

Nooaitch Indian Band
Consolidated Financial Statements
For the year ended March 31, 2019

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Management's Responsibility for Financial Reporting

The accompanying consolidated 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.

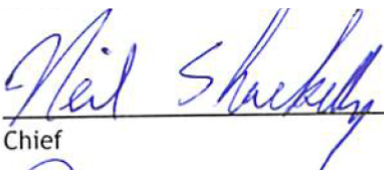
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management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

The Nooaitch Indian Band maintains systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the consolidated 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 consolidated financial statements. Council carries out this responsibility principally through the Chief and Council.

The Chief and Council review the Band's consolidated 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 consolidated financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, the consolidated financial statements and the external auditor's report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also appoint the external auditors.

The consolidated 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.

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Chief



Councilor

Independent Auditor's Report

To the Chief and Council of Nooaitch Indian Band

Qualified Opinion

We have audited the accompanying financial statements of Nooaitch Indian Band (the Group), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statement of operations, consolidated statement of changes in net debt and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Nooaitch Indian Band as at March 31, 2019, and its results of operations, its change in net financial debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As noted in the 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 as at March 31, 2019 and 2018, the related amortization expense and annual surplus for the year ended March 31, 2019 and 2018 and equity in tangible capital assets as at April 1 and March 31 for both the 2019 and 2018 years.

Nooaitch Indian Band operates rental housing and has balances receivable for outstanding rents of \$187,468 (2018 - \$162,610) the valuation 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 accounts receivable, and rents receivable as at March 31, 2019 and 2018, bad debt expense and annual surplus for the years ended March 31, 2019 and 2018, and accumulated surplus as at April 1 and March 31 for both the 2019 and 2018 years.

Our audit opinion on the financial statements for the year ended March 31, 2019 was modified for the above matters.

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 consolidated Financial Statements* section of our report. We are independent of the Band in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 21 to the consolidated financial statements, which explains that certain comparative information presented for the year ended March 31, 2018 has been restated. Our opinion is not modified in respect of this matter.



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

Management is responsible for the preparation and fair presentation of 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.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Band to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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

Chartered Professional Accountants


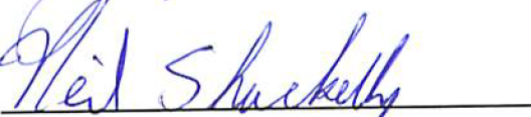
Kamloops, British Columbia
May 11, 2021

Nooaitch Indian Band

Exhibit A - Consolidated Statement of Financial Position

As at March 31	2019	2018 (Restated)
Financial Assets		
Cash (Note 3)	\$ 1,193,074	\$ 1,046,729
Restricted cash (Note 4)	179,082	180,881
Accounts receivable (Note 5)	352,138	221,369
Rents receivable (Note 6)	187,468	162,610
Portfolio investments (Note 7)	1,111	1,111
Investments in government business enterprises (Note 8)	714,644	834,914
Advances to business enterprises	97,937	97,937
	2,725,454	2,545,551
Liabilities		
Accounts payable and accrued liabilities (Note 9)	844,732	945,774
Deferred revenue (Note 10)	138,013	390,644
Long-term debt (Note 12)	1,888,638	2,014,075
	2,871,383	3,350,493
Net Debt	(145,929)	(804,942)
Non-financial Assets		
Prepaid expenses	4,953	15,335
Tangible capital assets (Note 13)	6,001,759	6,185,826
	6,006,712	6,201,161
Accumulated surplus (Note 14)	\$ 5,860,783	\$ 5,396,219

Approved on behalf of the Band Council:

 _____	Chief
 _____	Councilor

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

For the year ended March 31	2019	2018 (Restated)
Annual surplus	\$ 464,564	\$ 68,815
Acquisition of tangible capital assets	(23,926)	(50,015)
Amortization of tangible capital assets	207,991	228,215
Change in tangible capital assets	184,065	178,200
Change in prepaid expenses	10,384	4,937
Change due to prior period adjustment (Note 21)	-	416,925
Change in net debt	659,013	668,877
Net debt, beginning of year	(804,942)	(1,473,819)
Net debt, end of year	\$ (145,929)	\$ (804,942)

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

Nooaitch Indian Band

Exhibit C - Consolidated Statement of Operations

For the year ended March 31	2019	2018 (Restated)
Revenue		
Indigenous Services Canada	\$ 1,530,720	\$ 1,735,623
ISETS	10,449	-
CMHC - RRAP and Retrofit	7,209	320,007
CMHC Subsidy	37,753	74,680
Cost Recoveries	9,376	11,220
Donations	6,120	3,000
Contracts	80,314	3,530
Province of BC	957,803	454,633
Rental income	172,020	169,510
Investment income from Business entities	849,729	253,007
Other income	94,279	16,552
NLX Trust Revenues	500	1,000
BC Hydro	29,648	2,000
Administration (recovery)	(1,606)	(6,106)
	3,784,314	3,038,656
Expenses (Note 17)		
Administration	1,429,531	973,873
Operations and maintenance	399,642	664,284
Education	502,884	560,010
Economic development	209,055	82,876
Health services	368,065	324,133
Natural resource management	244,079	32,237
Capital	-	133,503
Social housing	166,494	198,925
	3,319,750	2,969,841
Annual surplus	\$ 464,564	\$ 68,815
Accumulated surplus, opening	\$ 5,396,219	\$ 4,910,479
Prior period adjustment (2017)	-	(28,507)
Accumulated surplus, opening - restated	5,396,219	4,881,972
Surplus, for the year	464,564	81,381
Prior period adjustment	-	(12,566)
Surplus, for the year - restated	464,564	68,815
Accumulated surplus, ending	5,860,783	4,963,353
Prior period adjustment (Note 21)	-	432,866
Accumulated surplus, ending - restated	\$ 5,860,783	\$ 5,396,219

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

Nooaitch Indian Band
Exhibit D - Consolidated Statement of Cash Flows

	2019	2018 (Restated)
Operating activities		
Cash receipts from funding agreements and contracts	\$ 3,376,057	\$ 3,305,934
Interest paid	(42,345)	(39,673)
Cash paid to suppliers	(3,255,852)	(2,306,457)
Cash flows from operating activities	<u>77,860</u>	<u>959,804</u>
Capital activities		
Acquisitions of tangible capital assets	(23,924)	(50,015)
Investing activities		
Change in investment in business entities	216,047	(45,622)
Financing activities		
Repayment of long term debt	(125,437)	(133,946)
Net increase in cash	144,546	730,221
Cash, beginning of year	<u>1,227,610</u>	<u>497,389</u>
Cash, end of year	<u>\$ 1,372,156</u>	<u>\$ 1,227,610</u>
Represented by:		
Cash	\$ 1,193,074	\$ 1,046,729
Restricted cash	179,082	180,881
	<u>\$ 1,372,156</u>	<u>\$ 1,227,610</u>

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

Nooaitch Indian Band

Notes to Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies

Basis of Presentation

These consolidated 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 Nooaitch Indian Band reporting entity includes the Nooaitch Indian Band government and all related entities which are accountable to the Nooaitch Indian Band and are either owned or controlled by the Nooaitch Indian Band.

Incorporated business entities and government partnerships, which are owned or controlled by the Nooaitch Indian Band and which are not dependent on the band for their continuing operations, are included in the summary financial statements using the modified equity method. Refer to note 8. These include:

- Stuwix Resources Joint Venture (12.5%)
- 0538053 BC Ltd. (100%)
- Nicola Valley Indian Services Association

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

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements, which relates to a subsequent fiscal period, is reflected as deferred revenue in the year of receipt and classified as such on the consolidated statement of financial position.

Rental revenue is recognized when a tenant commences occupancy and rent is due. The Band retains all benefits and risks of ownership of its property and, therefore, accounts for leases with its tenants as operating leases.

Taxation revenue is recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.

All other revenue is recognized in the period in which the events that give rise to the revenue occurs.

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.

Nooaitch Indian Band Notes to Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

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 consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.

Investments

The Band accounts for its portfolio investments in All Nations Trust Company, which are recorded at cost, unless the market value of the investments has declined below cost, in which case they are written down to market value.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital assets including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Tangible capital assets acquired as part of the Social Housing Fund are recorded in that fund. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded at revenue.

Amortization is recorded 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

In the year of acquisition, 50% of the normal amortization is recorded. No amortization is taken on assets under construction until they have been fully completed and available for use.

Social Housing Fund assets acquired under CMHC subsidized housing programs are amortized at a rate equivalent to the annual principal reduction in related long-term debt, as required for CMHC reporting purposes.

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

Nooaitch Indian Band Notes to Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

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.

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates included in these consolidated financial statements include the valuation of accounts receivable, accuracy of accounts payable and accrued liabilities, and calculation of deferred revenue.

Financial Instruments

The Band recognizes and measures financial assets and financial liabilities on the consolidated 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.

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2019

2. Economic Dependence

The Band receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada ("ISC").

3. Cash

	2019	2018
Operations	\$ 1,070,745	\$ 948,024
Social Housing	122,329	98,705
	<u>\$ 1,193,074</u>	<u>\$ 1,046,729</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, 2019, the Band had not drawn on this facility.

4. Restricted Cash

	2019	2018
Ottawa Trust Funds	\$ 2,236	\$ 1,660
Housing replacement reserve fund	155,524	157,899
Housing operating reserve fund	21,322	21,322
	<u>\$ 179,082</u>	<u>\$ 180,881</u>

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 Services 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, 2019

5. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	<u>2019</u>	<u>2018</u>
Operating Fund		
Trade accounts receivable	\$ 343,603	\$ 207,615
Allowance for doubtful accounts	-	5,275
	<u>\$ 343,603</u>	<u>\$ 212,890</u>
Accounts receivable - Social Housing	8,535	8,479
	<u>\$ 352,138</u>	<u>\$ 221,369</u>

Included in trade accounts receivable is \$ 51,659 owing from Band Members.

6. Rents Receivable

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

	<u>2019</u>	<u>2018</u>
Rent receivable	\$ 187,468	\$ 162,610

7. Portfolio Investments

The Band holds the following portfolio investments:

	<u>2019</u>	<u>2018</u>
All Nations trust Company	\$ 1,111	\$ 1,111
16,860 class A common shares		

Nooaitch Indian Band Notes to Financial Statements

March 31, 2019

8. Investments in Government Business Enterprises

	2019	2018
Stuwix Resources Joint Venture	\$ 509,901	\$ 630,506
Investment in 0538053 BC Ltd.	204,743	204,408
	\$ 714,644	\$ 834,914

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. Nooaitch Indian Band also holds a 12.5% in Stuwix Joint Venture.

Summary of the financial statements of investments accounted for using modified equity for the year ended March 31, 2019 are as follows:

	Stuwix Resources Joint Venture	Esh-kn-am Joint Venture	9110 Investments Ltd	Nicola Valley Indian Services Association	2019
Balance Sheet					
Current assets	\$ 10,032,431	\$ 625,102	\$ 4,500	\$ -	\$ 10,662,033
Investments	-	57,047	740	-	57,787
Capital assets	34,257	75,036	44,760	-	154,053
Other assets	-	2	-	8,379	8,381
	\$ 10,066,688	\$ 757,187	\$ 50,000	\$ 8,379	\$ 10,882,254
Current liabilities	\$ 2,200,149	\$ 114,254	\$ 168,580	\$ -	\$ 2,482,983
Long term debt	-	-	-	21,600	21,600
Reforestation obligation	3,759,074	-	-	-	3,759,074
Share capital	-	-	1	-	1
Equity	4,107,465	642,933	(118,581)	(13,221)	4,618,596
	\$ 10,066,688	\$ 757,187	\$ 50,000	\$ 8,379	\$ 10,882,254
Statement of Operations					
Revenue	\$ 2,000,791	\$ 603,973	\$ -	\$ 881,243	\$ 3,486,007
Expenses	1,016,224	589,844	13,371	139,990	1,759,429
Net Loss	984,567	14,129	(13,371)	741,253	1,726,578
Equity, beginning of year	5,072,305	628,804	(105,210)	(754,474)	4,841,425
Withdrawals	(1,949,407)	-	-	-	(1,949,407)
Equity, end of year	\$ 4,107,465	\$ 642,933	\$ (118,581)	\$ (13,221)	\$ 4,618,596

Nooaitch Indian Band Notes to Financial Statements

March 31, 2019

9. Accounts Payable

	2019	2018
Operating Fund	\$ 829,656	\$ 920,152
Social Housing Fund	15,076	25,622
	\$ 844,732	\$ 945,774

10. Deferred Revenue

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

	2019	2018
Operating Fund		
Indigenous Services Canada		
West Coast Energy	\$ -	\$ 108,848
Community Buidlings	108,978	130
Fire Protection	-	62,120
Emergency response	-	171,515
	108,978	342,613
Other	29,035	48,031
	\$ 138,013	\$ 390,644

11. 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 by \$136,517 (2018 - \$129,108); the operating reserve is underfunded by \$120,227 (2018 - \$96,930).

Nooaitch Indian Band Notes to Financial Statements

March 31, 2019

12. Long Term Debt

	2019	2018
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	\$ 227,794	\$ 234,566
RCAP Leasing Inc., repaid during the year	-	17,020
<u>Social Housing</u>		
All Nations Trust Company mortgage repayable in monthly instalments of \$2,093 including interest at 2.52% per annum, renewal date of September 2023, maturing July 2028, secured by a Ministerial Guarantee	208,788	228,489
All Nations Trust Company, mortgage repayable in monthly installments of \$2,903 including interest at 1.53% per annum, renewal date of December 2022, maturing October 2032, secured by Ministerial Guarantee	428,120	455,361
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	382,096	411,002
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	641,840	667,637
Total long term debt	1,888,638	2,014,075
Less amount due within one year	112,357	560,763
	\$ 1,776,281	\$ 1,453,312

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

2020	\$ 112,357
2021	703,214
2022	89,695
2022	403,671
2023	579,701
	\$ 1,888,638

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2019

13. Tangible Capital Assets

	2019		2018	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automotive equipment	\$ 70,653	\$ 63,349	\$ 70,653	\$ 63,349
Buildings	1,006,576	416,148	1,006,576	416,148
Furniture and equipment	302,438	384,810	278,512	278,464
Infrastructure	4,055,626	943,627	4,055,626	943,627
	5,435,293	1,807,934	5,411,367	1,701,588
 Social Housing Buildings	 3,502,853	 1,128,453	 3,502,855	 1,026,808
	\$ 8,938,146	\$ 2,936,387	\$ 8,914,222	\$ 2,728,396
 Net book value		 \$ 6,001,759		 \$ 6,185,826

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2019

13. Tangible Capital Assets (continued)

							2019
	Automotive equipment	Buildings	Furniture and equipment	Infrastructure	Social housing	Construction in progress	Total
Cost, beginning of year	\$ 70,653	\$1,006,576	\$ 278,512	\$ 4,055,626	\$ 3,502,853	\$ -	\$ 8,914,220
Additions	-	-	23,926	-	-	-	23,926
Transfers	-	-	-	-	-	-	-
Cost, end of year	70,653	1,006,576	302,438	4,055,626	3,502,853	-	8,938,146
Accumulated amortization, beginning of year	63,349	416,148	278,464	943,627	1,026,808	-	2,728,396
Amortization	-	-	106,346	-	101,645	-	207,991
Accumulated amortization, end of year	63,349	416,148	384,810	943,627	1,128,453	-	2,936,387
Net carrying amount, end of year	\$ 7,304	\$ 590,428	\$ (82,372)	\$ 3,111,999	\$ 2,374,400	\$ -	\$ 6,001,759

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2019

13. Tangible Capital Assets (continued)

							2018
	Automotive equipment	Buildings	Furniture and equipment	Infrastructure	Social Housing	Construction in progress	Total
Cost, beginning of year	\$ 70,653	\$ 1,006,576	\$ 228,497	\$ 4,055,626	\$ 3,502,855	\$ -	\$ 8,864,207
Additions	-	-	50,015	-	-	-	50,015
Cost, end of year	70,653	1,006,576	278,512	4,055,626	3,502,855	-	8,914,222
Accumulated amortization, beginning of year	63,349	416,148	151,034	943,627	926,023	-	2,500,181
Amortization	-	-	127,430	-	100,785	-	228,215
Accumulated amortization, end of year	63,349	416,148	278,464	943,627	1,026,808	-	2,728,396
Net carrying amount, end of year	\$ 7,304	\$ 590,428	\$ 48	\$ 3,111,999	\$ 2,476,047	\$ -	\$ 6,185,826

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2019

14. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	2019	2018
Equity in Investments in Business Entities	\$ 813,692	\$ 933,962
Equity in Ottawa Trust	2,236	1,660
Equity in Tangible Capital Assets	3,383,338	3,441,833
Funded Reserves	434,589	406,159
Contributed Surplus	706,924	714,069
Unrestricted surplus (deficit)	613,472	(101,464)
	<u>\$ 5,860,783</u>	<u>\$ 5,396,219</u>

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 (2018 - \$8,563).

16. COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

As the impacts of COVID-19 continue, there could be further impact on the Nation, its funders and its businesses. The Nation has continued to deliver services during this pandemic through a variety of means, whether face-to-face or utilizing technology as the Nation was deemed an essential service. Management is actively monitoring the effect on its financial condition, liquidity, operations, and workforce. As a result, management anticipates a temporary decline in revenue earned. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Nation is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2019

17. Expenses by Object

	2019	2018
Advertising	\$ 1,121	\$ -
Amortization	207,991	228,215
Automotive	10,853	9,799
Bad debts	6,023	-
Bank charges	11,168	10,505
Community support	500	4,928
Contract services	768,042	375,719
Donation	2,500	-
Election expenses	7,113	5,481
Equipment rental	34,866	38,773
Operating reserve	-	15,792
Honoraria	91,700	66,940
Insurance	42,129	41,411
Interest	14,723	12,101
Interest on long-term debt	27,622	27,572
Licences and dues	4,216	3,687
Local education agreement	345,401	368,492
Materials and supplies	51,225	48,528
Meetings	20,635	11,102
Office and miscellaneous	12,205	17,056
Professional fees	391,298	175,846
Program expenses	53,899	49,828
Repairs and maintenance	55,857	433,480
Replacement reserve	10,621	23,140
Social assistance	231,715	201,440
Student allowance	59,140	85,127
Telephone	49,355	43,911
Training	87,140	68,595
Travel and accommodation	90,008	68,378
Utilities	81,160	76,436
Wages and benefits	549,524	457,559
	\$ 3,319,750	\$ 2,969,841

Nooaitch Indian Band Notes to Financial Statements

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18. 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

March 31, 2019

19. Segment Disclosure - continued

2019

	Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Natural Resource Management	Capital	Social Housing	Total
Revenue										
ISC	\$ 542,918	\$ -	\$ 223,559	\$ 425,384	\$ 3,826	\$ 330,270	\$ 7,816	\$ (3,053)	\$ -	\$ 1,530,720
Other	956,673	-	9,524	8,580	958,222	14,464	105,114	(356)	201,373	2,253,594
Total	1,499,591	-	233,083	433,964	962,048	344,734	112,930	(3,409)	201,373	3,784,314
Expenses										
Wages & benefits	287,416	-	144,783	33,630	-	67,614	16,081	-	-	549,524
Purchases	1,115,800	-	178,242	469,254	209,647	300,451	227,998	-	60,842	2,562,234
Amortization	26,315	-	76,617	-	(592)	-	-	-	105,652	207,992
Total	1,429,531	-	399,642	502,884	209,055	368,065	244,079	-	166,494	3,319,750
Surplus (deficit)	\$ 70,060	\$ -	\$ (166,559)	\$ (68,920)	\$ 752,993	\$ (23,331)	\$ (131,149)	\$ (3,409)	\$ 34,879	\$ 464,564

2018

	Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Natural Resource Management	Capital	Social Housing	Total
Revenue										
ISC	\$ 483,184	\$ -	\$ 437,203	\$ 465,058	\$ 31,295	\$ 312,468	\$ 6,415	\$ -	\$ -	\$ 1,735,623
Other	418,063	-	51,039	6,987	255,996	2,556	21,484	156,468	390,440	1,303,033
Total	901,247	-	488,242	472,045	287,291	315,024	27,899	156,468	390,440	3,038,656
Expenses										
Wages & benefits	256,592	-	109,595	32,552	-	58,761	59	-	-	457,559
Purchases	692,653	-	458,162	527,458	80,607	265,372	32,178	133,503	94,134	2,284,067
Amortization	24,628	-	96,527	-	2,269	-	-	-	104,791	228,215
Total	973,873	-	664,284	560,010	82,876	324,133	32,237	133,503	198,925	2,969,841
Surplus (deficit)	\$ (72,626)	\$ -	\$ (176,042)	\$ (87,965)	\$ 204,415	\$ (9,109)	\$ (4,338)	\$ 22,965	\$ 191,515	\$ 68,815

Nooaitch Indian Band

Notes to Financial Statements

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20. 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.

21. Prior Period Adjustments

During the year, it was determined that revenues relating to Stuwix had not been recorded correctly in the prior year. This resulted in understating investment in GBE's, Accumulated Surplus and Revenues.

During the year it was also discovered an account had been incorrectly allocated to Accounts payable instead of included within the Accumulated Surplus groupings in the prior year. This resulted in decreasing Accounts Payable and increasing accumulated Surplus.

Increase (decrease) in comparative figures:

Investment in GBE \$205,828

Accounts payable \$(227,038)

Accumulated Surplus \$432,866

Revenues \$202,720