

PACHEEDAHT FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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Page

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITORS' 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 |

PACHEEDAHT FIRST NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 31, 2019

The accompanying consolidated financial statements of Pacheedaht First Nation are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management. 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.

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

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

The Finance and Audit Committee (the Committee) review the Band's consolidated financial statements and recommends their approval to Council. The Committee meets periodically the 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 annual report, consolidated financial statements and the external auditor's report. The Committee also considers, for review by the Council, the engagement of the external auditors.

The external auditors, Reid Hurst Nagy Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Pacheedaht First Nation and meet when required.

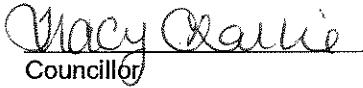
On behalf of Pacheedaht First Nation:



Chief

Aug 24 / 21

Date



Councillor

Aug 24/21

Date

Independent Auditors' Report

To the Members of
Pacheedaht First Nation

Qualified Opinion

We have audited the consolidated financial statements of Pacheedaht 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, 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 PSAB.

Basis for Qualified Opinion

Pacheedaht First Nation holds investments in Pacheedaht Forestry Limited (the Enterprise). We were unable to obtain sufficient appropriate audit evidence about the carrying value of the investment in the Enterprise and the share of income (loss) from the Enterprise because the financial records for the Enterprise were unavailable as of the date of this audit report. Accordingly, we were not able to determine whether any adjustment(s) might be necessary to the investment in the Enterprise, the net income (loss) from the investment and the equity in the Enterprise.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 qualified opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to note 18 of the financial statements, concerning subsequent events. Our opinion is not modified in respect of this matter.

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 PSAB, 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.

Auditors' 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 auditors' 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 auditors' report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



REID HURST NAGY INC.
 CHARTERED PROFESSIONAL ACCOUNTANTS
 RICHMOND, B.C.
 August 24, 2021

PACHEEDAHT FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| As at March 31 | 2019 | 2018 |
|---|----------------------|----------------------|
| FINANCIAL ASSETS | | |
| Cash | \$ 558,284 | \$ 591,193 |
| Trust funds held by federal government (Note 4) | 396,270 | 386,765 |
| Accounts receivable (Note 5) | 721,164 | 694,630 |
| Due from related parties (Note 8) | 6,397,245 | 5,538,255 |
| Investments in government business enterprises (Note 9) | 4,592,865 | 2,658,541 |
| Investment in treaty process | 8,238,105 | 8,244,118 |
| Inventory | 31,724 | 51,300 |
| | 20,935,657 | 18,164,802 |
| LIABILITIES | | |
| Operating loan (Note 2) | 228,000 | - |
| Accounts payable (Note 13) | 721,429 | 1,470,554 |
| Deferred revenue (Note 14) | - | 358,063 |
| Due to related party (Note 15) | 8,522 | 104,163 |
| Long-term debt (Note 16) | 11,763,033 | 10,394,699 |
| | 12,720,984 | 12,327,479 |
| NET FINANCIAL ASSETS | 8,214,673 | 5,837,323 |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (Note 7) | 10,249,175 | 10,405,683 |
| Prepaid expenses | 32,558 | 8,469 |
| | 10,281,733 | 10,414,152 |
| ACCUMULATED SURPLUS | \$ 18,496,406 | \$ 16,251,475 |
| ACCUMULATED SURPLUS | | |
| Equity in Operating Fund | \$ 5,165,049 | \$ 4,871,821 |
| Equity in Capital Fund | 8,342,222 | 8,334,346 |
| Equity in Ottawa Trust Fund | 396,270 | 386,765 |
| Equity in Enterprise Fund | 4,592,865 | 2,658,543 |
| ACCUMULATED SURPLUS | \$ 18,496,406 | \$ 16,251,475 |

APPROVED ON BEHALF OF THE PACHEEDAHT FIRST NATION

John, Chief

Shirley Mallie, Councillor

PACHEEDAHT FIRST NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

| <u>For the year ended March 31</u> | <u>2019</u> | <u>2018</u> |
|--|---------------------|---------------------|
| ANNUAL SURPLUS | \$ 2,244,931 | \$ 1,654,370 |
| Acquisition of tangible capital assets | (458,252) | (4,031,140) |
| Amortization of tangible capital assets | 614,760 | 381,083 |
| | 156,508 | (3,650,057) |
| Acquisition of prepaid asset | (24,089) | (8,469) |
| DECREASE IN NET FINANCIAL ASSETS | 2,377,350 | (2,004,156) |
| NET FINANCIAL ASSETS AT BEGINNING OF YEAR | 5,837,323 | 7,841,479 |
| NET FINANCIAL ASSETS AT END OF YEAR | \$ 8,214,673 | \$ 5,837,323 |

PACHEEDAHT FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

| For the year ended March 31 | 2019 | 2018 |
|---|----------------------|----------------------|
| REVENUE | | |
| Indigenous Services Canada | \$ 1,592,485 | \$ 2,490,677 |
| Share of income (loss) from business entities | 2,072,900 | (422,088) |
| Contract revenue | 1,840,964 | 1,650,333 |
| Gas station | 943,891 | 216,158 |
| Other revenue | 545,753 | 362,438 |
| Department of Fisheries & Oceans | 449,150 | 287,022 |
| First Nations Health Authority | 419,720 | 325,264 |
| Miscellaneous | 362,413 | 385,256 |
| Government of Canada | 324,785 | 203,455 |
| Campground | 321,626 | 191,896 |
| Province of BC | 257,463 | 255,053 |
| Nuu-chah-nulth Economic Development Corporation | 250,000 | - |
| Administration fee | 133,042 | 7,996 |
| Rental | 127,695 | 108,615 |
| Pacific Salmon Foundation | 97,400 | 56,668 |
| Coast Salish Employment & Training Society | 80,187 | 84,310 |
| Vessel usage | 48,000 | - |
| First Nations Education Steering Committee | 45,163 | 49,077 |
| Commercial fishery license leases | 33,900 | 39,000 |
| Inter Tribal Health Authority | 28,239 | 30,806 |
| BC Hydro | 9,526 | 170,272 |
| Kinder Morgan Canada Inc. | - | 1,000,000 |
| Vancouver Island Health Authority | - | 27,700 |
| | 9,984,302 | 7,519,908 |
| EXPENSES | | |
| Band Programs | 904,437 | 811,130 |
| Social Development | 261,983 | 220,971 |
| Community Health Program | 425,975 | 343,527 |
| Education Programs | 746,594 | 740,027 |
| Economic Development and Job Creation | 912,633 | 859,157 |
| Commercial Projects | 2,827,024 | 1,947,817 |
| Capital Projects | - | 13,753 |
| Strategic Engagement | 617,093 | 407,521 |
| Own Source Revenue | 428,874 | 140,552 |
| Capital Fund | 614,757 | 381,083 |
| | 7,739,370 | 5,865,538 |
| ANNUAL SURPLUS | 2,244,931 | 1,654,370 |
| ACCUMULATED SURPLUS AT BEGINNING OF YEAR | 16,251,476 | 14,597,106 |
| ACCUMULATED SURPLUS AT END OF YEAR | \$ 18,496,407 | \$ 16,251,476 |

PACHEEDAHT FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

| For the year ended March 31, 2019 | 2019 | 2018 |
|--|-------------------|--------------------|
| OPERATING ACTIVITIES | | |
| ANNUAL SURPLUS | \$ 2,244,931 | \$ 1,654,370 |
| Items not affecting cash | | |
| Amortization | 614,760 | 381,083 |
| Share of (income) loss of government business entities | (1,934,324) | 422,088 |
| | 925,367 | 2,457,541 |
| Change in non-cash operating working capital | (1,141,728) | (16,169) |
| | (216,361) | 2,441,372 |
| FINANCING ACTIVITIES | | |
| Proceeds from long-term debt | 1,532,720 | 861,000 |
| Repayment of long-term debt | (164,386) | (109,453) |
| Advances to related parties | (954,630) | (2,309,882) |
| | 413,704 | (1,558,335) |
| INVESTING ACTIVITIES | | |
| Acquisition of tangible capital assets | (458,252) | (4,031,141) |
| INCREASE IN CASH AND CASH EQUIVALENTS | (260,909) | (3,148,104) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 591,193 | 3,739,297 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ 330,284 | \$ 591,193 |
| CASH AND CASH EQUIVALENTS ARE REPRESENTED BY: | | |
| Cash | \$ 558,284 | \$ 591,193 |
| Operating loan | (228,000) | - |
| | \$ 330,284 | \$ 591,193 |

PACHEEDAHT 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 CPA Canada.

(a) Reporting Entity

The Pacheedaht First Nation ("the First Nation") reporting entity includes the Pacheedaht First Nation government and all related entities that are controlled by the First Nation.

(b) Fund Accounting

The Pacheedaht First Nation maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the capital assets of the First Nation not included in other funds, together with their related activities.
- The Trust Fund which reports on the trust funds of the First Nation and held by third parties.
- The Treaty Fund reports activities of the treaty negotiating team.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

(c) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Pacheedaht First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Pacheedaht First Nation.

Organizations consolidated in Pacheedaht First Nation's financial statements include:

1. Pacheedaht First Nation Government Administration
2. Pacheedaht First Nation Treaty Negotiation team

Organizations accounted for on a modified equity basis include:

3. Pacheedaht Andersen Timber Holdings Limited Partnership
4. Pacheedaht Holding Corporation
5. Pacheedaht Fishing Company Inc.
6. Pacheedaht Forestry Limited
7. Pacheedaht Enterprises Inc.
8. Salpac Fisheries Limited Partnership
9. San Juan Market Inc.
10. 1155338 BC Ltd.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(f) Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on a first in, first out basis.

(g) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Pacheedaht First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

| | |
|--------------------------|-----------------------|
| Land | 0% Declining balance |
| Buildings | 10% Declining balance |
| Community infrastructure | 5% Declining balance |
| Equipment | 20% Declining balance |
| Cable TV System | 10% Declining balance |
| Automotive | 20% Declining balance |
| Computer equipment | 20% Declining balance |

Tangible capital assets are written down when conditions indicate that they no longer contribute to Pacheedaht First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Long-term Debt

Proceeds from long-term debt are recorded as program revenue. Payments of principal and interest are treated as program expenditures. Long-term debt is recorded as a liability on the balance sheet. Reductions of long-term debt are offset with an increase to Equity in Capital Assets. Proceeds and repayment of principal on long-term are eliminated to the Equity in Capital Assets during the consolidation of the financial statements.

(i) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

(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) Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The estimates made in these financial statements includes: the useful life of the tangible capital assets, the collectibility of accounts receivable, accrued liabilities and related expenditures.

(l) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) First Nation is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at March 31, 2018 and March 31, 2019, no liability for contaminated site has been recorded.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(m) Financial Instruments

(i) Measurement of Financial instruments

The First Nation initially measures its financial assets and liabilities at fair value.

The First Nation subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value are not recognized in the statement of operations in the period incurred in accordance with PSAS.

Financial assets measured at amortized cost include cash, accounts receivables, funds held in trust.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The First Nation has not designated any financial asset or financial liability to be measured at fair value.

(ii) Impairment

For financial assets measured at cost or amortized cost, the First Nation Corporation determines whether there are indications of possible impairment. When there is an indication of impairment, and the First Nation determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(n) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible assets, prepaid expenses and inventory of supplies.

2. DEMAND LOAN

Demand operating loans have been authorized by TD Commercial Banking a maximum of \$239,000 in Canadian dollars and bears interest at the Bank's prime lending rate at 3.95% per annum.

3. BUDGET INFORMATION

Canadian Public Sector Accounting Standards require that the First Nation's budget be presented in the financial statements. As the First Nation did not prepare a budget, no budgeted figures have been presented as otherwise required.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

4. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

Ottawa Trust Funds:

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

| | March 31, 2018 | Interest income | March 31, 2019 |
|-----------------------------|-------------------|--------------------|-------------------|
| Revenue funds held in trust | \$ 373,472 | \$ 9,505 | \$ 382,977 |
| Capital funds held in trust | \$ 13,293 | \$ - | \$ 13,293 |
| | \$ 386,765 | \$ 9,505 | \$ 396,270 |

5. ACCOUNTS RECEIVABLE

| | 2019 | 2018 |
|--|--------------------|--------------------|
| Accounts receivable | \$ (7,567) | \$ - |
| Indigenous Services Canada | \$ 86,845 | \$ 223,063 |
| Government of Canada | \$ 145,870 | \$ 108,754 |
| Department of Fisheries & Oceans | \$ 228,820 | \$ 137,769 |
| Coast Salish Employment & Training Society | \$ - | \$ 8,431 |
| Forestry companies | \$ 109,771 | \$ 38,701 |
| Band members | \$ 19,763 | \$ 17,187 |
| BC Hydro | \$ 11,618 | \$ 21,880 |
| Pacific Gateway Marina | \$ - | \$ 22,705 |
| F.N.E.S.C | \$ 10,555 | \$ - |
| West Coast Ferry | \$ 19,152 | \$ - |
| Miscellaneous | \$ 113,501 | \$ 136,099 |
| | \$ 738,328 | \$ 714,589 |
| Allowance for doubtful accounts | \$ (17,164) | \$ (19,959) |
| | \$ 721,164 | \$ 694,630 |

6. RENT RECEIVABLE

| | 2019 | 2018 |
|---------------------------------|---------------------|---------------------|
| Rent receivable | \$ 452,718 | \$ 443,186 |
| Allowance for doubtful accounts | \$ (452,718) | \$ (443,186) |
| | \$ - | \$ - |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

7. TANGIBLE CAPITAL ASSETS

| | Cost | | | Accumulated amortization | | | | 2019 net book value |
|---------------------------|----------------------------------|-------------|-------------------------|----------------------------------|--------------|-------------------------|------|---------------------|
| | Balance, beginning of year | Additions | Balance, end of year | Balance, beginning of year | Amortization | Balance, end of year | | |
| Land | \$ 4,056,107 | \$ - | \$ 4,056,107 | \$ - | \$ - | \$ - | \$ - | \$ 4,056,107 |
| Buildings | 4,792,820 | 132,753 | 4,925,573 | 1,591,771 | 388,743 | 1,980,514 | | 2,945,059 |
| Automotive equipment | 243,451 | 35,128 | 278,579 | 196,268 | 27,780 | 224,048 | | 54,531 |
| Computer equipment | 39,075 | - | 39,075 | 39,075 | - | 39,075 | | - |
| Office equipment | 92,540 | - | 92,540 | 73,371 | 4,600 | 77,971 | | 14,569 |
| General equipment | 179,442 | 129,680 | 309,122 | 141,393 | 10,873 | 152,266 | | 156,856 |
| Heavy duty equipment | 216,621 | - | 216,621 | 83,041 | 33,924 | 116,965 | | 99,656 |
| Marine equipment | 154,743 | - | 154,743 | 150,818 | 2,622 | 153,440 | | 1,303 |
| Infrastructure | 840,008 | 2,384,626 | 3,224,636 | 192,738 | 146,218 | 338,956 | | 2,885,680 |
| Assets under construction | 2,249,351 | (2,249,351) | - | - | - | - | | - |
| Computer software | - | 25,414 | 25,414 | - | - | - | | 25,414 |
| Cable TV system | 17,000 | - | 17,000 | 17,000 | - | 17,000 | | - |
| Fishing license | 10,000 | - | 10,000 | - | - | - | | 10,000 |
| | \$ 12,891,158 | \$ 458,252 | \$ 13,349,410 | \$ 2,485,475 | \$ 614,760 | \$ 3,100,235 | | \$ 10,249,175 |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

| | Cost | | | Accumulated amortization | | | | 2018 Net book value |
|---------------------------|----------------------------------|--------------|-------------------------|----------------------------------|--------------|-------------------------|------|---------------------|
| | Balance, beginning of year | Additions | Balance, end of year | Balance, beginning of year | Amortization | Balance, end of year | | |
| Land | \$ 4,056,107 | \$ - | \$ 4,056,107 | \$ - | \$ - | \$ - | \$ - | \$ 4,056,107 |
| Buildings | 2,007,182 | 2,785,638 | 4,792,820 | 1,303,722 | 288,049 | 1,591,771 | | 3,201,049 |
| Automotive equipment | 243,451 | - | 243,451 | 168,806 | 27,462 | 196,268 | | 47,183 |
| Computer equipment | 39,075 | - | 39,075 | 39,075 | - | 39,075 | | - |
| Office equipment | 69,540 | 23,000 | 92,540 | 68,344 | 5,027 | 73,371 | | 19,169 |
| General equipment | 163,123 | 16,319 | 179,442 | 136,989 | 4,404 | 141,393 | | 38,049 |
| Heavy duty equipment | 166,121 | 50,500 | 216,621 | 58,912 | 24,129 | 83,041 | | 133,580 |
| Marine equipment | 154,743 | - | 154,743 | 148,197 | 2,621 | 150,818 | | 3,925 |
| Infrastructure | 164,998 | 675,010 | 840,008 | 163,348 | 29,390 | 192,738 | | 647,270 |
| Assets under construction | 1,768,677 | 480,674 | 2,249,351 | - | - | - | | 2,249,351 |
| Cable TV system | 17,000 | - | 17,000 | 17,000 | - | 17,000 | | - |
| Fishing license | 10,000 | - | 10,000 | - | - | - | | 10,000 |
| | \$ 8,860,017 | \$ 4,031,141 | \$ 12,891,158 | \$ 2,104,393 | \$ 381,082 | \$ 2,485,475 | | \$ 10,405,683 |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

8. DUE FROM RELATED PARTIES

| | 2019 | 2018 |
|--------------------------------------|---------------------|---------------------|
| Pacheedaht Holding Company | \$ 534,063 | \$ 517,092 |
| 1155338 BC Ltd. | 116,138 | 95,103 |
| Pacheedaht Forestry Ltd. | 3,789,049 | 4,785,218 |
| Qala:yit Community Forest | - | 31,075 |
| Pacheedaht Fishing Company Inc. | 401,174 | 109,767 |
| Salpac Fisheries Limited Partnership | 26,828 | - |
| San Juan Market Inc. | 1,529,993 | - |
| | \$ 6,397,245 | \$ 5,538,255 |

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2019

9. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

| | 2019 | 2018 |
|---|------------------|------------------|
| Investment in Pacheedaht Forestry Limited | | |
| Shares (Held in Trust by Pacheedaht Enterprises Inc.) | \$ 100 | \$ 100 |
| Accumulated surplus (deficit) | <u>(316,431)</u> | <u>(658,547)</u> |
| | (316,331) | (658,447) |
| Investment in Pacheedaht Fishing Company Inc. | | |
| Shares (Held in Trust by Pacheedaht Enterprises Inc.) | 100 | 100 |
| Accumulated retained earnings | <u>12,843</u> | <u>163,590</u> |
| | 12,943 | 163,690 |
| Investment in Pacheedaht Andersen Timber Holdings Limited Partnership | | |
| Capital account | <u>3,563,794</u> | <u>2,552,459</u> |
| | 3,563,794 | 2,552,459 |
| Investment in Pacheedaht Enterprises Inc. | | |
| Shares (Held in Trust) | <u>3</u> | <u>3</u> |
| | 3 | 3 |
| Investment in Salpac Fisheries Limited Partnership | | |
| Capital account | <u>307,853</u> | <u>231,101</u> |
| | 307,853 | 231,101 |
| Investment in Pacheedaht Holding Corporation | | |
| Long term shareholder loan | 369,725 | 369,725 |
| Shares (Held in Trust by Pacheedaht Trust) | <u>10</u> | <u>10</u> |
| | 369,735 | 369,735 |
| Investment in San Juan Market Inc. | | |
| Shares (Held in Trust) | 1 | - |
| Accumulated deficit | <u>(67,830)</u> | <u>-</u> |
| | (67,829) | - |
| Investment in Qala:yit Forestry Limited Partnership | | |
| Contribution | 161,131 | - |
| Accumulated surplus | <u>582,600</u> | <u>-</u> |
| | 743,731 | - |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2019

9. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES , continued

Investment in 1155338 BC

Accumulated deficit

| | | |
|---------------------|---------------------|---------------------|
| | 1 | - |
| Accumulated deficit | (21,035) | - |
| | (21,034) | - |
| | \$ 4,592,865 | \$ 2,658,541 |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

(i) Year end dated March 31, 2019

(ii) Year end dated December 31, 2018

The Nation holds 49.5% interest each in Pacheedaht Andersen Timber Holdings Limited Partnership and Qala:yit Forestry Limited Partnership.

| | Pacheedaht Andersen Timber Holdings LP (ii) | Salpac Fisheries Limited Partnership (i) | Pacheedaht Holding Corporation (i) | Pacheedaht Forestry Limited (ii) | Pacheedaht Enterprises Inc. (ii) | |
|-------------------------------------|---|--|---|---|---|--|
| Current assets | \$ 8,844,761 | \$ 418,551 | \$ 46 | \$ 1,320,626 | \$ 3 | |
| Non-current assets | 3,212,191 | 405,020 | 903,125 | 2,367,046 | 201 | |
| Total assets | \$ 12,056,952 | \$ 823,571 | \$ 903,171 | \$ 3,687,672 | \$ 204 | |
| Current liabilities | \$ 4,857,441 | \$ 176,840 | \$ - | \$ 3,003,829 | \$ 201 | |
| Non-current liabilities | - | 30,000 | 903,161 | 1,000,074 | - | |
| Total liabilities | 4,857,441 | 206,840 | 903,161 | 4,003,903 | 201 | |
| Equity | 7,199,511 | 616,731 | 10 | (316,231) | 3 | |
| Total liabilities and equity | \$ 12,056,952 | \$ 823,571 | \$ 903,171 | \$ 3,687,672 | \$ 204 | |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES, continued

| | Pacheedaht Andersen Timber Holdings LP (ii) | Salpac Fisheries Limited Partnership (i) | Pacheedaht Holding Corporation (i) | Pacheedaht Forestry Limited (ii) | Pacheedaht Enterprises Inc. (ii) |
|-------------------------------------|---|--|---|---|---|
| Revenue | \$ 14,310,291 | \$ 812,270 | \$ - | \$ 4,854,940 | \$ - |
| Expenditures | 12,267,191 | 658,458 | - | 4,512,724 | - |
| <u>Net income (loss)</u> | \$ 2,043,100 | \$ 153,812 | \$ - | \$ 342,216 | \$ - |
| | | | | | |
| | | | | | Pacheedaht Fishing Company Inc. (ii) |
| | | | | | 1155338 BC Ltd. (ii) |
| | | | | | San Juan Market Inc. (ii) |
| | | | | | Qala:yit Forestry LP (i) |
| Current assets | \$ 5,000 | \$ 187,268 | \$ 1,700,340 | \$ 551,298 | |
| Non-current liabilities | 111,093 | 1,201,060 | 127,272 | 77,455 | |
| <u>Total assets</u> | \$ 116,093 | \$ 1,388,328 | \$ 1,827,612 | \$ 628,753 | |
| | | | | | |
| Current liabilities | \$ 116,092 | \$ 2,276 | \$ 287,459 | \$ 615,711 | |
| Non-current liabilities | - | 1,453,880 | 40,920 | - | |
| <u>Total liabilities</u> | 116,092 | 1,456,156 | 328,379 | 615,711 | |
| Equity | 1 | (67,828) | 1,499,233 | 13,042 | |
| <u>Total liabilities and equity</u> | \$ 116,093 | \$ 1,388,328 | \$ 1,827,612 | \$ 628,753 | |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES , continued

| | 1155338 BC Ltd. (ii) | San Juan Market Inc. (ii) | Qala:yit Forestry LP (i) | Pacheedaht Fishing Company Inc. (ii) |
|----------|----------------------------|---------------------------------|--------------------------------|---|
| Revenue | \$ - | \$ 68,954 | \$ 2,735,406 | \$ 298,295 |
| Expenses | | - 136,783 | 1,558,436 | 310,464 |
| | \$ - | \$ (67,829) | \$ 1,176,970 | \$ (12,169) |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

11. INVENTORY

| | 2019 | 2018 |
|---------|------------------|------------------|
| Fuel | \$ 11,841 | \$ 30,000 |
| Marked | 14,283 | 12,000 |
| Diesel | 4,800 | 8,500 |
| Propane | 800 | 800 |
| | \$ 31,724 | \$ 51,300 |

12. 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.

13. ACCOUNTS PAYABLE

| | 2019 | 2018 |
|--|-------------------|---------------------|
| Accounts payable - general | \$ 468,855 | \$ 1,339,625 |
| Accrued salaries and employee benefits payable | 104,678 | 79,045 |
| Government remittance payable | 54,017 | 51,884 |
| GST Payable | 93,879 | - |
| | \$ 721,429 | \$ 1,470,554 |

14. DEFERRED REVENUE

| | March 31, 2018 | Revenue recognized, 2019 | March 31, 2019 |
|--|-------------------|--------------------------------|-------------------|
| Pacheedaht Andersen Timber Holdings LP | \$ 358,063 | \$ (358,063) | \$ - |

15. DUE TO RELATED PARTIES

| | 2019 | 2018 |
|--------------------------------------|-----------------|-------------------|
| Qala:yit Limited Partnership | \$ 8,522 | \$ - |
| Salpac Fisheries Limited Partnership | - | 104,163 |
| | \$ 8,522 | \$ 104,163 |

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related party

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

16. LONG-TERM DEBT

| | 2019 | 2018 |
|--|----------------------------|---------------------|
| TD Commercial Banking - Loan advanced for the purchase of Brown's Mountain property, repayable in monthly principal payment of \$7,541 plus interest at prime rate plus 1% per annum, maturing July 2021, secured by a General Security Agreement. | \$ 1,138,792 | \$ 1,229,292 |
| Nuu-chah-nulth Economic Development Corporation - Loan advanced for the construction of campground improvements, repayable in monthly payment of \$2,500 including interest at 3.70% per annum, maturing December 2022, secured by a General Security Agreement. | 223,721 | 245,100 |
| TD Commercial Banking - repayable in monthly principal payment of \$7,541 plus interest at prime rate plus 1% per annum, maturing March 2029, secured by a General Security Agreement. | 158,076 | 171,947 |
| Pacheedaht Andersen Timber Holdings Limited Partnership - Loan advanced for purchase of San Juan Market, the advance bears interest at 5% per annum, is unsecured and has no fixed terms of repayment. | 1,532,720 | - |
| TD Commercial Banking - repayable in monthly principal payment of \$3,219 plus interest at prime rate plus 1% per annum, maturing March 2029. | 386,364 | 425,000 |
| Government of Canada - promissory notes without interest for advances by Canada for treaty negotiations. The total amount of the loan is forgiven effective March 31, 2020. | <u>8,323,360</u> | 8,323,360 |
| | <hr/> <u>\$ 11,763,033</u> | <hr/> \$ 10,394,699 |

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

| | |
|---------------------|----------------------------|
| 2020 | \$ 127,625 |
| 2021 | 129,703 |
| 2022 | 131,916 |
| 2023 | 263,758 |
| 2024 and thereafter | <u>11,110,031</u> |
| | <hr/> <u>\$ 11,763,033</u> |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

17. ACCUMULATED SURPLUS

| | 2019 | 2018 |
|--------------------------------|---------------------|---------------|
| Restricted Trust Fund | \$ 396,270 | \$ 386,765 |
| Unrestricted Operating Fund | 5,026,471 | 4,871,821 |
| Capital Fund | 8,342,222 | 8,334,346 |
| Enterprise Fund | 4,752,478 | 2,658,543 |
| | <hr/> 18,121,171 | 15,864,710 |
| | <hr/> \$ 18,517,441 | \$ 16,251,475 |

18. ECONOMIC DEPENDENCE

Pacheedaht First Nation receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Agreement". 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 First Nation also receives major funding pursuant to an agreement 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.

19. SUBSEQUENT EVENTS

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

The extent of the impact of the pandemic and related impact on the First Nation's operations cannot be reliably estimated at this time.

In accordance with the provincial safety measures, the First Nation has developed a COVID-19 safety plan and the First nation plans to continue operating under the new protocols beginning on March 11, 2020.

2) On October 30, 2019, 1228426 BC Ltd., an entity incorporated in October 2019, entered into a purchase agreement to acquire 100% of the shares of Soule Creek Lodge for a purchase price of \$2,150,000. On June 18, 2020, 122846 BC Ltd. was amalgamated into Soule Creek Lodge Ltd.

3) Subsequent to March 31, 2019, one of the rental properties owned by the First Nation was damaged in a fire. The fire damage is recovered from the insurance proceeds of \$337,500 in June 2019, \$189,784 in August 2019 and another \$153,786 to be expected in 2021. The total building limit is \$681,070.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

20. SEGMENTED INFORMATION

As previously discussed in note 1 (i) the First Nation conducts its business through reportable segments as follows:

The Band Program department is responsible for administering projects in the Band is involved in annually and on an on-going basis relating to the overall objectives of the First Nation and the development of stable, legitimate and accountable community governments. It also provides overall support of the First nation including advisory services relating to financial management, band government, economic development, community services and technical services.

The Community Health department oversees the delivery of health programs and initiatives for the betterment of the lives of the members of the First Nation.

The Education program provides services to eligible First Nation students enrolled in elementary/secondary education programs and eligible post-secondary education programs.

The Social Development program provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

Economic Development and Job Creation Program includes activities related to the growth of the revenue producing projects within the First Nation, as well as land use activities.

Own Revenue Source program provides the non-government source of revenue for the local communities.

Capital Projects manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nation's infrastructure.

Other operations include Capital Fund, Ottawa Trust Fund and Enterprise Fund transactions.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

20. SEGMENTED INFORMATION, continued

| | Band Programs | | | Social Development | | | Community Health Program | | |
|---------------------------------|----------------|---------------------|---------------------|--------------------|------------------|-----------------|--------------------------|-------------------|------------------|
| | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ - | \$ 293,726 | \$ 340,248 | \$ - | \$ 299,434 | \$ 230,542 | \$ - | \$ 84,700 | \$ - |
| First Nations Health Authority | - | - | - | - | - | - | - | 404,720 | 325,264 |
| Rental | - | 127,695 | 108,615 | - | - | - | - | - | - |
| Province of BC | - | - | - | - | - | - | - | 22,000 | 22,000 |
| Miscellaneous | - | 15,208 | 1,701 | - | - | - | - | 5,998 | 690 |
| Other revenue | - | 181,722 | 50,578 | - | - | - | - | 30,989 | 36,139 |
| Total revenue | - | 618,351 | 501,142 | - | 299,434 | 230,542 | - | 548,407 | 384,093 |
| Expenses | | | | | | | | | |
| Contractor | - | 131,949 | 149,219 | - | 30,203 | 27,230 | - | 34,076 | 61,367 |
| Education | - | - | - | - | 8,085 | - | - | - | - |
| Materials and supplies | - | 61,456 | 43,944 | - | 9,294 | 17,304 | - | 33,948 | 30,471 |
| Professional fees | - | 35,525 | 36,095 | - | - | - | - | 34,878 | 54,850 |
| Honorarium | - | 43,200 | 40,502 | - | - | 2,470 | - | 2,881 | 1,270 |
| Wages and benefits | - | 365,119 | 221,878 | - | 20,364 | 25,404 | - | 178,812 | 111,589 |
| Other expenses | - | 267,188 | 319,492 | - | 194,037 | 148,563 | - | 141,380 | 83,980 |
| Total expenses | - | 904,437 | 811,130 | - | 261,983 | 220,971 | - | 425,975 | 343,527 |
| Annual surplus (deficit) | \$ - | \$ (286,086) | \$ (309,988) | - | \$ 37,451 | \$ 9,571 | - | \$ 122,432 | \$ 40,566 |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

20. SEGMENTED INFORMATION, continued

| | Education Programs | | | Economic Development and Job Creation | | | Commercial Projects | | |
|---|--------------------|------------------|------------------|---------------------------------------|-------------------|------------------|---------------------|-------------------|-------------------|
| | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ - | \$ 510,998 | \$ 508,283 | - | \$ 199,629 | \$ 180,317 | - | \$ - | \$ - |
| First Nations Health Authority | - | 15,000 | - | - | - | - | - | - | - |
| Province of BC | - | 28,256 | 61,635 | - | 207,207 | 171,418 | - | - | - |
| Public Works and Government Services Canada | - | - | - | - | - | 61,967 | - | 100,000 | 100,000 |
| Contract revenue | - | - | - | - | 111,194 | 29,620 | - | 1,371,707 | 1,325,960 |
| Miscellaneous | - | - | 31,365 | - | 88,813 | 120,981 | - | 13,819 | 61,422 |
| Other revenue | - | 216,657 | 160,024 | - | 546,780 | 353,005 | - | 1,701,285 | 622,611 |
| Total revenue | - | 770,911 | 761,307 | - | 1,153,623 | 917,308 | - | 3,186,811 | 2,109,993 |
| Expenses | | | | | | | | | |
| Contractor | - | 500 | 45,316 | - | 256,261 | 209,752 | - | 202,844 | 395,744 |
| Education | - | 300,540 | 150,926 | - | - | - | - | - | - |
| Materials and supplies | - | 24,065 | 137,048 | - | 51,054 | 110,870 | - | 167,745 | 127,517 |
| Professional fees | - | - | - | - | 62,979 | 8,950 | - | 9,210 | 55,379 |
| Purchases | - | - | - | - | - | - | - | 820,682 | 223,492 |
| Honorarium | - | 7,710 | 7,116 | - | 5,451 | 10,008 | - | 1,124 | 2,258 |
| Wages and benefits | - | 232,859 | 247,368 | - | 425,507 | 392,825 | - | 728,461 | 624,891 |
| Other expenses | - | 180,921 | 152,253 | - | 111,380 | 126,752 | - | 896,958 | 518,536 |
| Total expenses | - | 746,595 | 740,027 | - | 912,632 | 859,157 | - | 2,827,024 | 1,947,817 |
| Annual surplus (deficit) | \$ - | \$ 24,316 | \$ 21,280 | - | \$ 240,991 | \$ 58,151 | - | \$ 359,787 | \$ 162,176 |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

20. SEGMENTED INFORMATION, continued

| | Capital Projects | | | Strategic Engagement | | | Own Source Revenue | | |
|---------------------------------|------------------|---------------------|---------------------|----------------------|---------------------|-------------------|--------------------|---------------------|---------------------|
| | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ - | \$ 3,581 | \$ 961,590 | \$ - | \$ 200,417 | \$ 269,697 | \$ - | \$ - | \$ - |
| Contract revenue | - | - | - | - | - | - | - | 358,063 | 294,753 |
| Miscellaneous | - | - | 13,096 | - | 33,900 | 43,344 | - | 204,675 | 112,657 |
| Other revenue | - | - | - | - | 244,239 | 268,428 | - | 279,485 | 1,060,017 |
| Total revenue | - | 3,581 | 974,686 | - | 478,556 | 581,469 | - | 842,223 | 1,467,427 |
| Expenses | | | | | | | | | |
| Contractor | - | - | 226,208 | - | 188,220 | 136,069 | - | 131,619 | - |
| Materials and supplies | - | - | 283 | - | 20,458 | 9,447 | - | - | 9,605 |
| Professional fees | - | - | (226,208) | - | 183,976 | 70,125 | - | 1,442 | 1,823 |
| Honorarium | - | - | - | - | - | 12,235 | - | 50,525 | 49,700 |
| Wages and benefits | - | - | 13,471 | - | 179,303 | 120,261 | - | 65,272 | 1,520 |
| Other expenses | - | - | (1) | - | 45,137 | 59,384 | - | 180,016 | 77,904 |
| Total expenses | - | - | 13,753 | - | 617,094 | 407,521 | - | 428,874 | 140,552 |
| Annual surplus (deficit) | \$ - | \$ 3,581 | \$ 960,933 | \$ - | \$ (138,538) | \$ 173,948 | \$ - | \$ 413,349 | \$ 1,326,875 |
| | | | | | | | | | |
| | | Capital Fund | | | Ottawa Trust Fund | | | Enterprise Fund | |
| | | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2019 Actual | 2018 Actual | 2019 Budget | 2018 Actual |
| Revenues | | | | | | | | | |
| Other revenue | \$ - | \$ - | \$ - | \$ - | \$ 9,505 | \$ 9,029 | \$ - | \$ 2,072,900 | \$ (417,088) |
| Total revenue | - | - | - | - | 9,505 | 9,029 | - | 2,072,900 | (417,088) |
| Expenses | | | | | | | | | |
| Amortization | - | 614,758 | 381,083 | - | - | - | - | - | - |
| Total expenses | - | 614,758 | 381,083 | - | - | - | - | - | - |
| Annual surplus (deficit) | \$ - | \$ (614,758) | \$ (381,083) | \$ - | \$ 9,505 | \$ 9,029 | \$ - | \$ 2,072,900 | \$ (417,088) |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

20. SEGMENTED INFORMATION, continued

| | | | 2019 | 2019 | Consolidated totals |
|---|--|--|--------|--------------|---------------------|
| | | | Budget | Actual | 2018 |
| Revenues | | | | | |
| Indigenous Services Canada | | | \$ - | \$ 1,592,485 | \$ 2,490,677 |
| First Nations Health Authority | | | - | 419,720 | 325,264 |
| Rental | | | - | 127,695 | 108,615 |
| Province of BC | | | - | 257,463 | 255,053 |
| Public Works and Government Services Canada | | | - | 100,000 | 161,967 |
| Contract revenue | | | - | 1,840,964 | 1,650,333 |
| Miscellaneous | | | - | 362,413 | 385,256 |
| Other revenue | | | - | 5,283,562 | 2,142,743 |
| Total revenue | | | - | 9,984,302 | 7,519,908 |
| Expenses | | | | | |
| Amortization | | | - | 614,758 | 381,083 |
| Contractor | | | - | 975,672 | 1,250,905 |
| Education | | | - | 308,625 | 150,926 |
| Materials and supplies | | | - | 368,020 | 486,489 |
| Professional fees | | | - | 328,010 | 1,014 |
| Purchases | | | - | 820,682 | 223,492 |
| Honorarium | | | - | 110,891 | 125,559 |
| Wages and benefits | | | - | 2,195,697 | 1,759,207 |
| Other expenses | | | - | 2,017,017 | 1,486,863 |
| Total expenses | | | - | 7,739,372 | 5,865,538 |
| Annual surplus (deficit) | | | \$ - | \$ 2,244,930 | \$ 1,654,370 |

PACHEEDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2019