

Nooaitch Indian Band
Financial Statements
For the year ended March 31, 2017

Nooaitch Indian Band
Financial Statements
For the year ended March 31, 2017

Contents

Management's Responsibility for Financial Reporting	3
Independent Auditor's Report	4 - 5
Financial Statements	
Exhibit A - Statement of Financial Position	6
Exhibit B - Statement of Change in Net Debt	7
Exhibit C - Statement of Operations	8 - 9
Exhibit D - Statement of Cash Flows	10
Notes to Financial Statements	11 - 27
Notice to Reader	28
Exhibit E - Statement of Financial Position - Operating Fund	29
Exhibit F - Statement of Operations and Surplus (Deficit) - Operating Fund	30 - 31
Exhibit G - Statement of Financial Position - Capital Fund	32
Exhibit H - Statement of Changes in Equity - Capital Fund	33
Exhibit I - Statement of Operations and Deficit - Capital Fund	34
Exhibit J - Statement of Financial Position - Trust Fund	35
Exhibit K - Statement of Changes in Equity - Trust Fund	36
Exhibit L - Statement of Financial Position - Social Housing Fund	37
Exhibit M - Statement of Operations and Surplus - Social Housing Fund	38
Statements of Operations and Surplus (Deficit)	
Operating Schedules	39 - 98
Capital Schedules	99 - 106

Management's Responsibility for Financial Reporting

The accompanying financial statements of the Nooaitch Indian Band are the responsibility of management and have been approved by the Chief and another Band Councilor of the Band Council.


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

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

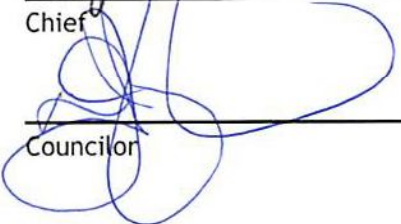
The Nooaitch Indian Band Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out this responsibility principally through the Chief and Council.

The Chief and Council review the Band's financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Chief and Council takes this information into consideration when approving the financial statements for issuance to the Members. The Chief and Council also appoint the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP has full access to the Band Council.



Chief



Councilor



Tel: 250 372 9505
Fax: 250 374 6323
www.bdo.ca

BDO Canada LLP
300 - 275 Lansdowne Street
Kamloops BC V2C 6J3

Independent Auditors Report

To the Chief and Council of Nooaitch Indian Band

We have audited the accompanying financial statements of Nooaitch Indian Band, which comprise the statement of financial position as at March 31, 2017 and the statements of change in net debt, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 financial statements.

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



Tel: 250 372 9505
Fax: 250 374 6323
www.bdo.ca

BDO Canada LLP
300 - 275 Lansdowne Street
Kamloops BC V2C 6J3

Basis for Qualified Opinion

As described in Note 1 - Summary of Significant Accounting Policies regarding tangible capital assets, the Social Housing tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long-term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of tangible capital assets, the related amortization expense, annual surplus and equity in tangible capital assets.

Nooaitch Indian Band operates rental housing and has balances receivable for outstanding rents of \$135,129 (2016 - \$141,246), the collectibility of which is not susceptible to satisfactory audit verification. Accordingly, the verification of rents receivable was limited to the amounts recorded in the records of the Band and we were not able to determine whether any adjustment might be necessary to those rents receivable, annual surplus, and accumulated surplus.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Nooaitch Indian Band as at March 31, 2017 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants


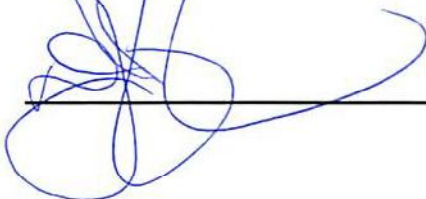
Kamloops, British Columbia
January 12, 2018

Nooaitch Indian Band
Exhibit A - Statement of Financial Position

As at March 31	2017	2016
Financial Assets		
Cash (Note 3)	\$ 481,487	\$ 45,639
Restricted cash (Note 4)	15,902	81,715
Accounts receivable (Note 5)	287,826	282,419
Rents receivable (Note 6)	135,129	141,246
Investments (Note 7)	888,340	776,584
	<u>1,808,684</u>	<u>1,327,603</u>
Liabilities		
Accounts payable and accrued liabilities (Note 8)	972,136	787,476
Deferred revenue (Note 9)	162,342	108,831
Long-term debt (Note 11)	2,148,021	2,291,459
	<u>3,282,499</u>	<u>3,187,766</u>
Net Debt	<u>(1,473,815)</u>	<u>(1,860,163)</u>
Non-financial Assets		
Prepaid expenses	20,268	4,370
Tangible capital assets (Note 12)	6,364,026	6,536,448
	<u>6,384,294</u>	<u>6,540,818</u>
Accumulated surplus (Note 13)	<u>\$ 4,910,479</u>	<u>\$ 4,680,655</u>

Contingencies (Note 14)

Approved on behalf of the Band Council:


 _____ Chief

 _____ Councilor

Nooaitch Indian Band
Exhibit B - Statement of Change in Net Debt

For the year ended March 31	2017	2016
Annual surplus (deficit)	\$ 339,102	\$ 1,019,859
Acquisition of tangible capital assets	(48,237)	(1,535,590)
Amortization of tangible capital assets	220,659	208,797
Equity contribution of capital asset	-	(97,276)
	511,524	(404,210)
Change in prepaid expenses	(15,902)	2,547
Equity change in Ottawa Trust	(74,648)	2,040
Equity change in funded reserves	8,835	(9,410)
Equity transfer to operating reserves	(171,470)	(4,131)
Equity change in investments in business entities	128,009	103,499
	(109,274)	91,998
Change in net debt	386,348	(309,665)
Net debt, beginning of year	(1,860,163)	(1,550,498)
Net debt, end of year	\$ (1,473,815)	\$ (1,860,163)

Nooaitch Indian Band

Exhibit C - Statement of Operations

For the year ended March 31	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	\$ 1,234,953	\$ 2,954,146
ISETS	23,832	49,130
CMHC - RRAP and Retrofit	193,696	-
Cost Recoveries	(78,669)	11,739
Contracts	24,123	78,568
CMHC	83,771	71,590
Rental income	173,770	167,982
Investment income	193,077	25,500
Other income	291,117	34,410
Ottawa Trust revenue	46,500	-
ASPEN Planers	19,719	87,805
FNESS	105,576	2,500
Nlaka'pamux Legacy Trust	268,111	-
BC Hydro	30,210	2,000
	2,609,786	3,485,370
Expenses (Note 16)		
Band Fund	48,343	53,877
Youth Centre Fund	3,108	6,005
BCCI Negotiation	101,189	93,073
Indian Residential School Credits	-	20,940
ILM Project Fund	3,838	2,763
NRT K-12 Education Grant	3,501	2,819
New Horizons	774	-
HVC - Capacity	1,431	2,861
BC Hydro Transmission Project Fund	-	4,331
Band Support Fund	423,502	359,352
Indian Registry	5,698	1,263
ILM Traditional Use Study	-	4,950
Economic Development Program	18,342	30,793
Band Employee Benefits Fund	28,127	33,299
Social Housing Fund	212,127	188,455
Chief and Council Fund	95,938	118,033
P&ID Strategic Plan Fund	1,000	2,000
Emergency Management	9,979	-
Land Management Fund	11,725	78,738
ASET TWS37218052	-	9,668
ASETS TWS37218057	-	7,492
ASETS - TWS38218059	959	11,111
INAC - NTEN - SPI WCE	-	30,024
Stuwix Fund	2,410	5,626
National Child Benefit - INAC	27,736	26,068
Subtotal Expenses	\$ 999,727	\$ 1,093,541

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Nooaitch Indian Band
Exhibit C - Statement of Operations - continued

For the year ended March 31	2017	2016
Revenue carried forward	\$ 2,609,786	\$ 3,485,370
Expenses carried forward	999,727	1,093,541
P&ID - Financial Governance Project	-	18,890
CMHC RRAP	146,105	-
Temporary Office Building	14,124	16,357
Education Fund	40,355	22,194
INAC Local Area Education	203,945	266,971
ASETS - TWS37218058	-	9,831
Post Secondary Program Fund	83,058	44,308
Maintenance Fund	295,241	299,485
ASETS - 17042	23,186	-
Safe Water Operations	-	7,800
FNESS - On-Reserve Fuel Reduction	96,992	-
Band Contracts	4,025	-
Fourplex Fund	6,182	20,304
Robert Creek	2,610	7,244
Aspen Planers Fund	19,063	453
ISET Fund	808	11,028
2830 Petit Creek Road Fund	5,094	11,125
Culture Camp 2 Fund	-	-
DFO	-	20,142
Aspen Planers - Mistletoe 2012	-	27,096
Lightening Lake Fund	-	308
Elder's Council Fund	-	5,715
First Nations Health	6,000	-
Youth's Council Fund	1,350	-
Water Systems Maintenance	19,017	-
Social Development - INAC	226,687	176,229
Education - Client Supports	17,943	2,385
BCCI 2014-2015	2,549	(5,902)
Family Violence Protection - INAC	-	2,400
Forest and Range Opportunity	-	176
NEB National Energy Board	597	49,047
Expenses paid in capital fund	56,026	358,384
	2,270,684	2,465,511
Annual surplus	\$ 339,102	\$ 1,019,859

Nooaitch Indian Band
Exhibit D - Statement of Cash Flows

For the year ended March 31	2017	2016
Cash provided by (used for)		
Operating activities		
Cash receipts from various sources	\$ 2,462,846	\$ 3,437,544
Cash paid to employees and suppliers	(1,865,760)	(2,023,231)
Investment income received	193,077	25,500
Transfer to operating	(171,473)	-
Cash flows from operating activities	618,690	1,439,813
Capital activities		
Acquisitions of tangible capital assets	(48,237)	(1,632,866)
Investing activities		
Change in equity in Ottawa Trust	(74,648)	2,041
Change in contributed surplus	8,834	(24,008)
Change in replacement reserve	8,835	-
Cash flows from investing activities	(56,979)	(21,967)
Financing activities		
Repayment of long term debt	(143,438)	(140,384)
Net increase (decrease) in cash and cash equivalents	370,036	(355,404)
Cash and cash equivalents, beginning of year	175,598	531,002
Cash and cash equivalents, end of year	\$ 545,634	\$ 175,598
Represented by:		
Cash	\$ 481,487	\$ 45,639
Restricted cash	15,902	81,715
	\$ 497,389	\$ 127,354

Nooaitch Indian Band Notes to Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared, in all material respects, in accordance with Canadian public sector accounting standards for government entities as defined by CPA Public Sector Accounting Handbook, which encompasses the following policies.

Reporting Entity and Principles of Financial Reporting

The Band reporting entity includes the Nooaitch Indian Band government and all related entities which are accountable to Nooaitch Indian Band and are either owned or controlled by the Band. Business entities, which are owned or controlled by Nooaitch Indian Band and which are not dependant on the Band for their continuing operations, are included in the summary financial statements using the modified equity method. These include:

- Stuwix Resources Joint Venture
- 0538053 BC Ltd.

In order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Revenue Recognition

Government grants and transfers, which include Federal funding agreements are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. When the eligibility criteria is not met, transfers received are reflected as deferred revenue in the year of receipt and classified as such on the Statement of Financial Position.

Rental revenue is recognized as it becomes receivable under the terms of the rental agreement. Periodic revenue is recognized on an accrual basis commencing at the beginning of the month.

Ottawa Trust Funds

The Band uses the accrual method of accounting for Ottawa Trust Fund revenues earned in the Fund. Trust monies are recognized in revenue of the Band upon withdrawal from the Ottawa Trust Fund.

Rents Receivable

Canada Mortgages and Housing Corporation (CMHC) does not allow or recognize bad debts recorded in the financial statements of Social Housing and will not subsidize rental arrears.

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of financial activity in the year in which it is used for the specified purpose.

Loans

Loans issued and repaid under the fund accounting method are recorded as expenditures and revenue respectively. Loans which become uncollectible are removed from equity in the year they are first considered doubtful.

Nooaitch Indian Band Notes to Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies (continued)

Investments

The Band accounts for its equity investments for which market value is not readily available at cost.

Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization and are recorded in the Capital Fund. The acquisition costs of tangible capital assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations through interfund transfers and matched with the applicable revenue source in the year of expenditure. Tangible capital asset acquisitions are also recorded as an addition to assets of the Capital Fund with a corresponding increase in equity in tangible capital assets.

Amortization is charged against tangible capital assets and equity in tangible capital assets on a straight-line basis at the following rates:

Automotive equipment	5 years
Buildings and improvements	25 years
Furniture and equipment	5 years
Infrastructure	50 years

Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in the related long-term debt, as required for Canada Mortgage and Housing Corporation reporting purposes.

Impairment of Long-lived Assets

In the event that fact and circumstances indicate that the Band's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to market value or discounted cash flow value is required. The Band considers that no circumstances exist that would require such an evaluation.

Leased Assets

Leases entered into, that transfer substantially all of the benefits and risks associated with ownership, are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Band, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

Nooaitch Indian Band Notes to Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make assumptions and estimates that have an effect on the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could be different from those estimates.

Financial Instruments

The Band recognizes and measures financial assets and financial liabilities on the statement of financial position when it becomes a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded on a trade date or settlement date basis. All financial instruments are measured at fair value on initial recognition. Financial instruments are subsequently measured at amortized cost as the Band has not entered into any derivative contracts and it does not hold any investments in equity instruments quoted on the active market. Since no financial instruments are measured at fair value after initial recognition, a statement of remeasurement gains and losses has not been presented in these financial statements.

2. Economic Dependence

The Band receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada ("INAC").

3. Cash

	2017	2016
Operations	\$ 384,805	\$ 2,395
Social Housing	96,682	43,244
	<u>\$ 481,487</u>	<u>\$ 45,639</u>

The Band has a Royal Bank of Canada business operating line of credit that is secured by a general security agreement. The authorized credit limit is \$50,000, at a rate of prime plus 1.0%. As of March 31, 2017, the Band had not drawn on this facility.

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2017

4. Restricted Cash

	2017	2016
Ottawa Trust Funds	\$ 1,087	\$ 75,735
Housing replacement reserve fund	8,855	-
Housing operating reserve fund	5,960	5,980
	\$ 15,902	\$ 81,715

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 Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. These funds are restricted in their use. The Band is permitted to use its revenue for any purpose that will promote the general progress and welfare of the Band and Band members. The expenditures of capital funds requires the consent of Indigenous and Northern Affairs Canada and generally must be for projects of a capital nature. Withdrawals of revenue or capital funds are recorded as revenue in the applicable fund where the monies are expended.

The Housing restricted cash is derived under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the account is to be credited annually. 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.

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2017

5. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	<u>2017</u>	<u>2016</u>
Operating Fund		
Trade accounts receivable	\$ 324,250	\$ 360,149
Allowance for doubtful accounts	(44,260)	(82,222)
	<u>\$ 279,990</u>	<u>\$ 277,927</u>
Accounts receivable - Social Housing	7,836	4,492
	<u>\$ 287,826</u>	<u>\$ 282,419</u>

Included in trade accounts receivable is \$ 68,192 owing from Band Members.

6. Rents Receivable

Rents receivable are the accumulated arrears and vary in amount based on the unit being rented.

	<u>2017</u>	<u>2016</u>
Rents receivable	\$ 135,129	\$ 141,246

Nooaitch Indian Band Notes to Financial Statements

March 31, 2017

7. Investments

	2017	2016
Stuwix Resources Joint Venture	\$ 580,220	\$ 501,304
All Nations Trust Company 16,860 class A common shares	1,110	1,110
Investment in 0538053 BC Ltd.	212,180	183,107
Nicola Valley Indian Services Association	94,830	91,063
	888,340	776,584

Nooaitch Indian Band holds a 100% interest in 0538053 BC Ltd, which has a 25% ownership in Esh-kn-am Joint Venture and also a 25% interest in 9110 Investments Ltd.

Summary of the financial statements of investments accounted for using modified equity for the year ended March 31, 2017 are as follows:

						2017	2016
	Assets	Liabilities	Net Assets	Revenue	Expenses	Total Earnings (Loss)	Total Earnings (Loss)
Stuwix Resources Joint Venture	\$ 11,755,181	\$ 7,085,172	\$ 4,670,009	\$ 20,661,300	\$ 19,114,189	\$ 1,547,111	\$ 915,781
Esh-kn-am Joint Venture	\$ 756,065	\$ 96,173	\$ 659,892	\$ 639,028	\$ 715,716	\$ (76,688)	\$ 162,786
9110 Investments Ltd	\$ 56,180	\$ 148,600	\$ (92,420)	\$ 2,400	\$ 12,021	\$ (9,621)	\$ (12,107)

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2017

8. Accounts Payable

	<u>2017</u>	<u>2016</u>
Operating Fund		
Accounts payable and accrued liabilities	\$ 736,580	\$ 610,938
Social Housing Fund		
Accounts payable and accrued liabilities	<u>235,556</u>	<u>176,538</u>
	<u>\$ 972,136</u>	<u>\$ 787,476</u>

9. Deferred Revenue

Deferred revenue represents amounts received that relate to a subsequent period. A breakdown of deferred revenue is as follows:

	<u>2017</u>	<u>2016</u>
Operating Fund		
Indigenous and Northern Affairs Canada		
Basic Needs	\$ -	\$ 88,855
West Coast Energy	<u>19,976</u>	<u>19,976</u>
	<u>19,976</u>	<u>108,831</u>
Other	<u>142,366</u>	<u>-</u>
	<u>\$ 162,342</u>	<u>\$ 108,831</u>

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2017

10. Social Housing Reserves

Under the terms of the agreement with CMHC, the Replacement Reserve account is to be credited in the amount of \$3,000 annually. These funds along with accumulating interest are to be held in a separate bank account. The funds in this account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. The replacement reserve is underfunded at March 31, 2017.

11. Long Term Debt

	<u>2017</u>	<u>2016</u>
Royal Bank of Canada demand loan, repaid during the year	\$ -	\$ 2,897
Ally Credit Canada Ltd, loan repayable in monthly instalments of \$842 including interest at 5.94%, secured by specific equipment, maturing April 2017	838	10,571
Royal Bank of Canada demand loan, repayable in monthly instalments of \$1,540 including interest at 4.95%, secured by specific assets, maturing June 2038	241,207	247,575
RCAP Leasing Inc., capital lease, repayable in monthly instalments of \$2,140 including interest at 3.74%, secured by specific equipment, maturing December 2018	42,700	68,380
	<u>\$ 284,745</u>	<u>\$ 329,423</u>

Nooaitch Indian Band Notes to Financial Statements

March 31, 2017

11. Long Term Debt (Continued)

	2017	2016
Balance forward	\$ 284,745	\$ 329,423
<u>Social Housing</u>		
All Nations Trust Company mortgage repayable in monthly instalments of \$2,076 including interest at 2.35% per annum, renewal date of September 2018, maturing July 2028, secured by a Ministerial Guarantee	\$ 247,814	\$ 266,705
All Nations Trust Company, mortgage repayable in monthly installments of \$2,903 including interest at 1.53% per annum, renewal date of December 2017, maturing October 2032, secured by Ministerial Guarantee	482,802	510,060
All Nations Trust Company, mortgage repayable in monthly installments of \$3,098 including interest at 1.14% per annum, renewal date of June 2021, maturing June 2031, secured by Ministerial Guarantee	439,581	467,058
All Nations Trust Company mortgage, repayable in monthly instalments of \$2,907.36 including interest at 1.39% per annum, renewal date of June 2020, maturing June 2040, secured by Ministerial Guarantee	693,079	718,213
	2,148,021	2,291,459
Less amount due within one year	823,848	582,868
	\$ 1,324,173	\$ 1,708,591

Assuming payment is not demanded, regular principal repayments due in the next five years are as follows:

2018	\$ 823,848
2019	300,245
2020	55,358
2021	645,241
2022	323,329
	\$ 2,148,021

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2017

12. Tangible Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automotive equipment	\$ 70,653	\$ 63,349	\$ 70,653	\$ 60,915
Assets under capital lease	187,247	132,370	187,247	108,528
Buildings	819,329	283,778	782,718	265,178
Furniture and equipment	228,497	151,034	216,871	138,758
Infrastructure	4,055,626	943,627	4,055,626	878,862
	5,361,352	1,574,158	5,313,115	1,452,241
 Social Housing Buildings	 3,502,855	 926,023	 3,502,855	 827,281
	\$ 8,864,207	\$ 2,500,181	\$ 8,815,970	\$ 2,279,522
 Net book value		 \$ 6,364,026		 \$ 6,536,448

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2017

12. Tangible Capital Assets (continued)

	2017							
	Assets under capital lease		Furniture and equipment		Infrastructure	Social housing	Constructio n in progress	Total
Automotive equipment			Buildings					
Cost, beginning of year	\$ 70,653	\$ 187,247	\$ 782,718	\$ 216,871	\$ 4,055,626	\$ 3,502,855	\$ -	\$ 8,815,970
Additions	-	-	36,611	11,626	-	-	-	48,237
Transfers	-	-	-	-	-	-	-	-
Cost, end of year	70,653	187,247	819,329	228,497	4,055,626	3,502,855	-	8,864,207
Accumulated amortization, beginning of year	60,915	108,528	265,178	138,758	878,862	827,281	-	2,279,522
Amortization	2,434	23,842	18,600	12,276	64,765	98,742	-	220,659
Accumulated amortization, end of year	63,349	132,370	283,778	151,034	943,627	926,023	-	2,500,181
Net carrying amount, end of year	\$ 7,304	\$ 54,877	\$ 535,551	\$ 77,463	\$ 3,111,999	\$ 2,576,832	\$ -	\$ 6,364,026

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2017

12. Tangible Capital Assets (continued)

	2016					
	Automotive equipment	Assets under capital lease	Buildings	Furniture and equipment	Infrastructure	Social Housing
Cost, beginning of year	\$ 70,653	\$ 187,247	\$ 757,683	\$ 214,651	\$ 2,547,291	\$ 736,784
Additions	-	-	25,035	2,220	1,508,335	-
Transfers	-	-	-	-	-	(736,784)
Cost, end of year	70,653	187,247	782,718	216,871	4,055,626	3,502,855
Accumulated amortization, beginning of year	46,784	84,684	247,485	124,505	828,171	739,096
Amortization	14,131	23,844	17,693	14,253	50,691	88,185
Accumulated amortization, end of year	60,915	108,528	265,178	138,758	878,862	827,281
Net carrying amount, end of year	\$ 9,738	\$ 78,719	\$ 517,540	\$ 78,113	\$ 3,176,764	\$ 6,675,574

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2017

13. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	<u>2017</u>	<u>2016</u>
Contributed surplus - Post 1997	\$ 728,150	\$ 719,316
Equity in investments in business entities	888,340	760,331
Equity in Ottawa Trust	1,087	75,735
Equity in tangible capital assets	3,502,449	3,531,450
Unrestricted deficit	<u>(209,547)</u>	<u>(406,177)</u>
	<u>\$ 4,910,479</u>	<u>\$ 4,680,655</u>

14. Contingencies

Nooaitch Indian Band has guaranteed certain loans with Indigenous and Northern Affairs Canada as noted in long-term debt note 11.

15. Employee Benefits

The Band has a defined contribution plan providing pension benefits to certain employees. The pension cost charge represents contributions payable by the Band to the plan and amount to \$8,563 (2016 - \$10,310).

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2017

16. Expenses by Object

	2017	2016
Advertising	\$ 2,140	\$ 4,551
Amortization	220,659	208,797
Automotive	11,686	12,484
Bad debts	17,029	36,316
Bank charges	15,692	6,116
Community support	6,705	26,786
Contract services	49,466	41,509
Construction costs	15,225	330
Donation	1,503	6,288
Election expenses	7,464	-
Equipment rental	18,250	22,606
Expenses paid in capital fund	56,026	358,384
Honoraria	66,562	72,585
Insurance	55,829	46,780
Interest	12,447	13,801
Interest on long-term debt	29,552	36,153
Licences and dues	4,621	5,860
Local education agreement	217,841	269,356
Materials and supplies	43,853	37,373
Meetings	29,956	14,146
Office and miscellaneous	33,094	13,802
Professional fees	86,579	178,036
Program expenses	40,409	37,653
Rent	-	1,700
Repairs and maintenance	249,863	94,720
Replacement reserve	23,140	23,946
Social assistance	159,980	129,281
Student allowance	47,718	36,786
Telephone	31,681	24,395
Training	5,563	57,924
Travel and accommodation	37,469	53,727
Utilities	56,083	49,249
Wages and benefits	616,599	544,071
	\$ 2,270,684	\$ 2,465,511

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2017

17. Segment Disclosure

The Nooaitch Indian Band is a diversified First Nations organization that provides a wide range of services to its members. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

Administration

This item relates to the revenues and expenses that relate to the operations of the Band itself and cannot be directly attributed to a specific segment.

Community Welfare

This service area provides services to help the Members by providing a variety of programs, community services and social assistance.

Operations and Maintenance

This service area provides services relating to the development, maintenance and service of the Band's assets, infrastructure and common property.

Education

This service area provides educational services through elementary, secondary and post secondary education support and the operations of various other educational programs. The goal of this segment is to enhance the educational opportunities of the Band's Members.

Economic Development

This service area provides for the development of economic opportunities to the Members.

Health Services

This service area provides for health-related services and programs to the Members.

Natural Resource Management

This service area includes exploration of natural resources and development of natural resource revenues.

Capital

This service area provides for the development of new capital projects and infrastructure programs on the reserve.

Social Housing

This service area provides for social housing to the Members.

Nooaitch Indian Band
Notes to Financial Statements
(Unaudited)

March 31, 2017

18. Segment Disclosure - continued

2017

	Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Natural Resource Management	Capital	Social Housing	Total
Revenue										
INAC	\$ 324,946	\$ -	\$ 221,476	\$ 363,426	\$ 10,626	\$ 191,112	\$ -	\$ 34,495	\$ -	\$ 1,146,081
Other	211,074	(2,269)	111,703	6,964	530,507	6,000	98,076	209,239	292,411	1,463,705
Total	536,020	(2,269)	333,179	370,390	541,133	197,112	98,076	243,734	292,411	2,609,786
Expenses										
Wages & benefits	306,762	-	116,046	29,741	35,415	57,825	70,810	-	-	616,599
Purchases	431,336	3	123,759	301,119	12,021	221,315	26,182	202,131	115,560	1,433,426
Amortization	19,362	-	96,280	-	2,269	-	-	-	102,748	220,659
Total	757,460	3	336,085	330,860	49,705	279,140	96,992	202,131	218,308	2,270,684
Surplus (deficit)	\$ (221,440)	\$ (2,272)	\$ (2,906)	\$ 39,530	\$ 491,428	\$ (82,028)	\$ 1,084	\$ 41,603	\$ 74,103	\$ 339,102

2016

	Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Natural Resource Management	Capital	Social Housing	Total
Revenue										
INAC	\$ 285,219	\$ -	\$ 126,622	\$ 303,538	\$ 60,760	\$ 247,125	\$ -	\$ 1,915,916	\$ -	\$ 2,939,180
Other	142,172	-	39,478	2,694	95,602	26,973	-	30,261	209,010	546,190
Total	427,391	-	166,100	306,232	156,362	274,098	-	1,946,177	209,010	3,485,370
Expenses										
Wages & benefits	332,554	-	122,297	17,386	30,316	41,518	-	-	-	544,071
Purchases	475,758	3	157,041	318,907	118,979	167,005	-	358,384	116,566	1,712,643
Amortization	30,860	-	81,870	-	3,699	-	176	-	92,192	208,797
Total	839,172	3	361,208	336,293	152,994	208,523	176	358,384	208,758	2,465,511
Surplus (deficit)	\$ (411,781)	\$ (3)	\$ (195,108)	\$ (30,061)	\$ 3,368	\$ 65,575	\$ (176)	\$ 1,587,793	\$ 252	\$ 1,019,859

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2017

19. Fiscal Plan

Canadian public sector accounting standards requires that the Band's budget be presented in the financial statements. As the Band currently does not prepare a budget, no budgeted figures have been presented as otherwise required.
