION**  
**SUMMARY STATEMENT OF OPERATIONS**  
For the year ended March 31, 2017

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	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>REVENUE</b>			
Indigenous Services Canada	4,877,030	4,940,506	4,630,916
Administration fees recoveries	337,078	370,714	299,337
Coast Salish Employment Training Society	84,828	87,188	76,202
Commercial Fishery Licence Leases	42,000	42,000	44,176
Enterprise fund	3,275,491	-	(297,499)
First Nations Education Steering Committee	49,193	36,180	35,961
Fisheries and Oceans Canada	264,097	254,697	180,080
First Nations Health Authority	313,524	313,524	279,501
Forestry companies	1,141,320	1,141,754	-
Management fee	98,250	98,250	86,250
Inter Tribal Health Authority	30,806	30,806	29,200
Limited Partnership income	2,237,465	2,237,565	-
Loan proceeds	1,357,500	1,357,500	-
Miscellaneous income	2,416,969	3,744,560	2,917,807
Ottawa Trust Funds	7,722	-	8,106
Government of Canada	221,598	221,598	162,000
Province of British Columbia	557,108	708,743	178,843
Rental	93,090	93,090	96,365
Support Negotiations	617,700	617,700	732,422
Vancouver Island Health Authority	39,612	39,612	50,000
Capital fund additions	3,105,941	-	1,566,839
	<b>21,168,322</b>	16,335,987	11,076,506
<b>EXPENDITURES</b>			
Band programs	1,358,941	1,948,660	555,521
Social development	255,146	234,860	196,373
Community health	369,922	365,025	327,285
Education	528,363	603,938	525,519
Operations and maintenance	175,333	175,266	152,296
Economic development and job creation	1,427,152	3,393,376	1,173,276
Local revenue	2,691,720	2,680,375	1,524,106
Commercial projects	1,876,790	717,036	777,656
Capital programs	2,293,588	3,762,313	3,326,514
Strategic engagement	866,764	619,727	340,451
Capital fund	1,514,645	-	488,697
Treaty negotiation support agreement	617,700	620,514	732,422
Enterprise fund	2,232,465	-	841,502
	<b>16,208,529</b>	15,121,090	10,961,618
<b>ANNUAL EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES</b>	<b>4,959,793</b>	1,214,897	114,888

The notes to the financial statements are an integral part thereof.

# PACHEEDAHT FIRST NATION

## SUMMARY STATEMENT OF CHANGE IN NET ASSETS MARCH 31, 2017

	2017 \$	2016 \$
<b>ANNUAL EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES</b>	<b>4,959,793</b>	114,888
Acquisition of tangible capital assets	(3,068,233)	(1,566,839)
Depreciation of tangible capital assets	157,145	130,304
Sale of tangible capital assets	-	358,393
	<b>2,048,705</b>	(963,254)
Acquisition of prepaid asset	-	(7,340)
Use of prepaid asset	7,340	-
<b>CHANGES IN NET ASSETS</b>	<b>2,056,045</b>	(970,594)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>5,785,438</b>	6,756,032
<b>NET ASSETS AT END OF YEAR</b>	<b>7,841,483</b>	5,785,438

The notes to the financial statements are an integral part thereof.

**PACHEEDAHT FIRST NATION**  
**SUMMARY STATEMENT OF CASH FLOWS**  
**MARCH 31, 2017**

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	2017	2016
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (shortfall) of revenue over expenditures	4,959,793	114,888
Non-cash items:		
Deferred revenue	359,736	(3,532)
Share of (loss) income of First Nation Controlled Entities	(3,275,491)	297,499
Depreciation	157,145	130,304
Changes in non-cash operating net assets	(218,403)	(118,707)
	<hr/>	<hr/>
	1,982,780	420,452
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt - other programs	(37,708)	-
Proceeds from loan	1,761,890	452,080
Advances to First Nation Controlled Entities	(2,296,918)	(131,856)
	<hr/>	<hr/>
	(572,736)	320,224
<b>INVESTING ACTIVITIES</b>		
Investment in First Nation Controlled Entities	2,232,465	841,502
Purchase of capital assets	(3,068,233)	(1,566,839)
Sale of tangible capital assets	-	358,393
	<hr/>	<hr/>
	(835,768)	(366,944)
<b>CHANGES IN CASH DURING YEAR</b>		
	574,276	373,732
<b>CASH AT BEGINNING OF YEAR</b>		
	3,542,756	3,169,024
<b>CASH AT END OF YEAR</b>		
	<hr/>	<hr/>
	4,117,032	3,542,756
<b>REPRESENTED BY:</b>		
Cash	3,739,296	3,172,742
Restricted Cash	377,736	370,014
	<hr/>	<hr/>
	4,117,032	3,542,756
	<hr/>	<hr/>

# **PACHEEDAHT FIRST NATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2017**

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### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

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

#### **a) Fund Accounting**

The assets and liabilities have been segregated by fund in respective statements of financial position. Operating results are reported by schedule for the purpose of providing information relating to specific objectives, as determined by statutory requirement, management need or pursuant to various fiscal arrangements entered into by the First Nation.

- The Operating Fund reports the general and local government activities of the First Nation Administration..
- The Treaty Fund reports activities of the Treaty Negotiating team.
- The Trust Fund reports on trust funds owned by the First Nation and held by third parties.
- The Capital Fund reports the capital asset transactions of the First Nation, including information as to the source and application of financing.

The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

#### **b) Reporting Entity and Principles of Financial Reporting**

The Pacheedaht First Nation reporting entity includes all related entities which are accountable to the Council, and are either owned or controlled, directly or indirectly, by the First Nation.

These financial statements include the assets, liabilities and results of operations for the following unincorporated entities;

- Pacheedaht First Nation Government Administration
- Pacheedaht First Nation Treaty Negotiation team

All inter-entity balances have been eliminated on consolidation, but in order to present meaningful results for the operations of each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

# **PACHEEDAHT FIRST NATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2017**

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### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **b) Reporting Entity and Principles of Consolidation - continued**

The net operating results and valuation of investment in the following band controlled entities are reported in the Enterprise fund, and in the Summary Financial Statements using the modified equity method:

- Pacheedaht Holding Corporation
- Pacheedaht Fishing Company Inc.
- Pacheedaht Forestry Limited
- Pacheedaht Enterprises Inc.
- Salpac Fisheries Limited Partnership
- Pacheedaht Anderson Timber Holdings Limited Partnership

Under the modified equity method the investment value is adjusted to reflect the First Nation's share of change in net equity, with the net income or loss reflected in the Statement of Operations. Membership and Council have access to separate financial reports for these entities, and condensed operating results are provided by note where the information is available and relevant.

Information provided as to the assets, liabilities, equity and operating activities of these incorporated entities has been derived from the individual financial statements, which were prepared without audit.

#### **c) Tangible Capital Assets**

Tangible capital assets are expensed at the time of purchase, they are also capitalized at cost on the statement of operations

The acquisition costs of tangible capital assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Capital Fund with a corresponding increase in Equity and Tangible Capital Assets.

Tangible capital assets are depreciated annually with a resulting reduction of equity in tangible capital assets.

Tangible capital assets acquired as part of the Social Housing Fund and Enterprise Fund are recorded as assets of those funds.

#### **d) 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.

# **PACHEEDAHT FIRST NATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2017**

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### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **e) Depreciation**

Tangible capital assets are recorded and depreciated annually with a corresponding reduction in Equity in Tangible Capital Assets. Assets are depreciated over their expected useful life using the straight-line method at the following rates:

Land	0%
Buildings	10%
Community infrastructure	5%
Equipment	20%
Cable T.V. System	10%

In the year of acquisition 50% of the normal amortization is recorded. Renovations, planning and other similar type consulting fees, which relate to no particular project, and which are expended from capital financing, are written off 100% in the year of expenditure.

#### **f) Revenue Recognition**

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements.

Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Summary Statement of Financial Position. Funding which is received and recorded as revenue in the current period, but which is partially expended, or a balance is committed to future expenditure, or subject to recovery by the funding agency, is classified as a restricted surplus.

#### **g) 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 operations and are not for resale. Non-financial assets include capital assets, prepaid expenses and inventories of supplies.

#### **h) Budget Figures**

The budget reported in the financial statements was provided by management and is unaudited..

#### **i) Measurement of Uncertainty**

These financial statements have been prepared in accordance with accounting practices generally accepted in Canada. In preparing these financial statements, management has made estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

# **PACHEEDAHT FIRST NATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2017**

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### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **i) Financial Instruments**

The Band's financial instruments consist of cash, accounts receivable, temporary and long-term investments, accounts payable, amounts due to (from) related parties and long term debt. Unless otherwise noted, it is management's opinion that the Band is not exposed to significant interest, currency or credit risks arising from these financial instruments.

#### **j) Net Assets**

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

### **NOTE 2: ECONOMIC DEPENDENCE**

The First Nation received a major portion of its operating revenues pursuant to an agreement referred to as 'The Comprehensive Funding Arrangement'. This agreement has been entered into by the Pacheedaht First Nation and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The Band also receives major funding pursuant to an arrangement with First Nations Health Authority, and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

### **NOTE 3: TANGIBLE CAPITAL ASSETS**

In September 2006, the CICA issued amendments to the recommendation in Section 3150 Tangible Capital Assets. PS 3150 established standards on how to account for and report tangible capital assets in government financial statements. The amendments to this Section consisted of expanding its scope to include local governments thereby requiring such governments to capitalize and amortize their tangible capital assets. Revised PS 3150 is effective for interim and annual financial statements of local governments with fiscal year beginning on or after January 31, 2009.

In February 2007, the CICA revised PSG-7 Tangible Capital Assets of Local Governments to provide local governments with transitional guidance on reporting tangible capital asset information in their financial statements prior to adoption of PS 3150. This guideline requires local governments to disclose the cost, additions, disposals, impairment, amortization, and accumulated amortization for each major category of tangible capital assets.

Pacheedaht First Nation has not yet begun the process of accumulating all of the relevant information required for identifying and reporting tangible capital assets in accordance with the guidance in PS 3150. Therefore, the First Nation cannot provide the disclosure requirements under PSG-7 related to the amortization for some of its categories of tangible capital assets. The First Nation is planning to implement the new requirements for the year ending March 31, 2017.

**PACHEEDAHT FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2017**

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**NOTE 4: ACCOUNTS RECEIVABLE**

	<b>2017</b>	<b>2016</b>
	\$	\$
Band Members	<b>95,833</b>	84,237
Government of Canada		
Indigenous Services Canada	-	375,721
National Energy Board	-	153,750
Department of Fisheries and Oceans	<b>200,495</b>	58,349
Parks Canada	<b>29,028</b>	-
Province of British Columbia	<b>4,300</b>	4,307
Coast Salish Employment and Training Society	<b>10,371</b>	26,117
Tenants Rent	<b>365,242</b>	365,242
Forestry Contracts	<b>27,948</b>	92,286
In-trust Funds	-	58,495
Miscellaneous	<b>294,930</b>	202,725
Less: Allowance for doubtful accounts	<b>1,028,147</b>	1,421,229
	<b>(375,511)</b>	(365,242)
<b>Net Accounts Receivable</b>	<b>652,636</b>	1,055,987

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**NOTE 5: TRANSFERS**

All transfers between funds have been approved by the Council with an appropriate Band Council Resolution having been effected.

**NOTE 6: RESTRICTED CASH**

	<b>2017</b>	<b>2016</b>
	\$	\$
Ottawa Trust Funds	<b>377,736</b>	370,014

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**Ottawa Trust Funds**

The Ottawa Trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

**PACHEEDAHT FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2017**

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**NOTE 7: DUE FROM (TO) BAND CONTROLLED ENTITIES**

	<b>2017</b>	<b>2016</b>
	\$	\$
Pacheedaht Holding Company	497,683	725
Pacheedaht Fishing Co. Ltd.	40,174	(7,600)
Qala"yit Community Forest	14,429	-
Salpac Fisheries Limited Partnership	261,789	(45,362)
Pacheedaht Forestry Ltd.	2,310,135	879,529
	<hr/>	<hr/>
	3,124,210	827,292
	<hr/>	<hr/>

Transaction with related parties, if any, are in the normal course of business, and are measured at the exchange amount, which is the amount established and agreed upon by the related parties.

**NOTE 8: INVESTMENT IN TREATY PROCESS**

The investment in the Treaty Fund Process is the amount of expenditures invested in negotiating a treaty as envisioned under the British Columbia Treaty Commission Agreement. These amounts are the accumulated costs to date, and represent an investment in the eventual benefits which are expected at the completion of the treaty process.

**NOTE 9: LONG TERM LOANS RECEIVABLE**

	<b>2017</b>	<b>2016</b>
	\$	\$
Band Member Social Housing Loans	87,306	87,306
Less: Allowance for doubtful accounts	(87,305)	(87,305)
	<hr/>	<hr/>
	1	1
	<hr/>	<hr/>

Funds were transferred from the Ottawa Trust in the 1995 fiscal year to finance Social Housing rental arrears. The amounts are still due from Band members, but are non-interest bearing and have no specific terms of repayment.

**PACHEEDAHT FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2017**

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**NOTE 10: LONG TERM INVESTMENTS**

	2017	2016
	\$	\$
<b>Long Term Investments in Band Controlled Entities</b>		
<b>Pacheedaht Holding Corporation</b>		
Long Term Shareholder Loan	369,725	369,725
Shares (Held in Trust by Pacheedaht Trust #1)	10	10
	<b>369,735</b>	369,735
<b>Pacheedaht Fishing Company Inc.</b>		
Shares (Held in Trust By Pacheedaht Enterprises Inc.)	100	100
Accumulated Retained Earnings	37,284	16,864
	<b>37,384</b>	16,964
<b>Pacheedaht Forestry Limited</b>		
Shares (Held in Trust By Pacheedaht Enterprises Inc.)	100	100
Accumulated Retained Deficit	108,400	(75,668)
	<b>108,500</b>	(75,568)
<b>Pacheedaht Enterprises Inc.</b>		
Shares (Held in Trust)	3	3
<b>Pacheedaht Andersen Timber Holdings Limited Partnership</b>		
Capital account	2,405,761	1,639,514
<b>Salpac Fisheries Limited Partnership</b>		
Capital account	159,246	86,955
	<b>3,080,629</b>	2,037,603

**PACHEEDAHT FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2017**

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**NOTE 11: DEFERRED REVENUE**

	2017	2016
	\$	\$
Pacheedaht Andersen Timber Holdings LP	358,063	-
Province of British Columbia	-	635
Vancouver Island Health Authority	2,308	-
	<hr/>	<hr/>
	360,371	635
	<hr/>	<hr/>

**NOTE 12: LONG-TERM DEBT**

	2017	2016
	\$	\$
TD Commercial Banking - repayable in monthly principle payment of \$7,541 plus interest at prime rate plus 1% per annum, maturing July 2021, secured by a General Security Agreement	1,319,792	-
Government of Canada - promissory notes without interest for advances by Canada for treaty negotiations. Repayment is due and payable at the earlier of the date a treaty is signed by the parties takes effect unless otherwise agreed to or October 28, 2018.	7,918,970	7,514,580
	<hr/>	<hr/>
	9,238,762	7,514,580
	<hr/>	<hr/>

**FUTURE PRINCIPAL REPAYMENTS**

The estimated principal payments for the next five years are as follows:

	\$
2018	90,492
2019	90,492
2020	90,492
2021	90,492
2022 and beyond	8,876,794
	<hr/>
	9,238,762
	<hr/>

# PACHEEDAHT FIRST NATION

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

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### NOTE 13: TANGIBLE CAPITAL ASSETS

	<u>COST</u> \$	<u>ACCUMULATED DEPRECIATION</u> \$	<u>2017 NET</u> \$	<u>2016 NET</u> \$
<b>Capital Fund</b>				
Land	4,056,106	-	<b>4,056,106</b>	1,493,880
Buildings	2,007,182	1,303,722	<b>703,460</b>	432,648
Infrastructure	164,998	163,348	<b>1,650</b>	8,585
Port Renfrew Marina	-	-	-	-
General Equipment	163,123	136,989	<b>26,134</b>	33,601
Heavy Duty Equipment	166,121	58,912	<b>107,209</b>	1,388
Automotive Equipment	243,451	168,806	<b>74,645</b>	81,944
Marine Equipment	154,743	148,197	<b>6,546</b>	9,168
Cable T.V. System	17,000	17,000	-	-
Office Equipment	69,540	68,344	<b>1,196</b>	4,644
Computer Equipment	39,075	39,075	-	-
	7,081,339	2,104,393	<b>920,840</b>	571,978
<b>Licences - At Cost</b>	<b>10,000</b>	-	<b>10,000</b>	10,000
<b>Net Value of Tangible Capital Assets</b>	<b>7,091,339</b>	2,104,393	<b>4,986,946</b>	2,075,858

**PACHEEDAHT FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2017**

**NOTE 14: SEGMENTED INFORMATION**

	Band Programs	Social Development	Community Health	Education	Economic Development	Capital Projects	Strategic Management	Other	Total 2017	Total 2016
<b>REVENUE</b>										
Indigenous Services Canada	325,241	219,906	-	469,569	144,185	3,334,972	383,157	-	<b>4,877,030</b>	4,630,916
Administration fees recoveries	337,078	-	-	-	-	-	-	-	<b>337,078</b>	299,337
Coast Salish Employment Training Society	-	-	-	-	84,828	-	-	-	<b>84,828</b>	76,202
Commercial Fishery Licence Leases	42,000	-	-	-	-	-	-	-	<b>42,000</b>	44,176
Enterprise Fund	-	-	-	-	-	-	-	3,275,491	<b>3,275,491</b>	(297,499)
First Nations Educations Steering Committee	-	-	-	-	49,193	-	-	-	<b>49,193</b>	35,961
Fisheries and Oceans Canada	-	-	-	-	264,097	-	-	-	<b>264,097</b>	180,080
First Nations Health Authority	-	-	313,524	-	-	-	-	-	<b>313,524</b>	279,501
Forestry companies	1,126,915	-	-	-	14,405	-	-	-	<b>1,141,320</b>	-
Management Fee	98,250	-	-	-	-	-	-	-	<b>98,250</b>	86,250
Inter Tribal Health Authority	-	-	30,806	-	-	-	-	-	<b>30,806</b>	29,200
Limited Partnership income	2,237,465	-	-	-	-	-	-	-	<b>2,237,465</b>	-
Loan proceeds	1,357,500	-	-	-	-	-	-	-	<b>1,357,500</b>	-
Miscellaneous	1,756,198	-	4,800	57,751	451,679	-	146,541	-	<b>2,416,969</b>	2,917,807
Ottawa Trust Funds	-	-	-	-	-	-	-	7,722	<b>7,722</b>	8,106
Government of Canada	100,000	-	-	-	101,500	-	20,098	-	<b>221,598</b>	162,000
Province of British Columbia	-	-	-	-	246,589	-	310,519	-	<b>557,108</b>	178,843
Rental	93,090	-	-	-	-	-	-	-	<b>93,090</b>	96,365
Support Negotiations	-	-	-	-	-	-	-	617,700	<b>617,700</b>	732,422
Vancouver Island Health Authority	-	-	5,800	-	33,812	-	-	-	<b>39,612</b>	50,000
Capital Fund additions	-	-	-	-	-	-	-	3,105,941	<b>3,105,941</b>	1,566,839
	7,473,737	219,906	354,930	527,320	1,390,288	3,334,972	860,315	7,006,854	<b>21,168,322</b>	11,076,506
<b>EXPENSES</b>										
Salaries and benefits	735,610	20,919	101,628	41,408	466,672	19,733	66,786	158,400	<b>1,611,156</b>	1,135,321
Other	5,367,174	234,227	268,294	486,955	960,480	2,273,855	799,978	4,049,265	<b>14,440,228</b>	9,695,993
Amortization	-	-	-	-	-	-	-	157,145	<b>157,145</b>	130,304
	6,102,784	255,146	369,922	528,363	1,427,152	2,293,588	866,764	4,364,810	<b>16,208,529</b>	10,961,618
	<b>1,370,953</b>	<b>(35,240)</b>	<b>(14,992)</b>	<b>(1,043)</b>	<b>(36,864)</b>	<b>1,041,384</b>	<b>(6,449)</b>	<b>2,642,044</b>	<b>4,959,793</b>	114,888

**PACHEEDAHT FIRST NATION**  
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**NOTE 15: EXPENDITURES BY OBJECT**

	<b>2017</b>	<b>2016</b>
	\$	\$
Administration	134,025	168,381
Amortization	157,145	130,304
Automotive	61,532	45,139
Contracted services	3,612,840	3,565,093
Honoraria	164,046	115,004
Insurance	83,050	68,723
Investment in lands	2,626,688	1,290,936
Office and general	266,499	145,268
Professional fees	1,109,933	904,886
Program expenditures	5,610,463	2,898,626
Rent and utilities	190,881	86,567
Repairs and maintenance	35,921	2,996
Supplies	377,790	275,848
Travel	166,560	128,526
Wages and benefits	1,611,156	1,135,321
<b>Total</b>	<b>16,208,529</b>	<b>10,961,618</b>

**PACHEEDAHT FIRST NATION**  
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**NOTE 16: DEMAND LOANS**

The First Nation has an operating demand loan with a credit limit of \$190,000 and interest to be paid monthly at prime plus 1%.

**NOTE 17: EQUITY**

	<b>2017</b> \$	<b>2016</b> \$
<b>Restricted</b>		
Enterprise Fund	3,080,629	2,037,603
Trust Fund	377,736	370,014
	<hr/> 3,458,365	2,407,617
<b>Unrestricted</b>		
Operating Fund	5,702,910	3,385,161
Capital Fund	3,667,154	2,075,858
	<hr/> 9,370,064	5,461,019
<b>TOTAL EQUITY</b>	<hr/> 12,828,429	7,868,636