

Nooaitch Indian Band
Consolidated Financial Statements
For the year ended March 31, 2022

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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.

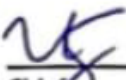
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management 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.



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, 2022, and the consolidated statement of operations, consolidated statement of changes in net assets 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, 2022, 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, 2022 and 2021, the related amortization expense and annual surplus for the year ended March 31, 2022 and 2021 and equity in tangible capital assets as at April 1 and March 31 for both the 2022 and 2021 years.

Nooaitch Indian Band operates rental housing and has balances receivable for outstanding rents of \$195,285 (2021 - \$225,547) 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, 2022 and 2021, bad debt expense and annual surplus for the years ended March 31, 2022 and 2021, and accumulated surplus as at April 1 and March 31 for both the 2022 and 2021 years.

As disclosed in Note 8, Nooaitch Indian Band hold interests in various government business enterprises. We were unable to obtain sufficient appropriate audit evidence regarding these investments. Therefore, we were not able to determine whether any adjustments might be necessary to equity income and annual surplus for the year ended March 31, 2022, investments in government business enterprises and accumulated surplus as at March 31, 2022 and to the summary financial information in Note 8.

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.

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
September 8, 2023

Nooaitch Indian Band
Exhibit A - Consolidated Statement of Financial Position

As at March 31	2022	2021
Financial Assets		
Cash (Note 3)	\$ 5,690,713	\$ 3,033,259
Restricted cash (Note 4)	112,337	138,057
Accounts receivable (Note 5)	958,963	522,232
Rents receivable (Note 6)	175,230	225,547
Portfolio investments (Note 7)	1,110	1,110
Investments in government business enterprises (Note 8)	990,839	1,292,325
	<u>7,929,192</u>	<u>5,212,530</u>
Liabilities		
Accounts payable and accrued liabilities (Note 9)	1,613,152	398,548
Deferred revenue (Note 10)	1,600,749	433,038
Long-term debt (Note 11)	1,544,892	1,662,838
	<u>4,758,793</u>	<u>2,494,424</u>
Net Assets	<u>3,170,399</u>	<u>2,718,106</u>
Non-financial Assets		
Prepaid expenses	-	1,979
Tangible capital assets (Note 12)	10,228,666	9,068,855
	<u>10,228,666</u>	<u>9,070,834</u>
Accumulated surplus (Note 13)	<u>\$ 13,399,065</u>	<u>\$ 11,788,940</u>

Approved on behalf of the Band Council:

 _____ Chief

 _____ Councilor

Nooaitch Indian Band

Exhibit B - Consolidated Statement of Change in Net Assets (Debt)

	2022	2021
Annual surplus	\$ 1,661,655	\$ 3,203,997
Acquisition of tangible capital assets	(1,540,963)	(1,884,878)
Amortization of tangible capital assets	361,154	300,944
Loss on disposal of tangible capital assets	19,997	-
Change in tangible capital assets	(1,159,812)	(1,583,934)
Change in prepaid expenses	1,974	115,167
Change in transfers	(51,524)	(16,333)
	(49,550)	98,834
Change in net financial assets	452,293	1,718,897
Net financial assets, beginning of year	2,718,106	999,209
Net financial assets, end of year	\$ 3,170,399	\$ 2,718,106

Nooaitch Indian Band
Exhibit C - Consolidated Statement of Operations

	2022	2021
Revenue		
Indigenous Services Canada	\$ 4,135,988	\$ 3,345,966
ASETS	-	-
Bayshore Minerals	-	3,000
BC Aboriginal Child Care Society	54,633	90,475
BC Hydro	2,000	2,400
CMHC	73,415	73,809
Contracts	196,896	152,119
Cost Recoveries	19,869	(7,276)
Donations	177,250	14,300
First Nations Health Authority	284,086	986,811
FNESC	33,099	84,503
Forestry income	292,444	127,968
Highland Valley Copper	-	2,000
Investment income (loss)	(300,052)	414,823
Natural Resources Canada	224,121	200,243
Nlaka'pamux Trust	3,412	27,368
Province of BC	732,006	574,129
Rental income	180,820	173,700
SCFSS	37,967	300,910
Other income	215,960	73,459
Administration	-	-
	<u>6,363,914</u>	<u>6,640,707</u>
Expenses (Note 16)		
Administration	1,606,678	669,563
Operations and maintenance	459,646	357,091
Education	950,409	704,461
Economic development	124,915	130,529
Health services	586,938	777,456
Natural resource management	377,509	232,777
Capital	280,638	42,389
Social housing	241,984	280,204
Community welfare	73,542	242,240
	<u>4,702,259</u>	<u>3,436,710</u>
Annual surplus	<u>\$ 1,661,655</u>	<u>\$ 3,203,997</u>

Nooaitch Indian Band
Exhibit D - Consolidated Statement of Cash Flows

	2022	2021
Operating activities		
Cash receipts from funding agreements and contracts	\$ 7,188,331	\$ 6,500,277
Interest paid	(137,682)	(32,301)
Cash paid to suppliers	(2,796,919)	(3,348,191)
Cash flows from operating activities	4,253,730	3,119,785
Capital activities		
Acquisition of tangible capital assets	(1,504,051)	(1,884,878)
Investing activities		
Change in investment in business entities	-	(414,823)
Financing activities		
Repayment of long term debt	(117,945)	(114,763)
Net increase in cash	2,631,734	705,321
Cash, beginning of year	3,171,316	2,465,995
Cash, end of year	\$ 5,803,050	\$ 3,171,316
Represented by:		
Cash	\$ 5,690,713	\$ 3,033,259
Restricted cash	112,337	138,057
	\$ 5,803,050	\$ 3,171,316

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, 2022

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%)
- Spayum Holding LP (20%)

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, 2022

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, 2022

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.

Segmented Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which is it appropriate to separately report financial information to achieve the objectives of the Band. The Band identifies its segments based on specific projects and funding arrangements. Revenue and expenses are allocated to these segments according to methods of identification.

Nooaitch Indian Band Notes to Financial Statements

March 31, 2022

2. Economic Dependence

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

3. Cash

	2022	2021
Operations	\$ 4,935,241	\$ 2,676,471
Social Housing	262,412	21,712
AHSOR	448,851	290,748
NLX Trust	44,209	44,328
	<u>\$ 5,690,713</u>	<u>\$ 3,033,259</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, 2022, the Band had not drawn on this facility.

4. Restricted Cash

	2022	2021
Ottawa Trust Funds	\$ 3,953	\$ 3,364
Housing replacement reserve fund	87,043	113,391
Housing operating reserve fund	21,341	21,302
	<u>\$ 112,337</u>	<u>\$ 138,057</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.

Restricted cash consists of replacement reserve funds in the amount of \$87,043 (2021 - \$113,391) and operating reserve funds of \$21,341 (2021 - \$21,302). Under the operating agreement between Nooaitch Indian Band and CMHC, Nooaitch Indian Band is required to segregate annual transfers to reserve funds and interest earned on these funds from other cash. As at March 31, 2022, the replacement reserve was underfunded by \$178,587 (2021 - \$167,447); the operating reserve is underfunded by \$215,581 (2021 - \$215,581).

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2022

5. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	<u>2022</u>	<u>2021</u>
Trade accounts receivable	\$ 958,480	\$ 334,116
Accounts receivable - Social Housing	483	188,116
	<u>\$ 958,963</u>	<u>\$ 522,232</u>

Included in trade accounts receivable is \$81,381.30 (2021- \$60,564) owing from Band Members.

6. Rents Receivable

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

	<u>2022</u>	<u>2021</u>
Rent receivable	\$ 175,230	\$ 225,547

7. Portfolio Investments

The Band holds the following portfolio investments:

	<u>2022</u>	<u>2021</u>
All Nations trust Company	\$ 1,110	\$ 1,110

Nooaitch Indian Band Notes to Financial Statements

March 31, 2022

8. Investments in Government Business Enterprises

	2022	2021
Stuwix Resources Joint Venture	\$ 332,983	\$ 634,469
Investment in Spayum Holdings LP	440,190	440,190
Investment in 0538053 BC Ltd.	217,666	217,666
	\$ 990,839	\$ 1,292,325

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 and a 20.0% interest in Spayum Holdings LP.

Summary of the financial statements of investments accounted for using modified equity for the year ended March 31, 2022 are as follows:

	Stuwix Resources Joint Venture	Esh-kn-am Joint Venture	9110 Investments Ltd	Spayum Holdings LP	2022
Balance Sheet					
Current assets	\$ 9,175,424	\$ -	\$ -	\$ -	\$ 9,175,424
Capital assets	119,139	-	-	-	119,139
Other assets	358,223	-	-	-	358,223
	\$ 9,652,786	\$ -	\$ -	\$ -	\$ 9,652,786
Current liabilities	\$ 4,055,462	\$ -	\$ -	\$ -	\$ 4,055,462
Long term debt	25,541	-	-	-	25,541
Reforestation obligation	2,879,671	-	-	-	2,879,671
Share capital	2,692,112	-	-	-	2,692,112
Equity	(1,327,083)	-	-	-	(1,327,083)
	\$ 8,325,703	\$ -	\$ -	\$ -	\$ 8,325,703
Statement of Operations					
Revenue	\$ 17,332,856	\$ -	\$ -	\$ -	\$ 17,332,856
Expenses	18,659,939	-	-	-	18,659,939
Net Income (loss)	(1,327,083)	-	-	-	(1,327,083)
Equity, end of year	\$ (1,327,083)	\$ -	\$ -	\$ -	\$ (1,327,083)

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2022

9. Accounts Payable

	<u>2022</u>	<u>2021</u>
Trade payables	\$ 1,577,588	\$ 345,203
Social Housing Fund	28,220	51,758
AHSOR	6,344	587
NLX Trust	1,000	1,000
	<u>\$ 1,613,152</u>	<u>\$ 398,548</u>

10. Deferred Revenue

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

	<u>2022</u>	<u>2021</u>
Indigenous Services Canada		
Community Buildings	\$ 19,976	\$ 19,976
In Home Care	28,968	50,000
COVID-19 Needs Based	62,000	6,600
Municipal Services	24,263	1,333
Service Delivery	25,016	5,199
Flood Recovery	567,973	-
Renos, Extensions and Repair	55,335	-
Post Secondary Student Support	-	17,788
Emergency Response	66,100	127,464
Capacity and Innovation	98,473	-
COVID-19	172,000	-
ICSF	129,070	-
Infrastructure Planning	25,000	-
	<u>1,274,174</u>	<u>228,360</u>
Other	326,575	204,678
	<u>-</u>	<u>-</u>
	<u>\$ 1,600,749</u>	<u>\$ 433,038</u>

Nooaitch Indian Band Notes to Financial Statements

March 31, 2022

11. Long Term Debt

	<u>2022</u>	<u>2021</u>
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	\$ 202,388	\$ 211,731
<u>Social Housing</u>		
All Nations Trust Company mortgage repayable in monthly instalments of \$2,092 including interest at 2.52% per annum, due September 1, 2023, secured by Ministerial Guarantee	146,918	168,060
All Nations Trust Company, mortgage repayable in monthly installments of \$2,995 including interest at 1.97% per annum, due December 1 2022, secured by Ministerial Guarantee	343,123	372,014
All Nations Trust Company, mortgage repayable in monthly installments of \$2,786 including interest at 1.14% per annum, due June 1, 2026, secured by Ministerial Guarantee	293,371	323,290
All Nations Trust Company mortgage, repayable in monthly instalments of \$2,907 including interest at 1.39% per annum, due June 25, 2020, secured by Ministerial Guarantee	559,092	587,743
Total long term debt	<u>1,544,892</u>	<u>1,662,838</u>

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2022

12. Tangible Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automotive equipment	\$ 270,300	\$ 148,475	\$ 119,246	\$ 119,246
Buildings	3,476,236	504,698	2,443,611	494,926
Furniture and equipment	416,890	291,224	390,604	267,247
Infrastructure	5,589,279	1,346,498	5,332,065	1,241,431
	9,752,705	2,290,895	8,285,526	2,122,850
Social Housing Buildings	3,502,855	1,446,795	3,502,855	1,338,192
Capital assets - Store Buildings	624,217	-	624,217	-
Furniture and equipment	120,386	33,807	120,386	3,087
	744,603	33,807	744,603	3,087
	\$ 14,000,163	\$ 3,771,497	\$ 12,532,984	\$ 3,464,129
Net book value		\$ 10,228,666		\$ 9,068,855

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2022

12. Tangible Capital Assets (continued)

2022

	Automotive equipment	Buildings	Furniture and equipment	Infrastructure	Social housing	AHSOR	Total
Cost, beginning of year	\$ 119,246	\$ 2,443,611	\$ 390,604	\$ 5,332,065	\$ 3,502,855	\$ 744,603	\$ 12,532,984
Additions	151,054	1,106,408	26,286	257,214	-	-	1,540,962
Disposals	-	(73,783)	-	-	-	-	(73,783)
Cost, end of year	270,300	3,476,236	416,890	5,589,279	3,502,855	744,603	14,000,163
Accumulated amortization, beginning of year	119,246	494,926	267,247	1,241,431	1,338,192	3,087	3,464,129
Amortization	29,229	63,558 (53,786)	23,977	105,067	108,603	30,720	361,154 (53,786)
Accumulated amortization, end of year	148,475	504,698	291,224	1,346,498	1,446,795	33,807	3,771,497
Net carrying amount, end of year	\$ 121,825	\$ 2,971,538	\$ 125,666	\$ 4,242,781	\$ 2,056,060	\$ 710,796	\$ 10,228,666

Nooaitch Indian Band
Notes to Financial Statements

March 31, 2022

12. Tangible Capital Assets (continued)

							2021
	Automotive equipment	Buildings	Furniture and equipment	Infrastructure	Social Housing	AHSOR	Total
Cost, beginning of year	\$ 119,246	\$ 960,567	\$ 369,597	\$ 5,332,065	\$ 3,502,855	\$ 363,776	\$ 10,648,106
Additions	-	1,483,044	21,007	-	-	380,827	1,884,878
Cost, end of year	119,246	2,443,611	390,604	5,332,065	3,502,855	744,603	12,532,984
Accumulated amortization, beginning of year	109,527	428,311	243,485	1,149,156	1,231,677	1,029	3,163,185
Amortization	9,719	66,615	23,762	92,275	106,515	2,058	300,944
Accumulated amortization, end of year	119,246	494,926	267,247	1,241,431	1,338,192	3,087	3,464,129
Net carrying amount, end of year	\$ -	\$ 1,948,685	\$ 123,357	\$ 4,090,634	\$ 2,164,663	\$ 741,516	\$ 9,068,855

Nooaitch Indian Band

Notes to Financial Statements

March 31, 2022

13. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	2022	2021
Equity in Investments in Business Entities	\$ 991,949	\$ 1,293,435
Equity in Ottawa Trust	3,953	3,364
Equity in Tangible Capital Assets	7,977,905	6,658,774
Funded Reserves	563,974	517,721
Contributed Surplus	706,924	706,924
Unrestricted surplus	3,270,367	2,660,819
	<u>\$ 13,399,065</u>	<u>\$ 11,788,940</u>

14. 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 \$16,691 (2021 - \$16,691).

15. 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.

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16. Expenses by Object

	2022	2021
Advertising	5,449	1,006
Amortization	361,154	300,944
Automotive	30,131	37,041
Bad debt expense	23,417	76,271
Bank charges	13,879	15,807
Community support	44,225	81,658
Consultants	178,776	28,771
Contract services	720,424	416,328
Construction	15,322	-
Donation	12,955	1,656
Education	567,567	381,938
Equipment rental	86,448	22,029
Honoraria	96,193	107,943
Insurance	63,204	51,868
Interest	187	11,652
Interest on long-term debt	28,892	20,649
Licenses and dues (recovery)	(2,228)	8,155
Materials and supplies	73,157	104,349
Meals and entertainment	13,508	14,146
Meetings and gatherings	12,329	13,695
Office and miscellaneous	101,628	63,102
Professional Fees	211,565	70,059
Program expenses	117,285	41,763
Recovery	479,704	-
Rent	-	1,400
Repairs and maintenance (recovery)	(3,762)	72,727
Replacement reserve	23,140	23,140
Social assistance	374,395	527,245
Student allowance	109,590	60,693
Telephone	45,631	36,327
Training	151,704	119,089
Travel	44,594	75,428
Utilities	74,276	115,502
Wages and benefits	627,521	534,329
	\$ 4,702,260	\$ 3,436,710

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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

March 31, 2022

17. Segment Disclosure - continued

2022

	Administra- tion	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Natural Resource Management	Capital	Social Housing	Total
Revenue										
ISC	\$ 794,710	\$ 127,463	\$ 446,864	\$ 987,272	\$ 46,163	\$ 702,166	\$ -	\$ 1,031,350	\$ -	\$ 4,135,988
Other	751,195	74	7,200	112,676	219,834	268,818	430,538	199,480	238,111	2,227,926
Total	1,545,905	127,537	454,064	1,099,948	265,997	970,984	430,538	1,230,830	238,111	6,363,914
Expenses										
Wages & benefits	257,868	6,722	111,849	45,136	-	117,490	88,455	-	-	627,520
Purchases	1,292,938	66,003	234,200	903,025	123,660	438,728	288,637	237,019	129,374	3,713,584
Amortization	55,872	817	113,597	2,248	1,255	30,720	417	43,619	112,610	361,155
Total	1,606,678	73,542	459,646	950,409	124,915	586,938	377,509	280,638	241,984	4,702,259
Surplus (deficit)	\$ (60,773)	\$ 53,995	\$ (5,582)	\$ 149,539	\$ 141,082	\$ 384,046	\$ 53,029	\$ 950,192	\$ (3,873)	\$ 1,661,655

2021

	Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Natural Resource Management	Capital	Social Housing	Total
Revenue										
ISC	\$ 279,734	\$ 194,301	\$ 328,409	\$ 617,866	\$ 42,000	\$ 794,716	\$ -	\$ 1,088,940	\$ -	\$ 3,345,966
Other	775,866	67,624	70,800	353,862	376,244	536,886	320,109	555,141	238,209	3,294,741
Total	1,055,600	261,925	399,209	971,728	418,244	1,331,602	320,109	1,644,081	238,209	6,640,707
Expenses										
Wages & benefits	267,366	7,770	88,006	35,817	15,385	69,985	50,000	-	-	534,329
Purchases	375,267	233,894	146,514	666,396	112,667	686,633	182,568	27,816	169,682	2,601,437
Amortization	26,930	576	122,571	2,248	2,477	20,838	209	14,573	110,522	300,944
Total	669,563	242,240	357,091	704,461	130,529	777,456	232,777	42,389	280,204	3,436,710
Surplus (deficit)	\$ 386,037	\$ 19,685	\$ 42,118	\$ 267,267	\$ 287,715	\$ 554,146	\$ 87,332	\$ 1,601,692	\$ (41,995)	\$ 3,203,997

Nooaitch Indian Band

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18. 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.

19. Comparative Figures

Certain comparative figures presented in these financial statements have been restated to conform with current year presentation.
