

Yunesit'in Government
Consolidated Financial Statements
March 31, 2019

Yunesit'in Government

Contents

For the year ended March 31, 2019

Page

Management's Responsibility

Independent Auditor's Report

Consolidated Financial Statements

Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4

Notes to the Consolidated Financial Statements

Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	15
Schedule 2 - Schedule of Consolidated Expenses by Object.....	16
Schedule 3 - Schedule of Revenue and Expenses - Training and Employment.....	17
Schedule 4 - Schedule of Revenue and Expenses - Administration.....	18
Schedule 5 - Schedule of Revenue and Expenses - Education.....	19
Schedule 6 - Schedule of Revenue and Expenses - Nation Programs.....	20
Schedule 7 - Schedule of Revenue and Expenses - Health.....	21
Schedule 8 - Schedule of Revenue and Expenses - Capital Projects	22
Schedule 9 - Schedule of Revenue and Expenses - Public Works	23
Schedule 10 - Schedule of Revenue and Expenses - Social Housing.....	24
Schedule 11 - Schedule of Revenue and Expenses - Investment Fund.....	25



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Management's Responsibility

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 fulfils 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 Government'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.

Government Administrator

Independent Auditor's Report

To the Members of Yunesit'in Government:

Opinion

We have audited the consolidated financial statements of Yunesit'in Government (the "Government"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, changes in net debt, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Government 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 opinion.

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

Management is responsible for the preparation and fair presentation of the 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 Government'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 Government or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Government'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 Government'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 Government'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 Government 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 Government 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.

Prince George, British Columbia

August 9, 2019



MNP LLP

Chartered Professional Accountants

Yunesit'in Government
Consolidated Statement of Financial Position
As at March 31, 2019



	2019	2018
Financial assets		
Cash resources (Note 3)	304,442	1,204,226
Accounts receivable (Note 4)	938,708	501,483
Restricted cash (Note 5)	134,994	115,438
Portfolio investment (Note 6)	1	1
Funds held in trust (Note 7)	176,457	145,934
Total financial assets	1,553,602	1,967,082
Liabilities		
Accounts payable and accruals (Note 9)	598,305	469,728
Deferred revenue (Note 10)	983,409	700,000
Demand loans (Note 11)	854,525	860,933
Debt (Note 12)	89,426	153,498
Total liabilities	2,525,665	2,184,159
Net debt	(972,063)	(217,077)
Contingencies (Note 13)		
Guarantee (Note 14)		
Commitments (Note 15)		
Non-financial assets		
Tangible capital assets (Schedule 1)	15,658,262	15,454,722
Prepaid expenses	5,869	1,680
Total non-financial assets	15,664,131	15,456,402
Accumulated surplus (Note 16)	14,692,068	15,239,325

Approved on behalf of Chief and Council:

Chief

Councilor

Councilor

Yunesit'in Government
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	<i>Schedules</i>	<i>2019 Budget (Note 21)</i>	<i>2019</i>	<i>2018</i>
Revenue				
Indigenous Services Canada (Note 17)		2,197,503	3,189,423	5,496,856
Investment Revenue - Yunesit'in Development Enterprises		-	2,056,960	1,927,550
Other revenue		125,796	1,311,081	1,051,840
First Nations Health Authority (Note 18)		554,063	749,536	651,031
First Nations Education Steering Committee Society		-	274,041	154,149
Cariboo Chilcotin Aboriginal Training Employment Centre		-	81,582	117,842
Canada Mortgage and Housing Corporation		39,000	10,606	12,742
Rentals		-	60,583	74,233
Funds held in trust income		-	29,524	4,231
		2,916,362	7,763,336	9,490,474
Expenses				
Training and Employment	3	-	168,485	108,348
Administration	4	462,301	2,277,056	1,219,327
Education	5	909,908	1,318,393	1,171,448
Nation Programs	6	575,518	621,094	684,175
Health	7	482,815	666,806	603,954
Capital Projects	8	-	74,838	67,391
Public Works	9	199,731	1,170,285	717,357
Social Housing	10	35,064	34,632	83,806
Investment Fund	11	-	1,979,004	1,956,673
Total expenses (Schedule 2)		2,665,337	8,310,593	6,612,479
Annual surplus (deficit)		251,025	(547,257)	2,877,995
Accumulated surplus, beginning of year		15,239,325	15,239,325	12,361,330
Accumulated surplus, end of year		15,490,350	14,692,068	15,239,325

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

Yunesit'in Government
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2019

	2019 Budget (Note 21)	2019	2018
Annual surplus (deficit)	251,025	(547,257)	2,877,995
Purchases of tangible capital assets	-	(815,811)	(4,379,989)
Amortization of tangible capital assets	-	612,271	431,584
Acquisition of prepaid expenses	-	(4,189)	-
Use of prepaid expenses	-	-	5,116
Changes in net financial assets (net debt)	251,025	(754,986)	(1,065,294)
Net financial assets (net debt), beginning of year	(217,077)	(217,077)	848,217
Net debt, end of year	33,948	(972,063)	(217,077)

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

Yunesit'in Government
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus (deficit)	(547,257)	2,877,995
Non-cash items		
Amortization	612,271	431,584
Funds held in trust income	(29,523)	(4,231)
	35,491	3,305,348
Changes in working capital accounts		
Accounts receivable	(437,225)	(44,758)
Accounts payable and accruals	128,579	115,060
Deferred revenue	283,409	700,000
Prepaid expenses	(4,189)	5,116
	6,065	4,080,766
Financing activities		
Advances of long-term debt	-	56,071
Repayment of long-term debt	(64,072)	(47,924)
Decrease (increase) in restricted cash	(19,558)	47,577
Repayment of demand loan	(6,408)	(6,408)
Advances of demand loan	-	778,000
	(90,038)	827,316
Capital activities		
Purchases of tangible capital assets	(815,811)	(4,379,989)
Increase (decrease) in cash resources	(899,784)	528,093
Cash resources, beginning of year	1,204,226	676,133
Cash resources, end of year	304,442	1,204,226

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

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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 Government reporting entity, except for Government business entities. Trusts administered on behalf of third parties by Yunesit'in Government are excluded from the Government reporting entity.

The Government 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 Government 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, 2019

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:

	Method	Rate
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 Government 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 Government tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Net financial assets (net debt)

The Government's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of consolidated financial position. The net financial assets (net debt) of the Government is determined by its financial assets less its liabilities. Net financial assets (net debt) 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.

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 become 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 \$17,046 (2018 - \$16,433).

Segments

The First Nation conducts its business through a number of reportable segments as described in Note 20. 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, 2019

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 Government 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, 2019.

At each financial reporting date, the Government 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 Government 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, 2019, no liability for contaminated sites exists.

Change in accounting policy

PS 3430 Restructuring Transactions

Effective April 1, 2018, the First Nation adopted the recommendations relating to PS 3430 *Restructuring Transactions* as set out in the CPA Canada Public Sector Accounting Handbook. The main features of this standard are as follows:

A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.

Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.

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

3. Cash

	2019	2018
Operations	565,415	614,843
CMHC Housing Program	15,860	135,056
Yunesit'in Development Enterprise	(276,833)	454,327
	304,442	1,204,226

4. Accounts receivable

	2019	2018
Indigenous Services Canada	18,200	-
Other government agencies	272,651	39,975
Members	147,606	141,844
Other receivables	599,857	419,270
	1,038,314	601,089
Less: allowance for doubtful accounts	99,606	99,606
	938,708	501,483

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

5. 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 (2018 - \$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 (2018 - adequately funded).

6. Portfolio Investment

The Government has an investment in the following entity:

	<i>Investment cost</i>	<i>2019 Total investment</i>
Portfolio investment:		
River West Forest Productions Ltd.	1	1
		<i>2018</i>
	<i>Investment cost</i>	<i>Total investment</i>
Portfolio investment:		
River West Forest Productions Ltd.	1	1

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, 2019.

7. 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.

	<i>2019</i>	<i>2018</i>
Revenue Trust		
Balance, beginning of year	145,934	141,703
Interest	3,631	3,163
Special (BC)	1,086	1,068
Balance, end of year	150,651	145,934
Capital monies	24,806	-
	175,457	145,934

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*.

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

8. Bank indebtedness

The First Nation has access to a banking overdraft amounting to a maximum of \$750,000 (2018 - \$550,000), made up of \$300,000 (2018 - \$300,000) for Yunesit'in Development Enterprise and \$450,000 for the First Nation (2018 - \$450,000). Each overdraft account bears interest at prime plus 0.5% (2018 - 0.5%). At March 31, 2019 the Bank of Montreal's prime rate of interest was (3.95% (2018 - 3.45%). As at March 31, 2019 Yunesit'in Development Enterprise has drawn \$276,833 (2018 - \$nil) as overdraft.

9. Accounts payable and accruals

Included in accounts payable and accruals is \$28,826 (2018 - \$28,826) payable to ISC for overpaid arrangements.

10. Deferred revenue

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

	2019	2018
Deferred funding contributions		
Housing renovations	-	250,000
Child care spaces	243,771	450,000
Recycling and solid waste project	739,638	-
	983,409	700,000

11. Demand loans

	2019	2018
Bank of Montreal demand loan bearing interest at prime 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 \$106,629 (2018 - \$111,072). Prime rate at March 31, 2019 was 3.95% (2018 - 3.45%)	76,525	82,933
Bank of Montreal demand loan bearing interest at prime plus 0.50% per annum with interest repayable monthly. The loan is secured by a charge against First Nation owned greenhouses with a net book value of \$1,043,840 (2018 - \$1,065,142) Prime rate at March 31, 2019 was 3.95% (2018 - 3.45%)	778,000	778,000
	854,525	860,933

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Debt

	2019	2018
All Nations Trust Phase IV bearing interest at 1.43% per annum (2018 - 1.43%), repayable in monthly blended payments of \$2,472 (2018 - \$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.	89,426	117,595
Bank of Montreal vehicle loan - fully repaid in the year.	-	35,903
	89,426	153,498

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

	Principal
2020	28,570
2021	28,982
2022	29,399
2023	2,475
	89,426

13. 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, 2019 might be recovered.

14. 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, 2019 is \$176,913 (2018 - \$181,368).

As at March 31, 2019, no liability (2018 - \$nil) has been recorded associated with this guarantee.

15. Commitments

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

2020	27,503
2021	16,380
2022	16,380
2023	12,980

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

16. Accumulated surplus

Accumulated surplus consists of the following fund balances:

	2019	2018
Operating Fund	(285,107)	571,618
Ottawa Revenue Trust Fund	175,457	145,934
Housing Replacement Reserve	87,407	81,482
Equity in tangible capital assets	14,714,311	14,440,291
	14,692,068	15,239,325

17. Indigenous Services Canada funding reconciliation

	2019	2018
Direct First Nation Funding		
ISC revenue per confirmation	3,679,061	5,746,856
Deferred revenue from prior year	250,000	-
Deferred revenue to subsequent year	(739,638)	(250,000)
	3,189,423	5,496,856

18. First Nations Health Authority ("FNHA") funding reconciliation

	2019	2018
Direct First Nation Funding		
FNHA revenue per confirmation	769,030	598,631
Crisis response funding	-	17,000
Grants	-	3,000
Travel Reimbursements	-	3,552
Other	-	28,848
Included in other	(19,494)	-
	749,536	651,031

19. 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 Government to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

20. 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. Public Works:

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

8. Social Housing:

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

9. Investment Funds:

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

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

21. Budget information

The disclosed budget information has been approved by the Chief and Council of the Yunesit'in Government on June 14, 2018.

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	65,829
Adjusted for:	
Internal administration fees	185,196
<hr/>	
<u>Budgeted annual surplus, per the Statement of Operations and Accumulated Surplus</u>	<u>251,025</u>