

SIMPCW FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

EXHIBIT

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of SIMPCW FIRST NATION have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgements. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

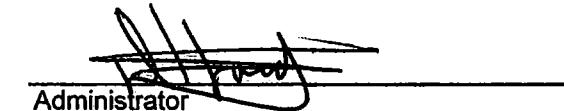
The integrity and reliability of SIMPCW FIRST NATION's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Band Council is responsible for ensuring that management fulfils its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility periodically through its Finance Committee. The Finance Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Daley & Company CPA LLP in accordance with Canadian public sector accounting standards.



Chief



Administrator



INDEPENDENT AUDITOR'S REPORT

To the members of SIMPCW FIRST NATION

EXHIBIT A1

Opinion

We have audited the consolidated financial statements of SIMPCW FIRST NATION (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statement of accumulated surplus, consolidated statement of operations, consolidated statement of remeasurement gains and losses, consolidated statement of change in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2, and Schedules 1 to 38 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

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

In preparing the financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

Independent Auditor's Report to the Members of SIMPCW FIRST NATION (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Daley, Company LLP

Chartered Professional Accountants

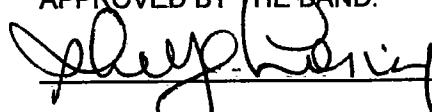
Kamloops, BC
July 2, 2019

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2019

FINANCIAL ASSETS	2019	2018
Cash	\$ 3,560,057	\$ 2,901,732
Restricted cash (Note A3)	195,991	192,035
Investments held in trust (Note A4)	3,545,813	3,449,581
Marketable securities (Note A5)	7,673,076	8,310,201
Grants and accounts receivable (Note A6)	557,920	622,940
Loan receivable (Note A7)	12,584	19,784
Investment in partnership (Note A8)	10,129,402	5,638,000
Investments and advances (Note A9)	42,916	42,162
Investments in controlled entities (Note A10)	<u>2</u>	<u>2</u>
	<u>25,717,761</u>	<u>21,176,437</u>
LIABILITIES		
Accounts payable and accruals	736,339	685,832
Prepaid rents	1,199	1,206
Term loans (Note A12)	72,200	138,053
Mortgages payable (Note A13)	189,505	229,625
Deferred revenue (Note A14)	<u>759,794</u>	<u>901,501</u>
	<u>1,759,037</u>	<u>1,956,217</u>
NET FINANCIAL ASSETS	<u>23,958,724</u>	<u>19,220,220</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note A15)	7,578,016	7,428,950
Prepaid expenses	<u>79,298</u>	<u>123,344</u>
	<u>7,657,314</u>	<u>7,552,294</u>
ACCUMULATED SURPLUS (Note A16)	<u>\$ 31,616,038</u>	<u>\$ 26,772,514</u>

COMMITMENTS AND CONTINGENCIES (Note A17)

APPROVED BY THE BAND:



Chief



Administrator

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
Year ended March 31, 2019

	2019	2018
ACCUMULATED SURPLUS, beginning of year	\$ 26,772,514	\$ 19,837,272
EXCESS OF REVENUE OVER EXPENSES	4,877,066	6,887,893
UNREALIZED GAINS (LOSSES) (Exhibit A5)	<u>(33,542)</u>	<u>47,349</u>
ACCUMULATED SURPLUS, end of year	\$ 31,616,038	\$ 26,772,514

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2019

	Budget	2019	2018
REVENUE:			
Indigenous Services Canada	\$ 2,280,833	\$ 2,755,870	\$ 3,231,135
First Nations Health Authority	1,014,588	1,239,655	1,157,579
Canada Mortgage & Housing Corporation	54,093	43,116	46,306
Province of B.C.	1,716,425	1,816,359	1,298,461
Rental	85,178	79,235	80,358
Fisheries & Oceans Canada	133,000	133,000	133,000
Impact Benefit Agreements	125,000	-	4,074,277
Investment income	327,062	506,797	536,524
Income - Ottawa Trust Funds	-	3,446	3,329
Income from investment in government business enterprise	-	4,524,944	2,302,226
Other	<u>2,075,620</u>	<u>2,231,227</u>	<u>2,164,788</u>
	<u>7,811,799</u>	<u>13,333,649</u>	<u>15,027,983</u>
EXPENSES:			
Band Revenue	192,776	727,222	836,208
Local Revenue	-	7,276	12,624
Band Government	1,656,544	2,024,335	1,741,331
Social Services	375,049	415,770	353,092
Education	1,707,043	1,698,013	1,658,295
Community Development	641,800	1,015,142	760,646
Natural Resources	2,177,560	1,049,070	1,467,210
Health	1,286,082	1,260,432	1,060,086
Housing	<u>251,579</u>	<u>259,323</u>	<u>250,598</u>
	<u>8,288,433</u>	<u>8,456,583</u>	<u>8,140,090</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ (476,634)	\$ 4,877,066	\$ 6,887,893

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
Year ended March 31, 2019

	2019	2018
ACCUMULATED REMEASUREMENT GAINS, beginning of year	\$ 350,515	\$ 303,166
UNREALIZED GAINS (LOSSES) ATTRIBUTED TO:		
Equity in partnerships (Note A8)	<u>(33,542)</u>	<u>47,349</u>
<u>ACCUMULATED REMEASUREMENT GAINS, end of year</u>	<u>\$ 316,973</u>	<u>\$ 350,515</u>

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2019

	Budget	2019	2018
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ (476,634)	\$ 4,877,066	\$ 6,887,893
Acquisition of tangible capital assets	-	(539,688)	(971,132)
Amortization of tangible capital assets	-	390,622	349,189
Unrealized gains (losses) (Exhibit A5)	-	(33,542)	47,349
Change in prepaid expenses	-	44,046	25,651
Loss on disposal of assets	-	-	32,203
Proceeds on disposal of assets	-	-	30,000
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(476,634)	4,738,504	6,401,153
NET FINANCIAL ASSETS, beginning of year	19,220,220	19,220,220	12,819,067
NET FINANCIAL ASSETS, end of year	\$ 18,743,586	\$ 23,958,724	\$ 19,220,220

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2019

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 4,877,066	\$ 6,887,893
Non-cash charges to operations:		
Amortization	390,622	349,189
Loss on disposal of assets	-	32,203
(Increase) decrease in:		
Grants and accounts receivable	65,020	(186,569)
Loan receivable	7,200	7,200
Prepaid expenses	44,046	25,651
Increase (decrease) in:		
Accounts payable and accruals	50,507	103,795
Deferred revenue	(141,707)	364,281
Prepaid rents	(7)	37
Cash flows from operations	<u>5,292,747</u>	<u>7,583,680</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from term loan	-	68,366
Repayments on term loan	(65,853)	(59,094)
Mortgages payable reduction	<u>(40,120)</u>	<u>(43,671)</u>
Cash flows used in financing	<u>(105,973)</u>	<u>(34,399)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in partnership	(4,491,402)	(2,295,050)
Interest on investments and advances capitalized	(754)	1
Equity in partnerships	(33,542)	47,349
Restricted cash / cash held in trust	<u>(100,188)</u>	<u>(129,234)</u>
Cash flows used in investing	<u>(4,625,886)</u>	<u>(2,376,934)</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	(539,688)	(971,132)
Proceeds from disposal of assets	-	30,000
Cash flows used in capital	<u>(539,688)</u>	<u>(941,132)</u>
INCREASE IN CASH RESOURCES	21,200	4,231,215
CASH RESOURCES, beginning of year	<u>11,211,933</u>	<u>6,980,718</u>
CASH RESOURCES, end of year	<u>\$ 11,233,133</u>	<u>\$ 11,211,933</u>
CASH RESOURCES IS REPRESENTED BY:		
Cash	\$ 3,560,057	\$ 2,901,732
Marketable securities	<u>7,673,076</u>	<u>8,310,201</u>
	<u>\$ 11,233,133</u>	<u>\$ 11,211,933</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The significant accounting policies are summarized as follows:

a) Fund Accounting:

Simpcw First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the consolidated financial statements. Details of the operations of each fund are set out in the supplementary schedules. Simpcw First Nation maintains the following funds:

- The Band Operating Fund which reports the general activities of the First Nation Administration.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.
- The Capital Fund which reports the property and equipment of the First Nation, together with their related financing.
- The Social Housing Fund Post-1996 Program which reports the social housing assets of the First Nation, together with related activities.

b) Reporting Entity and Principles of Financial Reporting:

The Simpcw First Nation reporting entity includes the Band government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Simpcw First Nation Band Operations Fund
- Simpcw First Nation Trust Fund
- Simpcw First Nation Capital Fund
- Simpcw First Nation Social Housing Fund - Post-1996 Program
- Simpcw Holdings Limited
- Simpcw Resources Ltd.

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

Incorporated business entities, which are owned or controlled by the Simpcw First Nation and which are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. This includes:

- Simpcw Resources LLP (including the entity's interest in Estsek' Environmental Services LLP, and Tmicw-kt Cultural Services (TCS) LLP)

Long-term investments in non-controlled entities and not subject to significant influence are recorded at cost.

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Revenues and expenses have been translated at the average rates of exchange during the year.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

c) Cash equivalents

Cash include instruments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

d) Marketable Securities:

Marketable securities are recorded at the lower of cost and net realizable value.

e) Investments:

Investments are recorded at cost.

f) Non-financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the Change in Net Financial Assets for the year.

1) Tangible Capital Assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Major Asset Category:

Roads and trails	10 to 75 years
Buildings and other	20 to 70 years
Water Systems	50 to 80 years
Automotive	5 to 10 years
Equipment	5 to 10 years

Assets under construction are not amortized until the asset is available for productive use.

The Band reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Band's ability to provide services. When assets no longer have any long-term service potential to the Band, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

2) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

The Band's interest in reserve lands is not reflected in these financial statements, as no consideration was paid by the First Nation to acquire these lands.

g) Accrual Method:

The accrual method is used in accounting for all funds.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

h) Operating Reserve:

The Operating Reserve account is funded by an allocation of the excess or shortfall of annual minimum revenue contribution and CMHC subsidies over current eligible expenses.

i) Replacement Reserve:

The Replacement Reserve account is funded by an annual charge against earnings as opposed to an appropriation of surplus.

j) Deferred Revenue:

Revenue is recorded in the period to which it relates.

k) Revenue Recognition:

The Simpcw First Nation derives revenues from a number of sources. Revenue is recognized on the accrual basis as it is earned, or as services are provided, and is measurable and becomes receivable under the terms of the applicable funding agreements.

Amounts received from Indigenous Services Canada (ISC) are reported in accordance with the terms of the funding arrangement. Amounts specified as set funding are reported as revenue as program terms and conditions are met and delivered. Any resulting surpluses are repayable to ISC and any deficits incurred are refundable by ISC. Amounts specified as fixed funding are recognized as revenue as program terms and conditions are met and delivered. Any resulting surpluses may be retained by the Band provided delivery of the program is complete at March 31. Any resulting deficits are the responsibility of the Band. Grants received from ISC are unconditional and are reported as revenue when received or receivable and collection is reasonably assured. Amounts received under block funding arrangements are reported as revenue when received or receivable and collection is reasonably assured.

Amounts received from other government departments, both federal and provincial, are reported as revenue in accordance with the terms of the contract or agreement.

Housing rents are reported monthly on the basis of the lease agreement.

Own source revenues derived from such sources as resource based revenues, interest income, etc. are reported on an accrual basis.

l) Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A2. FINANCIAL INSTRUMENTS:

Fair Value of Financial Assets and Financial Liabilities:

The carrying values of cash, term deposits, grants and accounts receivable, loan receivable, accounts payable and accrued liabilities and demand loans approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

The carrying values of term loans and mortgages payable approximate fair value as the terms and conditions of the borrowing arrangements are comparable to current market terms and conditions for similar items.

Interest Risk:

Demand loans, term loan and mortgages have fixed interest rates and interest expense will decrease with principal repayment of the loans.

Credit Risk:

The Band is exposed to a credit risk by its customers. However, because the majority of revenues is from government agencies, credit risk concentration is reduced to the minimum.

NOTE A3. RESTRICTED CASH:

2019

2018

Operating reserve	\$ 630	\$ 630
Replacement reserve	114,073	113,563
Ottawa Trust Funds	<u>81,288</u>	<u>77,842</u>
	\$ 195,991	\$ 192,035

a) Operating Reserve Fund:

Under the terms of the agreement with Canada Mortgage & Housing Corporation, after the payment of all costs and expenditures including the allocation of the Replacement Reserve, any surplus revenue will be retained by the First Nation within an Operating Reserve fund. Interest earnings must accrue to and be maintained in the Operating Reserve fund. The Project's Operating Reserve fund may only be used for the ongoing operating costs of the housing projects committed under the On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. The First Nation agrees to maintain Operating Reserve funds 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 mutually agreed to by the First Nation and CMHC.

2019

2018

Balance, beginning of year	\$ -	\$ -
Allocation for the year	<u>-</u>	<u>-</u>
Balance, end of year	\$ -	\$ -
The Operating Reserve is represented by:		
Cash	\$ 630	\$ 630

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A3. RESTRICTED CASH (continued):

b) Replacement Reserve Fund:

Under the terms of the agreement with Canada Mortgage & Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$8,350 annually plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts of instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Mortgage & Housing Corporation from time to time. Withdrawals are credited to interest first and then principal.

	2019	2018
Balance, beginning of year	\$ 81,678	\$ 102,469
Allocation for the year	8,350	9,017
Interest income	509	861
Transfer Phase 13 reserve to Band	27,345	(27,345)
Approved expenditures	<u>(519)</u>	<u>(3,324)</u>
Balance, end of year	<u><u>\$ 117,363</u></u>	<u><u>\$ 81,678</u></u>
 The Replacement Reserve is represented by:		
Cash and equivalents	<u><u>\$ 114,073</u></u>	<u><u>\$ 113,563</u></u>

c) 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 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.

NOTE A4. INVESTMENTS HELD IN TRUST:

2019

2018

Dunn Lake Road Relocation	\$ -	\$ 111,850
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Simpcw Trust (see Schedule 10 for revenue and expenses):

	Market Value		
Cash and cash equivalents	\$ 109,812	\$ 109,812	\$ 54,070
Marketable Securities:			
Fixed income	1,530,161	1,496,183	1,453,105
Common stocks and equivalents	1,371,136	937,439	1,106,520
Common shares (U.S. Dollar account)	<u>970,756</u>	<u>1,002,379</u>	<u>724,036</u>
	<u><u>\$ 3,981,865</u></u>	<u><u>3,545,813</u></u>	<u><u>3,337,731</u></u>
	<u><u>\$ 3,545,813</u></u>	<u><u>\$ 3,449,581</u></u>	

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A4. INVESTMENTS HELD IN TRUST (continued):

a) Dunn Lake Road Relocation:

Cash held in trust by the Band's lawyer consisted of monies received from the Ministry of Transportation and Highways in January 1995, of \$116,910 less \$27,000, released for the ball field relocation. These funds were released on December 20, 2018.

b) Simpcw Trust:

Simpcw First Nation has entered into various accommodation agreements with proponents wishing to develop projects in Simpcw First Nation's traditional territory. Simpcw Trust (the "Trust") was established on January 1, 2009 to hold payments received pursuant to the agreements and any income therefrom for the benefit of current and future generations of Simpcw First Nation. Royal Trust Corporation of Canada will administer the trust in accordance with the trust agreement. The trust agreement governs the distribution of income earned and distributed from the trust in the best interest of the Band and its members.

Distributions from the trust may only be made in areas of community development which includes social services, transportation for members, support for families for hardship, housing, elders, children, youth and family development, health, education and training, economic development, disaster relief and fire control, cultural awareness, recreation and recreational infrastructure, improvement to reserve lands, preparation and advancement of claims, justice and police and acquisition of fee simple lands for community benefits.

NOTE A5. MARKETABLE SECURITIES:

The market value of the marketable securities, at March 31, 2019, is \$7,670,605 (2018 - \$8,298,003).

NOTE A6. GRANTS AND ACCOUNTS RECEIVABLE:

2019

	2019	2018
Grants and Accounts Receivable	\$ 881,035	\$ 931,740
Less: Allowance for doubtful accounts	<u>(323,115)</u>	<u>(308,800)</u>
	<u>\$ 557,920</u>	<u>\$ 622,940</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A7. LOAN RECEIVABLE: 2019 2018

Band members, repayable in monthly installments of \$600, non-interest bearing, secured by a single-wide manufactured home, due September 2021

\$ 12,584 \$ 19,784

NOTE A8. INVESTMENT IN PARTNERSHIP: 2019 2018

Simpcw Resources LLP, unsecured, noninterest bearing, no stated terms of repayment. No amounts are due within the year.

Partnership units (99.99%)	\$ 999	\$ 999
Partnership interest:		
Balance, beginning of year	5,637,001	3,341,951
Net income allocation	4,491,402	2,349,575
Contributions	-	45,475
Drawings	-	(100,000)
Balance, end of year	10,128,403	5,637,001
	\$ 10,129,402	\$ 5,638,000

Financial information for Simpcw Resources LLP:

	2019	2018
Assets	\$ 13,883,672	\$ 8,069,304
Liabilities	3,753,125	2,430,609
Equity	\$ 10,130,547	\$ 5,638,695
Revenues	\$ 18,653,534	\$ 13,227,625
Expenses	14,128,141	10,925,164
Other comprehensive income	(33,542)	47,349
Net income	\$ 4,491,851	\$ 2,349,810

Simpcw Resources LLP is domiciled in Canada and has a registered office at 6580 Dunn Lake Road, Barriere, BC. The Partnership is engaged in logging operations and other environmental contract work. The Partnership is controlled by Simpcw First Nation (Limited Partner 99.99%). Net income of the Partnership is allocated to the respective Partners annually.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A9. INVESTMENTS AND ADVANCES:		2019	2018
a) <u>All Nations Trust Company:</u>			
2,057 Common shares, par value \$10.01		\$ 20,570	\$ 20,570
b) <u>Community Futures Development Corporation of Central Interior First Nations:</u>			
Loan Administration Agreement, direct loans to a maximum of \$5,000 and Micro Lending Circles of up to \$4,000, direct loans at 12% per annum and on Micro Lending Circles interest at a percentage of prime per annum			
Cash and equivalents		<u>22,346</u>	<u>21,592</u>
TOTAL INVESTMENTS AND ADVANCES		\$ 42,916	\$ 42,162

NOTE A10. INVESTMENTS IN CONTROLLED ENTITIES:		2019	2018
Simpcw Resources Ltd. (100%):			
Shares		\$ 1	\$ 1
Simpcw Holdings Limited (100%):			
Shares		<u>1</u>	<u>1</u>
TOTAL INVESTMENTS IN CONTROLLED ENTITIES		\$ 2	\$ 2

Shares for these entities are held in trust by specified Band Members under a trust agreement.

NOTE A11. LINE OF CREDIT:

Under a line of credit arrangement with the Royal Bank of Canada, the Band may borrow up to \$150,000 on such terms as the Band and the bank may mutually agree upon. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2019, the unused portion of the credit line was \$150,000.

NOTE A12. TERM LOANS:		2019	2018
<u>Capital fund:</u>			
Royal Bank of Canada, repayable in monthly installments of \$2,065 including interest at 3.00% per annum, secured by specific automotive equipment. The loan matures on October 26, 2019.		\$ 14,310	\$ 38,267
Ford Credit, repayable in monthly installments of \$1,821 including interest at 6.09% per annum, secured by specific automotive equipment. The loan matures on August 7, 2020.		<u>29,593</u>	<u>49,000</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A12. TERM LOANS (continued):	2019	2018
Royal Bank of Canada, repayable in monthly installments of \$1,055 including interest at 6.99% per annum, secured by specific automotive equipment. The loan matures on May 15, 2021.	14,149	25,393
Royal Bank of Canada, repayable in monthly installments of \$1,055 including interest at 6.99% per annum, secured by specific automotive equipment. The loan matures on May 15, 2021.	<u>14,148</u>	<u>25,393</u>
	<u><u>\$ 72,200</u></u>	<u><u>\$ 138,053</u></u>

NOTE A13. MORTGAGES PAYABLE: **2019** **2018**

Social Housing Operations:

Canada Mortgage and Housing Corporation, repayable in monthly installments of \$1,715 including interest at 1.83% per annum, secured by buildings with a carrying value of \$186,769, due October 2019.

\$ 11,934 \$ 32,101

Canada Mortgage and Housing Corporation, repayable in monthly installments of \$1,583 including interest at 1.14% per annum, secured by buildings with a carrying value of \$215,870 due June 2021.

130,712 148,119

Canada Mortgage and Housing Corporation, repayable in monthly installments of \$285 including interest at 1.83% per annum, secured by a building with a carrying value of \$66,943, due December 2019.

46,859 49,405

\$ 189,505 \$ 229,625

The mortgages are guaranteed by Indigenous Services Canada.

Principal repayments due in the ensuing 3 years are approximately as follows:

2020	\$ 76,397
2021	17,806
2022	<u>95,302</u>
Total	<u><u>\$ 189,505</u></u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A14. DEFERRED REVENUE: 2019 2018

Amounts deferred are summarized below:

Land Management - NT4X - Geothermal Energy Talking Table	\$ -	\$ 17,238
Kinder Morgan Canada Inc.	245,558	312,301
Province of B.C. - Land Selection Agreement	406,550	435,152
Governance - NGAA - Policy Development	7,700	-
Governance - NG1E - Governance Capacity Development	5,000	-
Governance - NG1A - Governance Training for Chief and Council	5,059	-
Central Secwepemc - Mental Health Clinician	42,006	-
Miscellaneous projects	47,921	24,960
Dunn Lake Road Relocation	-	111,850
	<hr/>	<hr/>
	\$ 759,794	\$ 901,501

a) Kinder Morgan Canada Inc.:

The Band has received \$520,000 in prior years as a result of signing a Mutual Benefits Agreement with Kinder Morgan Canada Inc. The payments are to be applied towards program costs as they are incurred. As of March 31, 2019 \$274,442 in costs have been incurred.

b) Province of B.C. - Land Selection Agreement

The Province of B.C and the First Nation have signed a Land Selection Agreement as part of accommodation measures for the Valemount Glacier Destination resort. The Province has agreed to transfer \$1.5 million worth of Crown land to the First Nation. At March 31, 2019, the parcels to be transferred have been identified and valued at \$1,093,450. The First Nation has accepted an amendment to the original agreement whereby the remaining value of the transfer (\$435,152) has been accepted in cash as "residual funds" to be used for survey costs and property transfer taxes to be paid by the First Nation as part of the legal transfer of the identified parcels. This amount has been deferred and will be applied towards these costs as they are incurred.

c) Miscellaneous projects and ISC funding

The Band has received contributions for various projects that have not commenced as of March 31, 2019. These projects will be completed in the next fiscal year and the payments will be applied towards project costs as they are incurred.

d) Dunn Lake Road Relocation:

Cash held in trust by the Band's lawyer consisted of monies received from the Ministry of Transportation and Highways in January 1995, of \$116,910 less \$27,000, released for the ball field relocation. These funds were released on December 20, 2018.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A15. TANGIBLE CAPITAL ASSETS: 2019 2018

Tangible capital assets at net book value consist of the following:

Roads	\$ 334,685	\$ 344,892
Buildings and other	2,382,654	2,353,080
Water systems	2,930,006	2,995,797
Land	681,722	681,722
Automotive	875,206	727,579
Equipment	<u>373,743</u>	<u>325,880</u>
	<u>\$ 7,578,016</u>	<u>\$ 7,428,950</u>

For additional information, see the Consolidated Schedule of Tangible Capital assets (Appendix 1).

NOTE A16. ACCUMULATED SURPLUS: 2019 2018

Accumulated surplus consists of individual fund surpluses and reserves as follows:

Surplus from operations	<u>\$ 14,161,938</u>	<u>\$ 9,902,629</u>
Invested in tangible capital assets	<u>7,316,311</u>	<u>7,061,272</u>
Investments in controlled entities	<u>2</u>	<u>2</u>
 Funded Reserves:		
Replacement Reserve Fund (CMHC) (Note A3)	117,363	81,678
Ottawa Trust Funds	<u>81,288</u>	<u>77,842</u>
	<u>198,651</u>	<u>159,520</u>
 Committed Reserves (Note A18):		
Own source revenue reserves	6,393,698	6,311,360
Simpcw Trust	<u>3,545,438</u>	<u>3,337,731</u>
	<u>9,939,136</u>	<u>9,649,091</u>
	 <u>\$ 31,616,038</u>	 <u>\$ 26,772,514</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A17. COMMITMENTS AND CONTINGENCIES:

Lease Commitments:

The Band leases office equipment and automobiles under long-term agreements which expire between May 2019 and February 2023.

Future minimum lease payments as at March 31, 2019, are as follows:

2020	\$ 92,905
2021	80,960
2022	63,460
2023	53,760
2024	<u>53,760</u>
	 <u>\$ 344,845</u>

Contingencies:

- a) The Band receives a portion of its funding under a contribution authority with Indigenous Services Canada which, if unexpended, may be refundable to Indigenous Services Canada. Further, amounts which are overexpended may be reimbursed by Indigenous Services Canada to the Band. No amounts have been recorded in the financial statements as refundable or reimbursable.
- b) Social Housing Mortgages:
The Band is guarantor of various Social Housing mortgages, secured by Ministerial guarantees, totaling \$476,110.
- c) Pension Plan:
The Band and its employees contribute to a defined contribution pension plan. There is no obligation for past service or periods in which an employee was not employed. Total contributions to the plan during the year were \$46,192 (2018 - \$40,017).
- d) Guarantee:
The Band has guaranteed a loan to the Royal Bank of Canada on behalf of Simpcw Resources LLP in the amount of \$900,000. The balance of the loan as of March 31, 2019 is \$827,817. The Band has not charged a guarantee fee for this loan.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A18. COMMITTED RESERVES:

The Band has set up reserves for future education, social development, health and other needs of Band members. These reserves are funded from Health surpluses and funds received from Kinder Morgan Canada Inc. under the Mutual Benefits Agreement and Canadian Hydro Developer's Inc. under the Impact Benefit Agreement.

The reserves are summarized as follows:

Own source revenue reserves:

Future Generations	\$ 509,633
Legal Defense	448,451
Rights & Titles Research	539,534
Community Development	1,846,367
Heritage	212,652
School	46,061
Band Administration	982,251
Health Board	1,080,729
Unfunded Programs	513,220
TransAlta	214,800
	<hr/>
	<u>\$ 6,393,698</u>

Simpcw Trust:

These funds consist of monies received from Kinder Morgan Canada Inc. under the Mutual Benefits Agreement and Canadian Hydro Developer's Inc. under the Impact Benefit Agreement. See Note A5 for further detail.

\$ 3,545,438

NOTE A19. SEGMENTED INFORMATION:

The Simpcw First Nation is a First Nation government institution that provides a range of programs and services to its members, including band revenue, administration, social development, education, community development, capital works and natural resources. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Band Revenue:

The Band Revenue department is responsible for administering projects the First Nation is involved in annually and on an on-going basis relating to the overall objectives of the First Nation.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A19. SEGMENTED INFORMATION (continued):

Band Government:

Administration supports 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.

Local Revenue

Local Revenue assists in the maintenance of roads, streets and facilities through revenue raised under local revenue laws.

Social Services:

Social Services 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.

Education:

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs. It also provides services for students at the elementary/secondary and post secondary level, including; instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

Community Development:

Community development supports the construction, operation and basic maintenance of community facilities and services such as water and sewage, roads, electrification, schools and fire protection. It is also responsible for ensuring that the facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Natural Resources:

Natural Resources is responsible for the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, as well as research and advocacy. It also manages economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects.

Health:

Health supports the concept of promoting holistic health, and the Community Health Plan, which is based on health needs identified by a community needs assessment. It provides services to the community with programs such as home and community care, addictions counselling and public health services, as well as children, adult and elder wellness prevention and education programs.

Housing:

Housing is responsible for the administration and management of Social Housing units, Band-owned housing units and renovation projects for private homeowners.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note A1. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2019

NOTE A20. ECONOMIC DEPENDENCE:

The Band receives a major portion of its revenues pursuant to a Funding Arrangement with Indigenous Services Canada.

NOTE A21. RELATED PARTY TRANSACTIONS:

The Band paid \$6,350 (2018 - \$47,959) for environmental services to Estsek' Environmental Services LLP, a partnership owned 50% by Simpcw Resources LLP. As at March 31, 2019, an amount payable of \$3,589 (2018 - \$5,514) is owing to Estsek' Environmental Services LLP and is subject to normal trade terms.

NOTE A22. COMPARATIVE FIGURES:

Some of the comparative figures have been reclassified to conform to the current year's presentation.

SIMPCW FIRST NATION
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2019

	Band Operations						Simpcw Holdings Limited	Social Housing Operations	Totals	
	Roads and trails	Land	Buildings and other	Water Systems	Automotive	Equipment			2019	2018
Cost										
Balance, beginning of year	\$ 718,330	\$ 373,568	\$ 3,935,564	\$ 3,683,907	\$ 1,641,317	\$ 875,028	\$ 308,154	\$ 870,013	\$ 12,405,881	\$ 11,696,715
Add: Additions during the year	-	-	139,406	-	269,001	131,281	-	-	539,688	971,132
Less: Disposals during the year	-	-	-	-	-	-	-	-	-	(261,966)
Balance, end of year	718,330	373,568	4,074,970	3,683,907	1,910,318	1,006,309	308,154	870,013	12,945,569	12,405,881
Accumulated amortization										
Balance, beginning of year	373,438	-	2,083,509	688,110	913,738	549,148	-	368,988	4,976,931	4,827,505
Add: Amortization	10,207	-	78,391	65,791	121,374	83,418	-	31,441	390,622	349,189
Less: Disposals during the year	-	-	-	-	-	-	-	-	-	(199,763)
Balance, end of year	383,645	-	2,161,900	753,901	1,035,112	632,566	-	400,429	5,367,553	4,976,931
Net Book Value of Tangible Capital Assets	\$ 334,685	\$ 373,568	\$ 1,913,070	\$ 2,930,006	\$ 875,206	\$ 373,743	\$ 308,154	\$ 469,584	\$ 7,578,016	\$ 7,428,950

See accompanying notes to financial statements

SIMPCW FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2019

	Band Revenue	Local Revenue	Band Government	Social Services	Education	Community Development	Natural Resources	Health	Housing	Other	Total 2019	Total 2018
REVENUE:												
Indigenous Services												
Canada First Nations	\$ 22,778	\$ -	\$ 681,296	\$ 320,678	\$ 1,213,392	\$ 455,860	\$ 17,238	\$ 44,630	\$ -	\$ -	\$ 2,755,870	\$ 3,231,135
Health Authority	-	-	-	-	-	-	-	1,239,655	-	-	1,239,655	1,157,579
CMHC	-	-	-	-	-	-	-	-	43,116	-	43,116	46,306
Province of B.C.	-	-	5,000	30,000	215,741	52,000	1,513,618	-	-	-	1,818,359	1,298,461
Rental	-	-	-	-	-	-	-	-	79,235	-	79,235	80,358
Fisheries & Oceans Canada	-	-	-	-	-	-	133,000	-	-	-	133,000	133,000
Impact Benefit Agreements	-	-	-	-	-	-	-	-	-	-	-	4,074,277
Investment income	31,070	-	467,198	-	-	-	8,020	-	509	3,446	810,243	539,853
Income from G.B.E.'s	-	-	-	-	-	-	4,524,944	-	-	-	4,524,944	2,302,226
Other	287,798	62,692	282,694	40,000	526,596	201,107	605,566	219,874	4,900	-	2,231,227	2,164,788
	<u>341,644</u>	<u>62,692</u>	<u>1,436,188</u>	<u>390,678</u>	<u>1,955,729</u>	<u>708,967</u>	<u>6,802,386</u>	<u>1,504,159</u>	<u>127,760</u>	<u>3,446</u>	<u>13,333,849</u>	<u>15,027,983</u>
EXPENSES:												
Administration fees	10,559	-	53,244	831	7,764	12,432	2,100	16,051	-	-	102,981	97,531
Amortization	-	-	183,308	-	16,390	122,641	6,836	12,861	48,588	-	380,822	349,189
Assistance	-	-	-	72,512	-	-	-	-	-	-	72,512	73,705
Bad debts and write-downs	(8,010)	-	-	-	-	-	16,813	-	-	-	8,803	(27,115)
Contract services	-	-	240,208	20,228	47,762	-	4,106	86,351	-	-	398,655	458,221
Distributions	696,000	-	-	-	-	-	-	-	-	-	696,000	721,000
Fees and tuition	-	-	8,050	-	403,516	-	-	-	-	-	411,568	416,056
Honorarium	-	-	201,110	-	-	6,175	500	15,550	-	-	223,335	148,253
Insurance	-	-	15,149	-	-	35,420	3,803	-	16,222	-	70,394	48,856
Interest and bank charges	418	-	11,931	-	-	-	-	-	2,880	-	15,229	56,432
Loss on disposal of assets	-	-	-	-	-	-	-	-	-	-	-	41,054
Materials and supplies	294	-	207,842	130,202	143,169	176,964	110,443	237,799	135,851	-	1,142,364	1,375,060
Office and other	2,738	7,276	89,073	9,246	-	-	-	12,822	-	-	120,955	131,324
Professional fees	8,310	-	215,194	3,933	35,808	42,568	270,372	811	4,250	-	581,046	331,292
Repairs and maintenance	-	-	56,855	1,798	29,464	-	14,381	16,272	5,792	-	124,582	115,530
Training	-	-	34,361	53,977	245,216	-	14,772	8,555	-	-	358,881	380,789
Travel	-	-	169,188	9,830	31,346	7,369	52,254	68,630	-	-	338,617	293,573
Utilities	-	-	34,527	12,581	-	104,188	17,616	-	-	-	168,912	190,026
Wages and benefits	18,913	-	504,487	100,632	737,778	507,385	535,274	784,930	45,740	-	3,233,149	2,939,334
	<u>727,222</u>	<u>7,276</u>	<u>2,024,335</u>	<u>415,770</u>	<u>1,698,013</u>	<u>1,015,142</u>	<u>1,049,070</u>	<u>1,260,432</u>	<u>259,323</u>	<u>-</u>	<u>8,458,583</u>	<u>8,140,090</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES												
	(385,578)	55,416	(588,147)	(25,092)	257,716	(306,175)	5,753,316	243,727	(131,563)	3,446	4,877,066	6,887,893
INTERFUND TRANSFERS	<u>(57,470)</u>	<u>-</u>	<u>(350,567)</u>	<u>44,415</u>	<u>77,531</u>	<u>-</u>	<u>(903,701)</u>	<u>778,967</u>	<u>93,435</u>	<u>-</u>	<u>(317,390)</u>	<u>(5,992,130)</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (443,048)</u>	<u>\$ 55,416</u>	<u>\$ (938,714)</u>	<u>\$ 19,323</u>	<u>\$ 335,247</u>	<u>\$ (306,175)</u>	<u>\$ 4,849,615</u>	<u>\$ 1,022,694</u>	<u>\$ (38,128)</u>	<u>\$ 3,446</u>	<u>\$ 4,558,676</u>	<u>\$ 895,763</u>

See accompanying notes to financial statements

SIMPCW FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2018

	Band Revenue	Local Revenue	Band Government	Social Services	Education	Community Development	Natural Resources	Health	Housing	Other	Total 2018
REVENUE:											
Indigenous Services											
Canada First Nations	\$ 5,538	\$ -	\$ 596,822	\$ 316,071	\$ 1,223,466	\$ 578,033	\$ 465,000	\$ 46,205	\$ -	\$ -	\$ 3,231,135
Health Authority	-	-	-	-	-	-	-	1,157,579	-	-	1,157,579
CMHC	-	-	-	-	-	-	-	-	46,306	-	46,306
Province of B.C.	-	-	29,996	30,000	145,460	50,000	1,043,005	-	-	-	1,298,461
Rental	-	-	-	-	-	-	-	-	80,358	-	80,358
Fisheries & Oceans Canada	-	-	-	-	-	-	133,000	-	-	-	133,000
Impact Benefit Agreements	3,000,000	-	1,074,277	-	-	-	-	-	-	-	4,074,277
Investment income	128,971	-	406,692	-	-	-	-	-	861	3,329	539,853
Income from G.B.E.'s	-	-	-	-	-	-	2,302,226	-	-	-	2,302,226
Other	236,737	57,539	252,575	-	370,240	-	1,102,669	138,282	6,746	-	2,164,788
	<u>3,371,246</u>	<u>57,539</u>	<u>2,360,362</u>	<u>346,071</u>	<u>1,739,166</u>	<u>628,033</u>	<u>5,045,900</u>	<u>1,342,066</u>	<u>134,271</u>	<u>3,329</u>	<u>15,027,983</u>
EXPENSES:											
Administration fees	17,532	-	6,959	16,181	8,931	6,121	31,932	9,875	-	-	97,531
Amortization	-	-	150,664	-	14,231	118,899	3,418	12,861	49,116	-	349,189
Assistance	-	-	-	73,705	-	-	-	-	-	-	73,705
Bad debts and write-downs	8,857	-	-	-	-	-	(35,772)	-	-	-	(27,115)
Contract services	595	-	278,453	27,129	60,946	-	6,308	84,790	-	-	458,221
Distributions	721,000	-	-	-	-	-	-	-	-	-	721,000
Fees and tuition	-	-	8,893	-	407,163	-	-	-	-	-	416,056
Honorarium	-	-	139,124	-	-	-	100	9,029	-	-	148,263
Insurance	-	-	9,980	-	-	-	4,159	700	12,360	-	48,866
Interest and bank charges	37,366	-	15,567	-	-	21,857	-	-	3,499	-	56,432
Loss on disposal of assets	-	-	-	-	-	-	-	-	41,054	-	41,054
Materials and supplies	6,970	-	172,193	85,779	122,451	230,310	482,275	195,309	99,773	-	1,375,060
Office and other	2,769	12,624	92,306	10,882	-	-	-	11,892	851	-	131,324
Professional fees	23,985	-	157,125	3,884	-	-	141,115	933	4,250	-	331,292
Repairs and maintenance	4,000	-	60,632	-	16,948	-	15,366	11,897	6,687	-	115,630
Training	719	-	58,101	37,659	281,710	-	3,226	-	1,354	-	380,769
Travel	-	-	89,355	8,338	30,296	2,339	95,350	67,897	-	-	293,573
Utilities	-	-	40,989	9,373	-	119,816	19,848	-	-	-	190,026
Wages and benefits	12,615	-	462,990	80,164	715,619	261,504	719,885	654,903	31,654	-	2,939,334
	<u>836,208</u>	<u>12,624</u>	<u>1,741,331</u>	<u>353,092</u>	<u>1,658,295</u>	<u>760,846</u>	<u>1,467,210</u>	<u>1,060,086</u>	<u>250,598</u>	<u>-</u>	<u>8,140,090</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES											
	<u>2,535,038</u>	<u>44,915</u>	<u>619,031</u>	<u>(7,021)</u>	<u>80,871</u>	<u>(132,813)</u>	<u>3,578,690</u>	<u>281,980</u>	<u>(116,327)</u>	<u>3,329</u>	<u>6,887,893</u>
INTERFUND TRANSFERS											
	<u>(236,491)</u>	<u>-</u>	<u>(487,492)</u>	<u>45,080</u>	<u>131,624</u>	<u>8,248</u>	<u>(4,995,889)</u>	<u>(557,565)</u>	<u>100,355</u>	<u>-</u>	<u>(5,992,130)</u>
ANNUAL SURPLUS (DEFICIT)											
	<u>\$ 2,298,547</u>	<u>\$ 44,915</u>	<u>\$ 131,539</u>	<u>\$ 38,059</u>	<u>\$ 212,495</u>	<u>\$ (124,365)</u>	<u>\$ (1,417,199)</u>	<u>\$ (275,585)</u>	<u>\$ (15,972)</u>	<u>\$ 3,329</u>	<u>\$ 895,763</u>

See accompanying notes to financial statements