

**Yunesit'in Government  
Consolidated Financial Statements**  
*March 31, 2018*

# **Yunesit'in Government Contents**

*For the year ended March 31, 2018*

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## Management's Responsibility

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To the Members of Yunesit'in Government:

The accompanying consolidated financial statements of Yunesit'in Government are the responsibility of management and have been approved by the Chief and Council.

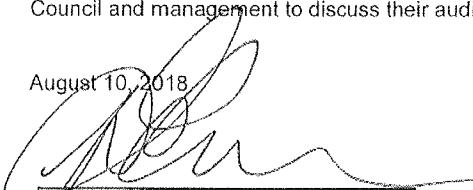
Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting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

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

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

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

August 10, 2018

  
Nation Administrator

## Independent Auditors' Report

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To the Members of Yunesit'in Government:

We have audited the accompanying consolidated financial statements of Yunesit'in Government, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, accumulated surplus, changes in net financial assets (net debt), cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

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

*Auditors' Responsibility*

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

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

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

*Opinion*

In our opinion the consolidated financial statements present fairly, in all material respects, the financial position of Yunesit'in Government as at March 31, 2018 and the results of its operations, changes in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Prince George, British Columbia

August 10, 2018

*MNP LLP*

Chartered Professional Accountants

**Yunesit'in Government**  
**Consolidated Statement of Financial Position**

*As at March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Financial assets</b>		
Cash resources	1,204,226	676,133
Accounts receivable (Note 3)	501,483	456,725
Restricted cash (Note 4)	115,438	163,020
Portfolio investment (Note 5)	1	1
Funds held in trust (Note 6)	145,934	141,703
<b>Total of financial assets</b>	<b>1,967,082</b>	<b>1,437,582</b>
<b>Liabilities</b>		
Accounts payable and accruals (Note 8)	469,731	354,676
Deferred revenue (Note 9), (Note 16)	700,000	-
Demand loans (Note 10)	860,933	89,341
Debt (Note 11)	153,498	145,351
<b>Total liabilities</b>	<b>2,184,162</b>	<b>589,368</b>
<b>Net financial assets (net debt)</b>	<b>(217,080)</b>	<b>848,214</b>
<b>Contingencies (Note 12)</b>		
<b>Guarantee (Note 13)</b>		
<b>Commitments (Note 14)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	15,454,722	11,506,317
Prepaid expenses	1,680	6,796
<b>Total non-financial assets</b>	<b>15,456,402</b>	<b>11,513,113</b>
<b>Accumulated surplus (Note 15)</b>	<b>15,239,322</b>	<b>12,361,327</b>

Approved on behalf of Chief and Council

Russell Myers Rees  
R. Myers

Chief

Councilor

Earl Zwaart

Councilor

**Yunesit'in Government**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2018*

	<i>Schedules</i>	<i>2018 Budget (Note 20)</i>	<i>2018</i>	<i>2017</i>
<b>Revenue</b>				
Indigenous Services Canada (Note 16)		1,818,947	5,496,856	4,871,923
Investment Revenue - Yunesit'in Development Enterprises		-	1,927,550	995,353
Other revenue		38,050	1,051,840	533,643
First Nations Health Authority (Note 17)		564,860	651,031	586,285
First Nations Education Steering Committee Society		-	154,149	143,361
Cariboo Chilcotin Aboriginal Training Employment Centre		-	117,842	89,096
Canada Mortgage and Housing Corporation		40,625	12,742	12,905
Rentals		-	74,233	52,366
Funds held in trust income		-	4,231	3,719
		<b>2,462,482</b>	<b>9,490,474</b>	<b>7,288,651</b>
<b>Expenses</b>				
Training and Employment	3	-	108,348	143,550
Administration	4	25,000	1,219,327	815,611
Education	5	932,614	1,171,448	1,018,743
Nation Programs	6	530,075	684,175	573,171
Health	7	508,473	603,954	552,669
Capital Projects	8	-	67,391	51,734
Natural Resources	9	-	-	7,410
Public Works	10	-	717,357	585,538
Social Housing	11	36,563	83,806	32,012
Investment Fund	12	-	1,956,673	1,156,166
<b>Total expenses (Schedule 2)</b>		<b>2,032,725</b>	<b>6,612,479</b>	<b>4,936,604</b>
<b>Annual surplus</b>		<b>429,757</b>	<b>2,877,995</b>	<b>2,352,047</b>
<b>Accumulated surplus, beginning of year</b>		<b>12,361,327</b>	<b>12,361,327</b>	<b>10,009,280</b>
<b>Accumulated surplus, end of year</b>		<b>12,791,084</b>	<b>15,239,322</b>	<b>12,361,327</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**Yunesit'in Government**  
**Consolidated Statement of Change in Net Financial Assets (Net Debt)**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 20)</b>	<b>2018</b>	<b>2017</b>
<b>Annual surplus</b>	<b>240,446</b>	<b>2,877,995</b>	<b>2,352,047</b>
Purchases of tangible capital assets	-	(4,379,989)	(2,063,006)
Amortization of tangible capital assets	29,836	431,584	392,053
Write down of tangible capital asset	-	-	21,723
Use of prepaid expenses	-	5,116	9,111
<b>Increase (decrease) in net financial assets</b>	<b>270,282</b>	<b>(1,065,294)</b>	<b>711,928</b>
<b>Net financial assets, beginning of year</b>	<b>848,214</b>	<b>848,214</b>	<b>136,286</b>
<b>Net financial assets (net debt), end of year</b>	<b>1,118,496</b>	<b>(217,080)</b>	<b>848,214</b>

**Yunesit'in Government**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	2,877,995	2,352,047
Non-cash items		
Amortization	431,584	392,053
Funds held in trust income	(4,231)	(3,719)
Write down of tangible capital asset	-	21,723
	<b>3,305,348</b>	2,762,104
Changes in working capital accounts		
Accounts receivable	(44,758)	(88,479)
Accounts payable and accruals	115,060	89,713
Deferred revenue	700,000	(233,974)
Prepaid expenses	5,116	9,111
	<b>4,080,766</b>	2,538,475
<b>Financing activities</b>		
Advances of long-term debt	56,071	-
Repayment of long-term debt	(47,924)	(27,181)
Decrease (increase) in restricted cash	47,577	(15,000)
Repayment of demand loan	(6,408)	(6,408)
Advances of demand loan	778,000	-
	<b>827,316</b>	(48,589)
<b>Capital activities</b>		
Purchases of tangible capital assets	(4,379,989)	(2,063,006)
<b>Increase in cash resources</b>	<b>528,093</b>	426,880
<b>Cash resources, beginning of year</b>	<b>676,133</b>	249,253
<b>Cash resources, end of year</b>	<b>1,204,226</b>	676,133

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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**1. Operations**

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

**2. Significant accounting policies**

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

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation business entities. Trusts administered on behalf of third parties by Yunesit'in Government are excluded from the Nation reporting entity.

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

- Yunesit'in Government CMHC Social Housing Program
- Yunesit'in Development Enterprises

All inter-entity balances have been eliminated on consolidation.

***Basis of presentation***

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

***Cash resources***

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

***Portfolio investments***

Long-term investments in entities that are not owned, controlled or influenced by the Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

***Tangible capital assets***

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

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

Tangible capital assets are amortized over their expected useful life of the assets using the declining balance and straight line methods. In the year of acquisition, amortization is taken at one-half the rates. See below for amortization rates of specific assets categories.

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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

***Amortization***

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<b>Method</b>	<b>Rate</b>
Buildings	declining balance	4 %
Community infrastructure	declining balance	2 %
Machinery and equipment	declining balance	20-30 %
Housing	straight-line	4 %
Assets under construction	No amortization	

***Funds held in trust***

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

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

***Net financial assets***

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

***Asset classification***

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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

***Revenue recognition***

i) **Government Funding**

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

ii) **First Nation Capital and Revenue Trust Funds**

The First Nation recognizes revenue of the Capital and Revenue trusts when earned.

iii) **Canada Mortgage and Housing Corporation ("CMHC") and First Nations Health Authority ("FNHA")**

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

iv) **Housing rental income**

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

vi) **Other revenue**

Revenue such as administration fee, contract revenue and other revenue is recognized when performance is achieved, amounts are reasonably estimated and collection is reasonably assured.

***Measurement uncertainty (use of estimates)***

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations of the period in which they become known.

***Employee future benefits***

The First Nation's employee future benefit programs consist of defined contribution pension plans. The First Nation's contributions to the defined contribution plans are expensed as incurred. The Nation's contributions in the year were \$16,433 (2017 - \$14,117).

***Segments***

The First Nation conducts its business through a number of reportable segments as described in Note 19. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

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

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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

***Liability for contaminated site***

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

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

***Changes in accounting policies***

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

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

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

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

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

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

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

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

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

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

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

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**3. Accounts receivable**

	<i>2018</i>	<i>2017</i>
Indigenous Services Canada	-	102,940
Other government agencies	39,975	39,909
Members	141,844	134,695
Other receivables	<u>419,270</u>	<u>271,230</u>
	601,089	548,774
Less: allowance for doubtful accounts	<u>99,606</u>	<u>92,049</u>
	<u>501,483</u>	<u>456,725</u>

**4. Restricted cash**

Under the terms of the agreement with the Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in the amount of \$9,556 annually (2017 - \$9,556). These funds, along with the accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or the Credit Union Deposit Insurance Corporation, in investments guaranteed by the Canadian government, or in investments as agreed upon by the Canadian Mortgage and Housing Corporation.

At year end, the replacement reserve is adequately funded (2017 - adequately funded).

**5. Portfolio Investment**

The Nation has an investment in the following entity:

	<i>Investment cost</i>	<i>2018 Total investment</i>
<b>Portfolio investment:</b>		
River West Forest Products Ltd.	<u>1</u>	<u>1</u>
	2017	
	<i>Investment cost</i>	<i>Total investment</i>
<b>Portfolio investment:</b>		
River West Forest Products Ltd.	<u>1</u>	<u>1</u>

The First Nation owns 22% of the issued common shares in River West Forest Products Ltd. River West Forest Products Ltd. (the "Company") is a Canadian controlled private corporation incorporated under the laws of the Province of British Columbia. The Company operates a sawmill in the Chilcotin area west of William Lake, British Columbia. The Company was inactive and had no operations as at March 31, 2018.

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**6. Funds held in trust**

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

	<b>2018</b>	<b>2017</b>
Balance, beginning of year	141,703	137,984
Interest	3,163	2,652
Special (BC)	1,068	1,067
 Balance, end of year	 145,934	 141,703

**Ottawa Trust Funds**

The Ottawa Trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the *Indian Act*. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Section 63 to 69 of the *Indian Act*.

**7. Bank indebtedness**

The First Nation has access to a banking overdraft amounting to a maximum of \$550,000, made up of \$300,000 for Yunesit'in Development Enterprise and \$250,000 for the First Nation (2017 – \$400,000). Each overdraft account bears interest at prime plus 0.5% (2017 – 0.5%). At March 31, 2018 the Bank of Montreal's prime rate of interest was 3.45% There is currently no amounts (2017 - \$nil) drawn as overdraft.

**8. Accounts payable and accruals**

Included in accounts payable and accruals is \$28,826 payable to ISC for overpaid arrangements.

**9. Deferred revenue**

The First Nation has recorded the following externally restricted funding as deferred revenue to be used in the completion of ongoing projects:

	<b>2018</b>	<b>2017</b>
<b>Deferred funding contributions</b>		
Housing Renovations	250,000	-
Child Care Spaces	450,000	-
 700,000	 -	

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**10. Demand loans**

	<b>2018</b>	<b>2017</b>
Bank of Montreal demand loan bearing interest at prime (3.45%) plus 0.50% per annum, repayable in monthly blended payments of \$534. The loan is secured by a charge against a First Nation owned housing unit with a net book value of \$111,072 (2017 - \$115,700).	82,933	89,341
Bank of Montreal demand loan bearing interest at prime (3.45%) plus 0.50% per annum with interest repayable monthly.	778,000	-
	<b>860,933</b>	89,341

**11. Debt**

	<b>2018</b>	<b>2017</b>
All Nations Trust Phase IV bearing interest at 1.43% per annum (2017 - 1.43%), repayable in monthly blended payments of \$2,472 (2017 - \$2,472). The loan has a renewal date of April 1, 2022, maturing April 1, 2022, and secured by a Government of Canada ministerial guarantee.	117,595	145,351
Bank of Montreal vehicle loan bearing interest at 6.59% per annum, repayable in monthly blended payments of \$2,500. The loan is secured by a charge against a 2017 Ford Transit truck with a net book value of \$39,250.	35,903	-
	<b>153,498</b>	145,351

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

	Principal
2019	56,650
2020	35,989
2021	28,982
2022	29,399
2023	2,478
	<b>153,498</b>

**12. Contingencies**

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. It has not yet been determined to what extent any funding amounts related to the year ended March 31, 2018 might be recovered.

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**13. Guarantee**

The First Nation is a guarantor on a Bank of Montreal mortgage loan made to Ralph Myers in the amount of \$195,660. The interest rate is a fixed rate of 4.24% per annum. Balance outstanding at March 31, 2018 is \$181,368 (2017 - \$182,928).

As at March 31, 2018, no liability (2017 - \$nil) has been recorded associated with this guarantee.

**14. Commitments**

The First Nation has entered into various lease agreements with estimated minimum annual payments over the next five years as follows:

2019	23,556
2020	18,685
2021	8,160
2022	8,160
2023	4,080

**15. Accumulated surplus**

Accumulated surplus consists of the following fund balances:

	<b>2018</b>	<b>2017</b>
Operating Fund	571,615	828,835
Ottawa Revenue Trust Fund	145,934	141,703
Housing Replacement Reserve	81,482	119,164
Equity in tangible capital assets	<u>14,440,291</u>	11,271,625
	<b>15,239,322</b>	12,361,327

**16. Indigenous Services Canada funding reconciliation**

	<b>2018</b>	<b>2017</b>
<b>Direct First Nation Funding</b>		
ISC revenue per confirmation	5,746,856	4,731,751
Deferred revenue from prior year	-	233,974
Deferred revenue to subsequent year	(250,000)	-
Recoveries payable or paid during the year to ISC	<u>-</u>	(93,802)
	<b>5,496,856</b>	4,871,923

**17. First Nations Health Authority ("FNHA") funding reconciliation**

	<b>2018</b>	<b>2017</b>
<b>Direct First Nation Funding</b>		
FNHA revenue per confirmation	598,631	565,465
Crisis response funding	17,000	20,820
Grants	3,000	-
Travel Reimbursements	3,552	-
Other	<u>28,848</u>	-
	<b>651,031</b>	586,285

**Yunesit'in Government**  
**Notes to the Consolidated Financial Statements**  
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**18. Economic dependence**

Yunesit'in Government receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of funding agreements entered into with the Government of Canada. These funding agreements are administered by ISC under the terms and conditions of the *Indian Act*. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

**19. Segments**

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

1. Training and Employment:

Includes the Cariboo Chilcotin Aboriginal Training Employment Centre funding and related expenses.

2. Administration:

Includes general operations, support, and financial management of Yunesit'in Government.

3. Education:

Includes revenue and expenses related to primary, secondary and post secondary education of the members of Yunesit'in Government.

4. Nation Programs:

Includes revenue and expenses related to programs to support the Yunesit'in Government community.

5. Health:

Includes activities related to the provision of health services to the members of the Yunesit'in Government community.

6. Capital Projects:

Includes revenue and expenses related to capital projects.

7. Natural Resources:

Includes activities related to forest and range.

8. Public Works:

Includes activities related to maintenance of infrastructure owned by the First Nation.

9. Social Housing:

Includes revenue and expenses relating to the operation of Yunesit'in Government CMHC Social Housing Program.

10. Trust Fund:

Includes interest revenue from funds held in trust.

11. Investment Funds:

Includes activities related to the growth of revenue producing projects within Yunesit'in Development Enterprises

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**20. Budget information**

The disclosed budget information has been approved by the Chief and Council of the Yunesit'in Government on June 14, 2017.

Budgets were not prepared for the following segments:

- Training and Employment
- Capital Projects
- Natural Resources
- Public Works
- Trust Fund
- Investment Fund

As such, the budget figures in the Consolidated Statement of Operations and Accumulated Surplus are not presented for the same scope of activities as the actual results.

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

Budgeted annual surplus approved by Chief and Council	240,446
Adjusted for:	
Internal administration fees	189,311
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<b>Budgeted annual surplus, per the Statement of Operations and Accumulated Surplus</b>	<b>429,757</b>