

Tla-o-qui-aht First Nation
Consolidated Financial Statements
March 31, 2018

Tla-o-qui-aht First Nation

Contents

For the year ended March 31, 2018

	Page
Management's Responsibility	
Independent Auditors' Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	20
Schedule 2 - Schedule of Consolidated Expenses by Object.....	23
Schedule 3 - Schedule of Revenue and Expenses - Administration.....	24
Schedule 4 - Schedule of Revenue and Expenses - Public Works.....	25
Schedule 5 - Schedule of Revenue and Expenses - Community and Human Services.....	26
Schedule 6 - Schedule of Revenue and Expenses - Natural Resources.....	27
Schedule 7 - Schedule of Revenue and Expenses - Education.....	28
Schedule 8 - Schedule of Revenue and Expenses - Housing.....	29

Management's Responsibility

To the Members of Tla-o-qui-aht First Nation:

The accompanying consolidated financial statements of Tla-o-qui-aht First Nation are the responsibility of management and have been approved by Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Tla-o-qui-aht First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to both Chief and Council and management to discuss their audit findings.

July 12, 2018

Signed by Ted Adnitt

Chief Executive Officer

Independent Auditors' Report

To the Members of Tla-o-qui-aht First Nation:

We have audited the accompanying consolidated financial statements of Tla-o-qui-aht First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

Nanaimo, British Columbia

July 12, 2018

MNP LLP

Chartered Professional Accountants

Tla-o-qui-aht First Nation
Consolidated Statement of Financial Position

As at March 31, 2018

	2018	2017
Financial assets		
Cash resources	3,244,620	2,551,611
Accounts receivable (Note 3)	2,264,731	1,721,068
Guaranteed investment certificate (Note 4)	456,823	453,199
Term investment (Note 5)	251,656	250,000
Funds held in trust (Note 6)	226,638	760,261
Restricted cash (Note 7)	570,212	564,012
Advances to related Nation entities (Note 8)	136,308	161,708
Investment in Nation business entities (Note 9)	205,693	5,499,156
Total financial assets	7,356,681	11,961,015
Liabilities		
Accounts payable and accruals	1,462,976	1,245,736
Deferred revenue (Note 10)	184,300	1,135,230
Long-term debt (Note 11)	21,998,779	28,205,016
Total liabilities	23,646,055	30,585,982
Net debt	(16,289,374)	(18,624,967)
Contingencies (Note 16)		
Non-financial assets		
Tangible capital assets (Schedule 1)	53,790,220	52,739,889
Prepaid expenses	43,856	77,466
Total non-financial assets	53,834,076	52,817,355
Accumulated surplus (Note 13)	37,544,702	34,192,388
Approved on behalf of Chief and Council		
Signed by: Terry Dorward Chief	Signed by: Joe Martin Councillor	

The accompanying notes are an integral part of these financial statements

Tla-o-qui-aht First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2018

	<i>Schedules</i>	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue				
Nuu-chah-nulth Tribal Council		3,841,517	6,753,731	5,734,029
Other revenue and recoveries		148,684	2,009,651	676,518
Province of British Columbia		295,327	499,513	375,159
First Nations Health Authority		204,329	438,071	2,397,571
Canada Mortgage and Housing Corporation		154,427	323,849	221,219
Department of Fisheries and Oceans		130,809	130,809	130,809
Earnings from investment in Nation business entities		-	1,272,621	613,330
Rental income		878,110	861,908	838,100
Property tax income		177,000	177,000	177,000
Lease income		90,047	122,494	286,190
Donations		60,265	75,923	71,020
Interest income		22,700	64,598	477,303
Administration fees		512,101	3,812	47,384
Nuu-chah-nulth Economic Development Corporation		-	-	38,947
		6,515,316	12,733,980	12,084,579
Program expenses				
Administration	3	1,095,310	662,180	637,970
Public Works	4	1,348,989	4,032,829	4,052,892
Community and Human Services	5	1,427,600	1,440,513	1,429,971
Natural Resources	6	1,613,876	1,274,859	903,739
Education	7	679,059	776,031	319,454
Housing	8	991,204	1,207,361	1,087,326
Total expenditures		7,156,038	9,393,773	8,431,352
Surplus (deficit) before other income		(640,722)	3,340,207	3,653,227
Other income				
Gain on restructuring of Nation business entities		-	12,107	-
Surplus (deficit)		(640,722)	3,352,314	3,653,227
Accumulated surplus, beginning of year		34,192,388	34,192,388	30,539,161
Accumulated surplus, end of year		33,551,666	37,544,702	34,192,388

The accompanying notes are an integral part of these financial statements

Tla-o-qui-aht First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Annual surplus (deficit)	(640,722)	3,352,314	3,653,227
Purchases of tangible capital assets	-	(3,840,358)	(5,301,530)
Amortization of tangible capital assets	-	2,790,027	2,710,873
Loss on disposal of tangible capital assets	-	-	221,947
Use of prepaid expenses	-	33,610	14,771
Decrease (increase) in net debt	(640,722)	2,335,593	1,299,288
Net debt, beginning of year	(18,624,967)	(18,624,967)	(19,924,255)
Net debt, end of year	(19,265,689)	(16,289,374)	(18,624,967)

Tla-o-qui-aht First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating activities		
Surplus	3,352,314	3,653,227
Non-cash items		
Amortization	2,790,027	2,710,873
Bad debts	-	7,342
Earnings from investment in Nation business entities	(1,272,621)	(613,330)
Loss on disposal of tangible capital assets	-	221,947
Interest accrued	(5,280)	-
	4,864,440	5,980,059
Changes in working capital accounts		
Accounts receivable	(543,663)	(3,258)
Prepaid expenses	33,610	14,771
Accounts payable and accruals	217,244	(21,982)
Deferred revenue	(950,930)	720,805
	3,620,701	6,690,395
Financing activities		
Advances of long-term debt	195,000	798,688
Repayment of long-term debt	(6,401,237)	-
	(6,206,237)	798,688
Capital activities		
Purchases of tangible capital assets	(3,840,358)	(5,301,530)
Investing activities		
Purchase of guaranteed investment certificate	-	(450,000)
Sale of guaranteed investment certificate	-	1,518,100
Purchase of term investment	-	(250,000)
Net distributions (purchases) in funds held in trust	533,623	(66,474)
Increase in restricted cash	(6,200)	(88,010)
Net advances to related Nation entities	6,591,480	(1,476,597)
	7,118,903	(812,981)
Increase in cash resources	693,009	1,374,572
Cash resources, beginning of year	2,551,611	1,177,039
Cash resources, end of year	3,244,620	2,551,611

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

1. Operations

The Tla-o-qui-aht First Nation (the "Nation") is located in the province of British Columbia, and provides various services to its members. Tla-o-qui-aht First Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation business enterprises.

The Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Operating Fund
- Trust Fund
- Social Housing Fund
- Enterprise Fund
- Treaty Fund
- Capital Fund

All inter-entity balances have been eliminated on consolidation.

Tla-o-qui-aht First Nation business enterprises, owned or controlled by the Nation's Chief and Council but not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Tla-o-qui-aht First Nation Economic Development Corporation; which holds interests in:
 - TFN Seafoods Ltd.
 - Tin Wis Resort Ltd.
 - TFN Micro Power GP Inc.; which holds interests in:
 - Haa-ak-suuk Creek Hydro Company Ltd.
 - Winchie Creek Hydro Company Ltd.
 - Canoe Creek Hydro Company Ltd.

2. Significant accounting policies *(Continued from previous page)*

- TFN Master Limited Partnership; which holds interests in:
 - TFN Seafoods Limited Partnership
 - TSWC Holdings Limited Partnership
 - TWR Resort Limited Partnership
 - TFN Micro Hydro Power Master Limited Partnership; which holds interests in:
 - Haa-ak-suuk Creek Hydro Limited Partnership
 - Winchie Creek Hydro Limited Partnership
 - Canoe Creek Hydro Limited Partnership
- Tsiix-Waa-Cahs Holdings Ltd.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Funds held in trust

Funds held in trust on behalf of Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Net debt

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

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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Cash resources

Cash resources includes balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Contributed tangible capital assets are recorded at their fair value on the date of contribution.

All intangible assets and items inherited by the right of the Nation, such as reserve land, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements.

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

2. Significant accounting policies *(Continued from previous page)*

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives. In the year of acquisition, amortization is taken at one-half the rates.

	<i>Method</i>	<i>Rate</i>
Automotive equipment	straight-line	7 years
Office equipment	straight-line	3 years
General equipment	straight-line	7 years
Marine equipment	straight-line	7 years
Housing	straight-line	20 years
Infrastructure	straight-line	20-100 years
Leasehold improvements	straight-line	20 years
Software	straight-line	3 years
Buildings	straight-line	20 years
Furniture, fixtures and equipment	straight-line	5 years
Social housing	straight-line	20 years

Revenue recognition

i) Nuu-chah-nulth ("NTC") Funding

Revenue is recognized as it becomes receivable under the terms of NTC's funding agreement. Funding received that relates to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

ii) Government Funding

The Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

iii) First Nation Capital and Revenue Trust Funds

The Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

iv) Canada Mortgage and Housing Corporation ("CMHC")

CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

v) Housing rental income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

vi) Own source and other revenue

Own source and other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

vii) Investment income

Investment income is recognized by the Nation when investment income is earned.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (use of estimates)

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are based on the best information available regarding potentially contaminated sites that the Nation is responsible for.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the periods in which they become known.

Term investments

Term investments are valued at cost.

Segments

The Nation conducts its business through a number of reportable segments as described in Note 15. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2018.

At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2018, no liability for contaminated site exists.

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

2. Significant accounting policies *(Continued from previous page)*

Change in Accounting Policies

PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions

Effective April 1, 2017, the Nation adopted the recommendations relating to PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

These new Sections define a related party and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, a material financial effect on the financial statements. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

There was no material impact on the consolidated financial statements of adopting the new Sections.

PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights

Effective April 1, 2017, the Nation adopted the recommendations relating to PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

PS 3210 Assets provides additional guidance to clarify the definition of assets set out in PS 1000 Financial Statement Concepts.

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

PS 3380 Contractual Rights establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Section are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

There was no material impact on the financial statements of adopting the new Sections.

3. Accounts receivable

	2018	2017
Nuu-chah-nulth Tribal Council	1,232,020	671,932
Rent receivable	866,815	591,678
Members	39,040	46,328
Goods and Services Tax receivable	48,558	19,074
Other receivables	804,099	1,119,419
	2,990,532	2,448,431
Less: Allowance for doubtful accounts	725,801	727,363
	2,264,731	1,721,068

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

4. Guaranteed investment certificate

The Nation holds a GIC maturing April 24, 2019, bearing interest as follows: Year 1 - 0.75%, Year 2 - 0.80% and Year 3 - 0.85%.

	2018	2017
Guaranteed Investment Certificate	450,000	450,000
Accrued interest	6,823	3,199
	456,823	453,199

5. Term investment

The Nation holds a redeemable deposit with Canadian Western Bank, bearing interest at prime plus 1.20%. At March 31, 2018 prime was 3.20%.

	2018	2017
Term investment	250,000	250,000
Accrued interest	1,656	-
	251,656	250,000

6. Funds held in trust

Capital and revenue trust monies are transferred to the Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the Nation's Chief and Council.

	2018	2017
Capital Trust		
Balance, beginning of year	19,338	19,338
Timber dues	3,227	-
Balance, end of year	22,565	19,338
Revenue Trust		
Balance, beginning of year	740,923	674,449
Interest	16,226	6,031
Lease income	43,425	57,901
BC Special	12,241	2,542
Withdrawal	(608,742)	-
Balance, end of year	204,073	740,923
	226,638	760,261

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*.

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

7. Restricted cash

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited in the amount of \$55,260 annually (2017 - \$45,750). These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were under-funded by \$76,927 (2017 - \$29,244).

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), excess revenues over expenditures for the Post 1996 phases may be retained in an operating reserve. These funds along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At year end, the operating reserve was under-funded by \$177,583 (2017 - \$51,165).

Restricted cash is comprised of the following:

	2018	2017
Replacement reserve	181,044	179,088
Operating reserve	389,168	384,924
	570,212	564,012

8. Advances to related Nation entities

Advances to related Nation entities are unsecured, non-interest bearing and due on demand. These entities are related by virtue of common control or joint control by the Nation.

	2018	2017
Ma-Mook Natural Resources Ltd.	136,308	161,708

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

9. Investments in Nation business entities

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-ends are as follows:

				2018	
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Share of earnings (loss)</i>	<i>Distributions and other adjustments</i>	<i>Total investment</i>
Wholly-owned Businesses:					
Tla-o-qui-aht First Nation Economic Development Corporation	(8,464)	418,131	533,856	(5,494,780)	(4,551,257)
Tsiix Waa Cahs Holdings Ltd.	37,199	7,271	(2,497)	-	41,973
Tin Wis Resort Ltd.	1,263,422	-	-	(1,263,422)	-
	1,292,157	425,402	531,359	(6,758,202)	(4,509,284)
First Nation Business Partnerships – Modified Equity:					
Haa-ak-suuk Creek Hydro Limited Partnership (85%)	91,809	-	-	(91,809)	-
Canoe Creek Hydro Limited Partnership (75%)	109,642	-	-	(109,642)	-
Winchie Creek Hydro Limited Partnership (99.99%)	2,405,144	-	-	(2,405,144)	-
TFN Seafoods Limited Partnership (99%)	1,600,404	-	-	(1,600,404)	-
TFN Master Limited Partnership (99.9%)	-	1,706,519	741,262	2,267,196	4,714,977
	4,206,999	1,706,519	741,262	(1,939,803)	4,714,977
	5,499,156	2,131,921	1,272,621	(8,698,005)	205,693

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

9. Investment in Nation business entities *(Continued from previous page)*

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Share of earnings (loss)</i>	<i>Distributions</i>	<i>2017 Total investment</i>
Wholly-owned Businesses:					
Tla-o-qui-aht First Nation Economic Development Corporation	(8,464)	39,250	(39,250)	-	(8,464)
Tsiix Waa Cahs Holdings Ltd.	27,783	12,694	(3,278)	-	37,199
Tin Wis Resort Ltd.	646,092	(179,525)	796,855	-	1,263,422
TFN Business Trust	-	8,875	(8,875)	-	-
Sea Trek Tours & Expeditions	37,100	(37,100)	-	-	-
	702,511	(155,806)	745,452	-	1,292,157
First Nation Business Partnerships – Modified Equity:					
Haa-ak-suuk Creek Hydro Limited Partnership (85%)	825,095	-	(733,286)	-	91,809
Canoe Creek Hydro Limited Partnership (75%)	567,125	-	304,517	(762,000)	109,642
Winchie Creek Hydro Limited Partnership (99.99%)	-	2,406,967	(1,823)	-	2,405,144
TFN Seafoods Limited Partnership (99%)	1,308,809	(6,875)	298,470	-	1,600,404
	2,701,029	2,400,092	(132,122)	(762,000)	4,206,999
	3,403,540	2,244,286	613,330	(762,000)	5,499,156

Continued on next page

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

9. Investment in Nation business entities *(Continued from previous page)*

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-ends is provided below.

The Nation's investees have a different year-end than March 31, 2018, as described below. The Nation uses the investees' year-end financial statements to account for its investment in these investees. There have been no significant events or transactions in the interim period.

No assurance was provided for the following entities: Tla-o-qui-aht First Nation Economic Development Corporation or TFN Master Limited Partnership; however, all significant business components of these entities were audited.

	<i>Tla-o-qui-aht First Nation Economic Development Corporation As at December 31, 2017</i>	<i>TFN Master Limited Partnership As at December 31, 2017</i>	<i>Tsiix-waa-cahs Holdings Ltd. As at December 31, 2017</i>
Assets			
Cash	470,796	1,764,059	-
Accounts receivable	162,167	735,858	125
Inventory	45,962	-	-
Prepaid expenses	77,882	61,313	-
Advances to related parties	-	4,100,100	-
Property, plant and equipment	355,358	39,897,099	-
Investments	1,623	4,546,696	3,843,555
Restricted cash	-	1,196,905	-
Intangible assets	-	1,512,660	-
Total assets	1,113,788	53,814,690	3,843,680
Liabilities			
Accounts payable and accruals	370,958	1,777,856	1,700
Deferred revenue	16,012	-	-
Advances from related parties	672,636	5,552,132	59,032
Unearned government grants	-	64,846	-
Debt	5,262,436	39,100,335	-
Total liabilities	6,322,042	46,495,169	60,732
	(5,208,254)	7,319,521	3,782,948
Total revenue	7,786,940	744,504	-
Total expenses	7,247,268	2,500	2,497
Comprehensive income (loss)	539,672	742,004	(2,497)

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

9. Investment in Nation business entities *(Continued from previous page)*

Principal repayments on long-term debt of the Nation's business entities in each of the next five years assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	2019	2020	2021	2022	2023	Thereafter	Total
Long-term debt owed by business entities of the Nation							
Haa-ak-suuk Creek Hydro Limited Partnership	57,641	84,537	98,019	112,293	127,403	18,675,592	19,155,485
Canoe Creek Hydro Limited Partnership	210,638	223,693	235,525	133,665	144,288	10,418,196	11,366,005
Tin Wis Resort Ltd.	225,466	234,068	242,998	252,268	261,893	4,045,743	5,262,436
	493,745	542,298	576,542	498,226	533,584	33,139,531	35,783,926

The Nation has guaranteed Winchie Creek Hydro Limited Partnership's loan with Canadian Western Bank. The loan bears interest at prime plus 1.25%. Interest only payments are required until the earlier of 60 days following completion of the construction, or 18 months following the initial construction withdrawal. After this point, blended interest and principal monthly payments will begin over a 1-5 year fixed term rate and 30 year amortization.

The Nation has guaranteed two loans for Tin Wis Resort Ltd. with Bank of Montreal. Both loans bear interest at 3.75% per annum and mature June 30, 2021.

10. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each funding source:

	Balance, beginning of year	Contributions received	Amount spent	Balance, end of year
NTC - LEDSP land use planning	63,469	-	63,469	-
NTC - Container housing	268,684	-	268,684	-
NTC - MICC renovations	101,790	-	101,790	-
NTC - Family care	31,968	-	31,968	-
NTC - Land use planning (DL124)	173,345	-	52,584	120,761
Other - TyHistanis health centre	237,989	-	181,556	56,433
Other - Youth worker	32,000	-	32,000	-
Other - Daycare centre	159,012	-	159,012	-
Other - Public works - Opitsaht	23,000	-	23,000	-
Other - Tribal parks	31,945	-	31,945	-
Other - Natural resources	12,028	7,106	12,028	7,106
	1,135,230	7,106	958,036	184,300

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

11. Long-term debt

	2018	2017
Bank of Montreal loan, repayable in monthly instalments of \$951 plus interest at 3.85% per annum, secured by a general security agreement and promissory note, maturing June 30, 2020.	215,854	227,265
Bank of Montreal loan, repayable in monthly blended instalments of \$6,583, bearing interest at 3.85% per annum, secured by a general security agreement and promissory note, maturing June 30, 2020.	1,052,676	1,090,367
Bank of Montreal loan, repayable in monthly blended instalments of \$4,451, bearing interest at 3.85% per annum, secured by a general security agreement and promissory note, maturing June 30, 2020.	775,669	798,741
Bank of Montreal loan, repayable in monthly blended instalments of \$14,026, bearing interest at 3.84% per annum, secured by a general security agreement and promissory note, maturing November 30, 2020.	2,458,415	2,530,833
Bank of Montreal loan, repayable in monthly blended instalments of \$12,837, bearing interest at 3.35% per annum, secured by a general security agreement and promissory note, maturing December 31, 2018.	1,455,926	1,546,900
Bank of Montreal loan, repayable in monthly blended instalments of \$19,892, bearing interest at 3.14% per annum, secured by a general security agreement and promissory note, maturing December 31, 2019.	2,612,080	2,766,185
Bank of Montreal loan, repayable in monthly blended instalments of \$14,446, bearing interest at 3.55% per annum, secured by a general security agreement and promissory note, maturing February 28, 2021.	1,205,731	1,319,859
Bank of Montreal demand loan, repayable at \$2,116 per month plus interest at prime plus 1.50%, secured by a general security agreement. This loan relates to the advance to Ma-Mook Natural Resources Ltd. as described in Note 8.	99,483	124,883
Bank of Montreal loan, repayable in monthly blended instalments of \$6,074, bearing interest at 3.71% per annum, secured by a general security agreement and promissory note, maturing February 28, 2022.	1,123,997	1,154,571
Bank of Montreal demand loan, bearing interest at prime plus 2.0%, secured by a general security agreement.	41,871	49,158
Bank of Montreal demand loan, repayable in monthly blended instalments of \$317, bearing interest at 6.95% per annum, secured by a general security agreement.	28,931	30,837
NEDC loan, repaid during the year.	-	1,611,855
NEDC loan, repayable in monthly blended instalments of \$6,300, bearing interest at 6.0% per annum, secured by a general security agreement, matures September 1, 2021.	909,197	929,926
British Columbia Treaty Commission loan. See Note 13 for details.	5,614,886	5,614,886
BDC loan, repaid during the year.	-	3,998,049
All Nations Trust Company loan, repayable in monthly blended instalments of \$6,314 (2017 - \$6,112), bearing interest at 2.13% (2017 - 1.67%) per annum, secured by buildings with a net book value of \$1,197,937 (2017 - \$1,302,106), matures September 1, 2032 (renewal date is October 21, 2022).	945,078	1,002,803

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

11. Long-term debt *(Continued from previous page)*

	2018	2017
All Nations Trust Company loan, repayable in monthly blended instalments of \$3,557, bearing interest at 1.98% per annum, secured by buildings with a net book value of \$745,703 (2017 - \$804,549), matures May 1, 2039 (renewal date is May 1, 2019).	738,120	767,230
All Nations Trust Company loan, repayable in monthly blended instalments of \$4,829, bearing interest at 1.14% per annum, secured by buildings with a net book value of \$1,285,278 (2017 - \$1,361,586), matures July 1, 2036 (renewal date is June 1, 2021).	958,476	1,006,203
All Nations Trust Company loan, repayable in monthly blended instalments of \$8,200 (2017 - \$7,632), bearing interest at 2.41% (2017 - 1.68%) per annum, secured by buildings with a net book value of \$1,913,935 (2017 - \$2,039,342), matures April 1, 2038 (renewal date is April 1, 2023).	1,567,389	1,634,465
CMHC RRAP Conversion On-Reserve forgivable loan, bearing interest at 5% per annum, interest only payments until May 1, 2018 and secured by a general security agreement.	195,000	-
	21,998,779	28,205,016

Principal repayments on long-term debt in each of the next five years, assuming debt subject to re-financing are renewed, are estimated as follows:

	Principal
2019	973,751
2020	828,191
2021	4,891,619
2022	712,522
2023	733,788
	8,139,871
Thereafter	13,858,908
Total	21,998,779

12. Treaty loan

The Nation has received funds from Nuuchah-nulth Tribal Council ("NTC") pursuant to an agreement the NTC had negotiated on its behalf with Indigenous Services Canada ("ISC") and the British Columbia Treaty Commission. Under the terms of that agreement, the NTC received both loaned and contributed funds, which it subsequently reloaned and contributed to the Nation. The funds are to be used solely for the purpose of treaty negotiations. Repayment provisions for this loan are outlined in the First Nation Negotiation Support Agreement between ISC, NTC and the Nation. The loan is non-interest bearing. No additional funds were received during the year.

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

13. Accumulated surplus

Accumulated surplus consists of the following:

	2018	2017
Equity in Ottawa Trust funds	226,638	760,261
Deficit in operating fund	(7,666,897)	(15,238,862)
Equity in tangible capital assets	43,954,547	42,527,412
Investment in First Nation business entities (enterprise fund)	205,693	5,499,156
Replacement and operating reserves	824,721	644,421
	37,544,702	34,192,388

14. Economic dependence

Tla-o-qui-aht First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") through the Nuuchah-nulth Tribal Council ("NTC") as a result of funding agreements entered into with the Government of Canada. These agreements are administered by ISC under the terms and conditions of the *Indian Act*. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

15. Segments

The Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

Administration:

Includes general operations, support, and financial management of the Nation.

Education:

Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Nation.

Public Works:

Includes revenue and expenditures related to capital projects.

Natural Resources:

Includes revenue and expenditures related to conservation and stewardship of the Nation's land and resources, as well as the activities related to the growth of revenue producing projects with the Nation.

Community and Human Services:

Includes revenue and expenditures related to the social assistance and health services to the members of the Nation.

Housing:

Includes revenue and expenses related to band owned and social housing of the members of the Nation.

16. Contingencies

The Nation is involved in a dispute over remuneration owing to a former employee, with a maximum claim of \$20,416. The outcome of this dispute is unknown at the date of this report.

The financial results of the CMHC Social Housing program are subject to review by CMHC. It is possible that adjustments could be made based on the results of their review.

Tla-o-qui-aht First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

17. Budget information

The disclosed budget information has been approved by the Chief and Council of Tla-o-qui-aht First Nation. The original budget was approved at the Chief and Council meeting held on April 21, 2017.

Budget figures on the Consolidated Statement of Operations and Accumulated Surplus are presented using the same basis of accounting as the actual results. A reconciliation of these amounts to the Chief and Council approved budget is as follows:

Budgeted deficit per the Consolidated Statement of Operations and Accumulated Surplus	\$ 640,722
Adjusted for:	
<u>Principal repayments on long-term debt</u>	<u>\$ 411,795</u>
Budgeted deficit approved by Chief and Council	\$1,052,517

18. Restructuring

During the year, the Nation business entities were restructured. The following changes occurred:

- TFN Business Trust was dissolved and its interest in the following entities have changed as follows:
- TFN Master Limited Partnership was formed which holds interests in:
 - TFN Seafoods Limited Partnership
 - TSWC Holdings Limited Partnership
 - TWR Resort Limited Partnership
 - TFN Micro Hydro Master Limited Partnership
- TFN Micro Hydro Master Limited Partnership was formed which holds interests in:
 - Haa-ak-suuk Creek Hydro Limited Partnership
 - Winchie Creek Hydro Limited Partnership
 - Canoe Creek Hydro Limited Partnership
- Tla-o-qui-aht First Nation Economic Development Corporation was formed which holds interests in:
 - TFN Seafoods Ltd.
 - Tin Wis Resort Ltd.
 - TFN Micro Power GP Inc.
- TFN Micro Power GP Inc. was formed which holds interests in:
 - Haa-ak-suuk Creek Hydro Company Ltd.
 - Winchie Creek Hydro Company Ltd.
 - Canoe Creek Hydro Company Ltd.

Tla-o-qui-aht First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Automotive equipment</i>	<i>Office equipment</i>	<i>General Equipment</i>	<i>Marine Equipment</i>	<i>Housing</i>	<i>Infrastructure</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	100,615	321,754	809,841	177,670	13,351,234	35,539,072	50,300,186
Acquisition of tangible capital assets	36,497	5,700	80,721	-	1,313	51,616	175,847
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	137,112	327,454	890,562	177,670	13,352,547	35,590,688	50,476,033
Accumulated amortization							
Balance, beginning of year	51,765	269,446	632,194	155,452	4,503,737	10,223,418	15,836,012
Annual amortization	16,981	28,250	26,947	4,040	623,854	1,427,932	2,128,004
Balance, end of year	68,746	297,696	659,141	159,492	5,127,591	11,651,350	17,964,016
Net book value of tangible capital assets	68,366	29,758	231,421	18,178	8,224,956	23,939,338	32,512,017
2017 Net book value of tangible capital assets	48,850	52,308	177,647	22,218	8,847,497	25,315,654	34,464,174

Tla-o-qui-aht First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Subtotal</i>	<i>Infrastructure Work In Progress</i>	<i>Leasehold Improvements</i>	<i>Software</i>	<i>Buildings</i>	<i>Furniture, fixtures and equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	50,300,186	3,331,310	1,495,035	40,860	3,634,340	675,203	59,476,934
Acquisition of tangible capital assets	175,847	2,928,659	735,852	-	-	-	3,840,358
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	50,476,033	6,259,969	2,230,887	40,860	3,634,340	675,203	63,317,292
Accumulated amortization							
Balance, beginning of year	15,836,012	-	213,914	17,830	1,181,160	666,393	17,915,309
Annual amortization	2,128,004	-	93,148	13,620	181,717	8,810	2,425,299
Balance, end of year	17,964,016	-	307,062	31,450	1,362,877	675,203	20,340,608
Net book value of tangible capital assets	32,512,017	6,259,969	1,923,825	9,410	2,271,463	-	42,976,684
2017 Net book value of tangible capital assets	34,464,174	3,331,310	1,281,121	23,030	2,453,180	8,810	41,561,625

Tla-o-qui-aht First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Subtotal</i>	<i>Social Housing</i>	<i>Land Improvements</i>	<i>2018</i>	<i>2017</i>
Cost					
Balance, beginning of year	59,476,934	7,294,578	5,670,682	72,442,194	67,362,611
Acquisition of tangible capital assets	3,840,358	-	-	3,840,358	5,301,530
Disposal of tangible capital assets	-	-	-	-	(221,947)
Balance, end of year	63,317,292	7,294,578	5,670,682	76,282,552	72,442,194
Accumulated amortization					
Balance, beginning of year	17,915,309	1,786,996	-	19,702,305	16,991,432
Annual amortization	2,425,299	364,728	-	2,790,027	2,710,873
Balance, end of year	20,340,608	2,151,724	-	22,492,332	19,702,305
Net book value of tangible capital assets	42,976,684	5,142,854	5,670,682	53,790,220	52,739,889
2017 Net book value of tangible capital assets	41,561,625	5,507,582	5,670,682	52,739,889	

Tla-o-qui-aht First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2018

	2018 Budget (Note 17)	2018	2017
Consolidated expenses by object			
ACRS projects	329,655	158,515	12,709
Administration (recovery)	492,101	(18,721)	17,867
Allocation of costs to Winchie Creek Hydro Limited Partnership	-	-	(968,020)
Amortization	196,210	2,790,027	2,710,873
Automotive	23,000	28,382	16,539
Bad debts	-	-	7,342
Bank charges and interest	9,835	8,531	11,521
Biomaxx Sewer	-	207,680	201,244
Chief and council	5,000	-	-
Community events	25,265	30,378	42,728
Community garden	-	1,515	6,927
Contracted services	753,259	694,805	435,572
Donations and contributions	10,835	12,093	17,887
Elders costs	17,458	24,711	29,197
Election, membership code	6,000	22,668	7,753
Equipment and furniture	88,854	168,137	55,968
Equipment lease	8,000	11,915	8,938
Family support	100,228	85,487	138,678
Fees, licences and dues	7,402	14,895	7,264
Food and beverage	12,000	11,739	11,551
Food fish	34,280	7,451	26,984
Freight and postage	3,100	3,118	2,701
Health	-	-	897
Honoraria	286,077	263,104	319,089
Insurance	91,604	101,432	91,591
Interest on long-term debt	517,865	526,944	810,719
Investment loss	-	-	11,301
Janitorial and supplies	80,809	43,215	46,574
Lost Shoe Creek water project	-	-	246,020
MTSA	174,000	179,686	185,398
Materials	126,075	116,013	101,000
Meeting	46,000	30,420	54,926
Miscellaneous	-	708	2,073
National child benefit	14,000	15,206	19,465
Professional fees	117,391	123,455	267,328
Rent	106,000	118,800	96,000
Repairs and maintenance	262,794	232,153	216,050
Salaries and benefits	2,045,123	2,085,074	1,955,840
Social assistance	423,000	520,641	484,614
Student expenses	30,200	26,183	22,551
Technical support	7,900	7,962	12,607
Telecommunications	48,400	56,196	54,688
Training	102,897	111,099	62,669
Travel	360,968	387,398	395,881
Utilities	192,453	184,758	171,848
	7,156,038	9,393,773	8,431,352

Tla-o-qui-aht First Nation
Administration
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue			
Nuu-chah-nulth Tribal Council	569,528	886,760	931,771
Other revenue and recoveries	-	105,501	171,548
Province of British Columbia	200	-	-
Interest income	21,700	57,823	21,943
Lease income	57,900	43,425	57,900
Administration fees	512,101	3,812	47,384
Rental income	-	720	-
	1,161,429	1,098,041	1,230,546
Expenses			
Administration (recovery)	38,589	(473,512)	(429,110)
Bad debts	-	-	213
Bank charges and interest	9,600	8,217	11,269
Contracted services	17,400	33,685	14,948
Donations and contributions	-	501	-
Election, membership code	6,000	22,668	7,753
Equipment and furniture	10,000	34,028	11,159
Equipment lease	8,000	11,915	8,938
Fees, licences and dues	5,902	13,813	6,230
Freight and postage	3,000	3,118	2,701
Honoraria	199,577	188,892	198,889
Insurance	9,756	10,578	9,785
Materials	24,031	29,429	25,980
Meeting	36,000	19,016	44,441
Miscellaneous	-	-	2,072
Professional fees	71,450	100,101	78,464
Rent	33,600	31,200	33,600
Salaries and benefits	514,485	494,491	490,605
Technical support	6,000	7,528	11,946
Telecommunications	42,400	51,696	48,411
Training	22,270	20,793	15,724
Travel	35,000	52,075	41,462
Utilities	2,250	1,948	2,490
	1,095,310	662,180	637,970
Surplus before transfers	66,119	435,861	592,576
Transfers between programs	(608,742)	(623,742)	66,351
Annual surplus (deficit)	(542,623)	(187,881)	658,927

Tla-o-qui-aht First Nation
Public Works
Schedule 4 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue			
Nuu-chah-nulth Tribal Council	1,197,566	3,452,183	2,614,348
First Nations Health Authority	41,269	266,042	2,234,511
Province of British Columbia	-	271,043	132,269
Other revenue and recoveries	6,000	240,380	96,589
Canada Mortgage and Housing Corporation	-	-	28,627
Rental income	114,800	122,170	95,190
	1,359,635	4,351,818	5,201,534
Expenses			
ACRS projects	329,655	158,515	12,709
Administration	113,482	114,761	92,488
Amortization	-	2,380,998	2,346,144
Automotive	8,500	6,898	4,445
Biomaxx Sewer	-	207,680	201,244
Contracted services (recovery)	-	9,740	(27,268)
Equipment and furniture (recovery)	25,200	7,444	38,180
Fees, licences and dues	1,200	577	533
Insurance	22,257	29,949	21,136
Janitorial and supplies	61,609	41,574	39,695
Lost Shoe Creek water project	-	-	246,020
MTSA	174,000	179,686	185,398
Materials	14,786	16,332	37,154
Professional fees	-	-	1,491
Rent	9,600	9,600	9,600
Repairs and maintenance	54,800	158,362	113,468
Salaries and benefits	367,122	537,903	579,441
Telecommunications	600	900	350
Training	6,078	1,715	5,742
Travel	6,000	27,094	15,934
Utilities	154,100	143,101	128,988
	1,348,989	4,032,829	4,052,892
Surplus before transfers	10,646	318,989	1,148,642
Transfers between programs	(14,167)	(14,167)	22,999
Annual surplus (deficit)	(3,521)	304,822	1,171,641

Tla-o-qui-aht First Nation
Community and Human Services
Schedule 5 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue			
Nuu-chah-nulth Tribal Council	1,379,232	1,244,478	1,224,982
Other revenue and recoveries	-	14,424	13,178
Donations	20,000	20,000	20,000
	1,399,232	1,278,902	1,258,160
Expenses			
Administration	69,259	69,259	65,667
Contracted services	-	19,879	195
Equipment and furniture (recovery)	2,854	(459)	-
Family support	100,228	85,487	138,678
Fees, licences and dues	300	505	501
Food and beverage	12,000	11,739	11,551
Health	-	-	897
Honoraria	9,000	2,630	-
Materials	6,700	7,823	4,555
National child benefit	14,000	15,206	19,465
Professional fees	1,000	1,962	-
Rent	36,800	38,800	24,000
Salaries and benefits	417,008	351,824	337,470
Social assistance	423,000	520,641	484,614
Technical support	600	90	-
Telecommunications	2,400	1,400	2,148
Training	25,483	19,046	16,721
Travel	274,968	257,275	284,497
Utilities	32,000	37,406	39,012
	1,427,600	1,440,513	1,429,971
Deficit before transfers	(28,368)	(161,611)	(171,811)
Transfers between programs	29,167	44,167	74,000
Annual surplus (deficit)	799	(117,444)	(97,811)

Tla-o-qui-aht First Nation
Natural Resources
Schedule 6 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue			
Other revenue and recoveries	87,765	1,222,303	379,714
Nuu-chah-nulth Tribal Council	166,879	416,209	539,899
Province of British Columbia	227,692	228,470	242,890
Department of Fisheries and Oceans	130,809	130,809	130,809
Earnings from investment in First Nation business entities	-	1,272,621	613,330
Property tax income	177,000	177,000	177,000
Lease income	32,147	79,069	228,290
Donations	24,265	46,823	36,515
Interest income	-	-	450,396
Nuu-chah-nulth Economic Development Corporation	-	-	38,947
	846,557	3,573,304	2,837,790
Expenses			
Administration	82,206	82,206	123,976
Allocation of costs to Winchie Creek Hydro Limited Partnership	-	-	(968,020)
Automotive	14,000	21,256	11,715
Bad debts	-	-	1,929
Bank charges and interest	-	125	-
Chief and council	5,000	-	-
Community events	9,265	15,172	16,885
Community garden	-	1,515	6,927
Contracted services	735,859	385,745	439,130
Donations and contributions	10,835	4,889	15,989
Elders costs	10,000	10,000	17,603
Equipment and furniture	15,800	11,677	3,397
Food fish	34,280	7,451	26,984
Honoraria	67,500	68,807	118,325
Insurance	5,081	5,813	6,664
Interest on long-term debt	229,895	256,710	540,674
Investment loss	-	-	11,301
Materials	7,100	5,406	15,662
Meeting	10,000	11,404	9,975
Professional fees	29,691	-	164,167
Rent	16,400	18,800	14,400
Repairs and maintenance	8,991	9,389	12,261
Salaries and benefits	283,245	314,946	266,833
Telecommunications	1,800	850	1,527
Training	7,928	13,938	5,884
Travel	29,000	28,760	39,551
	1,613,876	1,274,859	903,739
Surplus (deficit) before other income	(767,319)	2,298,445	1,934,051
Other income			
Gain on restructuring	-	12,107	-
Surplus (deficit) before transfers	(767,319)	2,310,552	1,934,051
Transfers between programs	568,742	568,742	(183,350)
Annual surplus (deficit)	(198,577)	2,879,294	1,750,701

Tla-o-qui-aht First Nation
Education
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue			
Other revenue and recoveries	54,919	413,522	2,809
Nuu-chah-nulth Tribal Council	352,646	271,181	249,417
Province of British Columbia	67,435	-	-
First Nations Health Authority	163,060	172,029	163,060
Rental income	-	4,000	9,600
Donations	16,000	9,100	14,506
	654,060	869,832	439,392
Expenses			
Administration	81,507	81,507	46,584
Automotive	500	228	379
Community events	16,000	15,206	25,843
Contracted services	-	245,756	4,000
Donations and contributions	-	6,703	1,898
Elders costs	7,458	14,711	11,594
Equipment and furniture	35,000	1,652	3,232
Freight and postage	100	-	-
Honoraria	10,000	2,775	1,875
Insurance	4,000	3,199	764
Janitorial and supplies	19,200	1,641	6,879
Materials	34,000	40,077	11,472
Meeting	-	-	510
Rent	4,800	15,600	9,600
Repairs and maintenance	9,000	4,861	147
Salaries and benefits	366,155	240,181	139,735
Student expenses	30,200	26,183	22,551
Technical support	1,300	344	661
Telecommunications	600	700	907
Training	41,139	55,606	18,598
Travel	14,000	16,798	10,866
Utilities	4,100	2,303	1,359
	679,059	776,031	319,454
Surplus (deficit) before transfers	(24,999)	93,801	119,938
Transfers between programs	25,000	25,000	20,000
Annual surplus	1	118,801	139,938

Tla-o-qui-aht First Nation
Housing
Schedule 8 - Schedule of Revenue and Expenses
For the year ended March 31, 2018

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
Revenue			
Nuu-chah-nulth Tribal Council	175,666	482,919	173,612
Canada Mortgage and Housing Corporation	154,427	323,849	192,592
Other revenue and recoveries	-	13,522	12,679
Rental income	763,310	735,018	733,310
Interest income	1,000	6,775	4,964
	1,094,403	1,562,083	1,117,157
Expenses			
Administration	107,059	107,059	118,261
Amortization	196,210	409,029	364,729
Bad debts	-	-	5,200
Bank charges and interest	235	189	251
Contracted services	-	-	4,567
Equipment and furniture	-	113,795	-
Insurance	50,510	51,894	53,242
Interest on long-term debt	287,970	270,234	270,045
Materials	39,458	16,945	6,176
Miscellaneous	-	708	1
Professional fees	15,250	21,392	23,206
Rent	4,800	4,800	4,800
Repairs and maintenance	190,003	59,541	90,175
Salaries and benefits	97,109	145,729	141,756
Telecommunications	600	650	1,345
Travel	2,000	5,396	3,572
	991,204	1,207,361	1,087,326
Annual surplus	103,199	354,722	29,831