

**ULKATCHO FIRST NATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

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CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2017**

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## ULKATCHO FIRST NATION

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### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Ulkatcho First Nation are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal control to provide reasonable assurance that reliable financial information is produced.

The Chief and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and are ultimately responsible for reviewing and approving the consolidated financial statements.


The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditors' report.

The external auditors, Brent Bursey & Company Inc., Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Ulkatcho First Nation and meet when required.

On behalf of Ulkatcho First Nation:

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

## **INDEPENDENT AUDITORS' REPORT**

To the Members of Ulkatcho First Nation:

We have audited the accompanying consolidated financial statements of Ulkatcho First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, the consolidated statements of operations, changes in net debt, and cash flows 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**

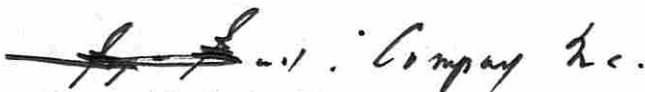
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain 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' judgement, including the assessment of the risk 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 audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Ulkatcho First Nation as at March 31, 2017 and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

  
Chartered Professional Accountants

September 28, 2017  
Prince George, British Columbia

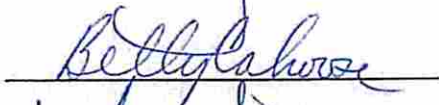
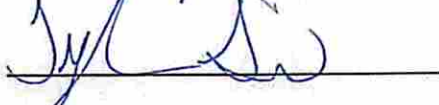
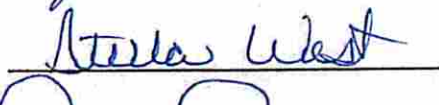
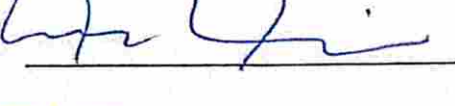


**ULKATCHO FIRST NATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2017**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,011,407	\$ 245,832
Accounts receivable (Note 2)	970,366	143,442
Restricted cash (Note 3)	14,144	14,144
Investments (Note 4)	18,861	18,861
Investments in government business entities (Note 5)	579,258	234,907
Ottawa trust funds (Note 6)	63,541	59,944
	<u>2,657,577</u>	<u>717,130</u>
<b>LIABILITIES</b>		
Bank indebtedness (Note 7)	199,716	200,077
Term demand loans (Note 8)	752,896	1,008,090
Accounts payable and accrued liabilities (Note 9)	1,236,317	365,620
Deferred revenue (Note 10)	456,039	56,009
Long-term debt (Note 11)	325,716	529,990
Unfunded replacement reserve (Note 3)	434,674	409,717
	<u>3,405,358</u>	<u>2,569,503</u>
<b>NET DEBT</b>	<u>(747,781)</u>	<u>(1,852,373)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 12)	14,814,350	12,661,469
Prepaid expenditure	23,034	73,234
	<u>14,837,384</u>	<u>12,734,703</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 14,089,603</u>	<u>\$ 10,882,330</u>
<b>CONTINGENT LIABILITIES (Note 13)</b>		

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

Approved on behalf of Ulkatcho First Nation:

 Chief  
 Councillor  
 Councillor  
 Councillor

**ULKATCHO FIRST NATION**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**YEAR ENDED MARCH 31, 2017**

	Budget	2017	2016
<b>REVENUE</b>			
Indigenous and Northern Affairs Canada	\$ 3,296,562	\$ 4,037,599	\$ 3,362,664
First Nations Health Authority	4,104,029	3,980,970	1,153,515
Canada Mortgage and Housing Corporation	181,339	191,984	64,491
Province of British Columbia	419,242	446,386	319,242
Cariboo Chilcotin Aboriginal Training Employment Centre	139,399	150,649	68,302
First Nations Education Steering Committee	7,803	105,672	35,894
Ottawa trust funds	-	3,597	3,615
Income from investments in government business entities	-	583,519	36,658
Management and administration	99,397	182,862	191,732
Own Source	91,600	439,842	229,765
Interest, rent and other	317,639	471,196	307,490
Change in deferred revenue	-	(400,030)	55,565
	<u>8,657,010</u>	<u>10,194,246</u>	<u>5,828,933</u>
<b>EXPENDITURE</b>			
Economic development	419,937	612,707	299,253
Education	1,510,230	1,491,847	1,296,771
Employment and training	247,202	234,098	67,558
Government development and administration	793,965	742,198	846,116
Health services	998,979	1,168,089	1,092,799
Housing	458,103	400,951	270,634
Public works operations and maintenance	282,009	351,558	393,737
Social and community services	1,210,857	1,302,386	1,251,079
Loss from investments in government business entity	-	14	490,193
Interest	16,000	16,520	24,332
Amortization	690,000	697,907	750,304
	<u>6,627,282</u>	<u>7,018,275</u>	<u>6,782,776</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 2,029,728</u>	<u>3,175,971</u>	<u>(953,843)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>10,882,330</u>	<u>11,941,533</u>
<b>REIMBURSEMENTS (RECOVERIES) BY</b>			
Indigenous and Northern Affairs Canada		82,273	(117,922)
Health Canada		(50,971)	-
First Nations Health Authority		-	12,536
<b>INCREASE IN FUNDED REPLACEMENT RESERVE</b>		<u>-</u>	<u>26</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 14,089,603</u>	<u>\$ 10,882,330</u>

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

**ULKATCHO FIRST NATION**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT**  
**YEAR ENDED MARCH 31, 2017**

	Budget	2017	2016
Annual surplus (deficit)	\$ 2,029,728	\$ 3,175,971	\$ (953,843)
Reimbursements (recoveries)	-	31,302	(105,386)
Increase in funded replacement reserve	-	-	26
	<u>2,029,728</u>	<u>3,207,273</u>	<u>(1,059,203)</u>
Acquisition of tangible capital assets	(3,105,050)	(2,850,788)	(8,166)
Amortization	<u>690,000</u>	<u>697,907</u>	<u>750,304</u>
	<u>(2,415,050)</u>	<u>(2,152,881)</u>	<u>742,138</u>
Net change in prepaid expenditure	<u>50,000</u>	<u>50,200</u>	<u>(39,438)</u>
<b>DECREASE (INCREASE) IN NET DEBT</b>	<u>\$ (335,322)</u>	<u>1,104,592</u>	<u>(356,503)</u>
<b>NET DEBT, BEGINNING OF YEAR</b>		<u>(1,852,373)</u>	<u>(1,495,870)</u>
<b>NET DEBT, END OF YEAR</b>		<u>\$ (747,781)</u>	<u>\$ (1,852,373)</u>

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



**ULKATCHO FIRST NATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2017**

	2017	2016
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ 3,175,971	\$ (953,843)
Reimbursements (recoveries) by Government of Canada	31,302	(105,386)
Increase in funded replacement reserve	-	26
	<u>3,207,273</u>	<u>(1,059,203)</u>
Items not involving cash		
Allocation to replacement reserve	24,957	25,386
Amortization	697,907	750,304
Income from government business enterprises	(583,519)	(36,658)
Loss from government business enterprise	14	490,193
Ottawa trust accounts	<u>(3,597)</u>	<u>(3,615)</u>
	<u>3,343,035</u>	<u>166,407</u>
Cash provided by (used in) operating activities		
Accounts receivable	(826,924)	58,338
Prepaid expenditure	50,200	(39,438)
Accounts payable and accrued liabilities	870,697	70,382
Deferred revenue	<u>400,030</u>	<u>(52,269)</u>
	<u>3,837,038</u>	<u>203,420</u>
<b>CAPITAL TRANSACTIONS</b>		
Purchase and construction of tangible capital assets	<u>(2,850,788)</u>	<u>(8,166)</u>
<b>FINANCING TRANSACTIONS</b>		
Repayment of term demand loans	(255,194)	(246,691)
Proceeds of long-term debt	-	87,061
Repayment of long-term debt	(204,274)	(234,461)
Contributions to replacement reserve	-	(2,754)
	<u>(459,468)</u>	<u>(396,845)</u>
<b>INVESTING TRANSACTIONS</b>		
Advances to government business entities	(694)	(246,691)
Repayment from government business entities	<u>239,848</u>	<u>307,141</u>
	<u>239,154</u>	<u>60,450</u>
<b>INCREASE (DECREASE) DURING YEAR</b>	<b>765,936</b>	<b>(141,141)</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>59,899</b>	<b>201,040</b>
<b>CASH, END OF YEAR</b>	<b>\$ 825,835</b>	<b>\$ 59,899</b>
Cash, consists of:		
Cash	\$ 1,011,407	\$ 245,832
Restricted cash	14,144	14,144
Bank indebtedness	<u>(199,716)</u>	<u>(200,077)</u>
	<u>\$ 825,835</u>	<u>\$ 59,899</u>

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



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

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**1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

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These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Reporting Entity and Principles of Financial Reporting

The Ulkatcho First Nation reporting entity includes the Ulkatcho First Nation government and all related entities which are either owned or controlled by the Ulkatcho First Nation.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprises or government business partnership, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Ulkatcho First Nation's investment in the government business enterprises or government business partnership and their share of the entity's net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of Ulkatcho First Nation.

The consolidated financial statements include the following controlled entity:

- Ulkatcho First Nation CMHC Social Housing Program

Government business enterprises, which are wholly-owned by Ulkatcho First Nation and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Ulkatcho Mercantile Ltd.
- West Chilcotin Forest Products Ltd.
- 690361 B.C. Ltd.

The government business partnership, of which Ulkatcho First Nation holds a limited partnership interest and which is not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method is as follows:

- Yun Ka Whu'ten Development Limited Partnership

Cash

Cash includes cash on hand, cash on deposit net of cheques issued and outstanding at the reporting date, and short-term deposits with maturity dates of less than 90 days.

**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

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**1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

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Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Transfers of tangible capital assets from related parties are recorded at carrying value.

Tangible capital assets are amortized using the declining balance method at rates calculated to amortize the cost less salvage value as follows:

Automotive equipment	30%
Band housing	4%
Buildings	4%
Computer equipment	30%
Equipment	20%
Infrastructure	4%
Land improvements	4%
Rental housing	4%
Roads	4%

Social housing assets acquired under CMHC sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in related long-term debt.

In the year of acquisition, 50% of the annual amortization is expensed. Assets under construction are not amortized until the asset is available to be put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Nation'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. Net write-downs are accounted for in the consolidated statement of operations and consolidated statement of changes in net debt when they occur.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

Revenue and Expenditure

Revenue and expenditure are recorded using the accrual basis of accounting. Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. Gains are recognized when realized. Items not practically measurable until cash is received are accounted for at that time.



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

Revenue and Expenditure, continued

Government transfers are recognized as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Funding Recoveries and Reimbursements

Funding received from federal government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specified purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets, rates for amortization, and collectability of accounts receivable. Actual results could differ from these estimates.

**2. ACCOUNTS RECEIVABLE**

	2017	2016
Indigenous and Northern Affairs Canada	\$ -	\$ 17,775
First Nations Health Authority	604,209	-
Other Government	58,768	44,074
Other	307,389	81,593
	<u>\$ 970,366</u>	<u>\$ 143,442</u>

**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**3. RESTRICTED CASH AND REPLACEMENT RESERVE**

	2017	2016
Fund reserves consists of:		
Funded replacement reserve	\$ 14,144	\$ 14,144
Unfunded replacement reserve	<u>434,674</u>	<u>409,717</u>
	<u>\$ 448,818</u>	<u>\$ 423,861</u>

Under the terms of the Agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$24,957 annually plus interest. These funds along with accumulated interest must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. At year end the program has unfunded reserves of \$434,674 (2016 - \$409,717) and is in technical default of their agreement with CMHC.

**4. INVESTMENTS**

	2017	2016
Gatcho Resort	\$ 4,969	\$ 4,969
Traplines	<u>13,892</u>	<u>13,892</u>
	<u>\$ 18,861</u>	<u>\$ 18,861</u>

Investments are recorded at cost.

**5. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A)**

	2017	2016
Ulkatcho Mercantile Ltd.		
Year ended October 31, 2016		
- share	\$ 1	\$ 1
- contributed surplus	560,867	560,867
- deficiency	(460,139)	(464,328)
- advances to	<u>73,903</u>	<u>73,903</u>
Balance forward	<u>\$ 174,632</u>	<u>\$ 170,443</u>



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**5. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A), continued**

	2017	2016
Balance forward	\$ 174,632	\$ 170,443
West Chilcotin Forest Products Ltd. Year ended July 31, 2017 - shares	<u>3</u>	<u>3</u>
Yun Ka Whu'ten Development Limited Partnership Year ended March 31, 2017 - partners' capital	<u>404,123</u>	<u>64,642</u>
690361 B.C. Ltd. Year ended July 31, 2017 - shares	2	2
- deficiency	(196)	(183)
- advances to	<u>694</u>	<u>-</u>
	<u>500</u>	<u>(181)</u>
	<u>\$ 579,258</u>	<u>\$ 234,907</u>

Shares and partnership units of the government business enterprises and government business partnership above are held by Ulkatcho First Nation, as represented by Chief and Council, on behalf of and for the benefit of the Ulkatcho First Nation membership.

Ulkatcho Mercantile Ltd. is operating a grocery store in the Cariboo Chilcotin region of British Columbia and employs four to six members of the Nation on a regular basis. Advances due from Ulkatcho Mercantile Ltd. are unsecured, non-interest bearing with no scheduled terms of repayment.

West Chilcotin Forest Products Ltd. is the agent for West Chilcotin Forest Products, a division of Yun Ka Whut'en Development Limited Partnership.

Yun Ka Whu'ten Development Limited Partnership is actively involved in logging operations in the Cariboo Chilcotin region of British Columbia and employs members of the Nation on a regular basis. Advances due from Yun Ka Whu'ten Development Limited Partnership are unsecured, non-interest bearing with no scheduled terms of repayment.

690361 B.C. Ltd. is the general partner in Yun Ka Whu'ten Development Limited Partnership and holds a 0.0001% interest in the partnership.

**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**5. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A), continued**

Condensed financial information for the government business enterprises and government business partnership is presented in Appendix A to the financial statements.

**6. OTTAWA TRUST FUNDS**

	Revenue	Capital	Total 2017	Total 2016
Balance, beginning of year	\$ 26,919	\$ 33,025	\$ 59,944	\$ 56,329
Interest	1,189	-	1,189	1,209
BC Special	2,408	-	2,408	2,406
Balance, end of year	<u>\$ 30,516</u>	<u>\$ 33,025</u>	<u>\$ 63,541</u>	<u>\$ 59,944</u>

The Ottawa Trust Accounts arise from monies 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 Sections 63 to 69 of the "Indian Act".

**7. BANK INDEBTEDNESS**

Bank indebtedness consists of cheques issued in excess of cash on hand and is drawn on an operating line of credit authorized to \$200,000, secured by a Band Council Resolution, general security agreement registered with a floating charge over all company assets of West Chilcotin Forest Products Ltd., Yun Ka Whu'ten Development Limited Partnership and 690361 B.C. Ltd., and are supported by corporate guarantees in the amount of \$2,000,000. The rate of interest is prime plus .75% (March 31, 2017 - 3.45%).

**8. TERM DEMAND LOANS**

	2017	2016
Term demand loan repayable in monthly instalments of \$3,117 including interest at prime plus 0.75% (March 31, 2017 - 3.45%)	\$ 99,517	\$ 132,796
Term demand loan repayable in monthly instalments of \$3,388 including interest at prime plus 0.75% (March 31, 2017 - 3.45%)	<u>105,615</u>	<u>141,761</u>
Balance forward	<u>\$ 205,132</u>	<u>\$ 274,557</u>

**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**8. TERM DEMAND LOANS, continued**

	2017	2016
Balance forward	\$ 205,132	\$ 274,557
Term demand loan repayable in monthly instalments of \$2,200 including interest at prime plus 0.75% (March 31, 2017 - 3.45%)	74,193	97,545
Term demand loan repayable in monthly instalments of \$15,181 including interest at prime plus 0.75% (March 31, 2017 - 3.45%)	<u>473,571</u>	<u>635,988</u>
	<u>\$ 752,896</u>	<u>\$ 1,008,090</u>

The above term demand loans are secured by a Band Council Resolution and general security agreement registered with a floating charge over all assets of West Chilcotin Forest Products Ltd., Yun Ka Whu'ten Development Limited Partnership and 690361 B.C. Ltd., and are supported by corporate guarantees in the amount of \$2,000,000.

Ulkatcho First Nation has breached debt covenants on the above term demand loans. There has been no demand for repayment from the lender and all scheduled payments have been made.

Provided the lender does not demand repayment of the loans in full, principal payments due in each of the next three years are scheduled as follows:

2018	\$ 264,846
2019	274,120
2020	<u>213,930</u>
	<u>\$ 752,896</u>

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2017	2016
Trade payables and accrued liabilities	\$ 1,114,584	\$ 214,791
Accrued wages and payroll deductions payable	35,113	32,907
Government recoveries payable	<u>86,620</u>	<u>117,922</u>
	<u>\$ 1,236,317</u>	<u>\$ 365,620</u>



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**10. DEFERRED REVENUE**

	2017	2016
Indigenous and Northern Affairs Canada		
Capital Surplus	\$ 47,791	\$ 47,791
Special Services – O&M ACRS Group 2	51,289	-
Capacity Development	90,127	-
	<u>189,207</u>	<u>47,791</u>
First Nations Health Authority		
First Nations Health Authority - Clinic Expansion	<u>261,910</u>	<u>-</u>
Other		
Stella West Unit	4,922	4,922
CMHC - Rent	-	3,296
	<u>4,922</u>	<u>8,218</u>
	<u>\$ 456,039</u>	<u>\$ 56,009</u>

The Nation has recorded the above surpluses as deferred capital revenue to be used in the completion of projects.

**11. LONG-TERM DEBT**

	2017	2016
Mortgage repayable in monthly instalments of \$4,667 including interest at 2.41% per annum, secured by a Government of Canada ministerial guarantee, due to mature April 1, 2019	\$ 109,366	\$ 161,189
Mortgage repayable in monthly instalments of \$527 including interest at 2.41% per annum, secured by a Government of Canada ministerial guarantee, due to mature July 1, 2019	<u>14,341</u>	<u>20,148</u>
Balance forward	<u>\$ 123,707</u>	<u>\$ 181,337</u>



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**11. LONG-TERM DEBT, continued**

	2017	2016
Balance forward	\$ 123,707	\$ 181,337
Mortgage repayable in monthly instalments of \$1,697 including interest at 2.41% per annum, secured by a Government of Canada ministerial guarantee, due to mature November 1, 2019	52,333	70,903
Mortgage repayable in monthly instalments of \$4,695 including interest at 2.41% per annum, secured by a Government of Canada ministerial guarantee, due to mature October 1, 2018	88,016	140,565
Mortgage repayable in monthly instalments of \$614 including interest at 2.41% per annum, secured by a Government of Canada ministerial guarantee, due to mature March 1, 2018	8,540	11,998
Conditional sales contract repayable in monthly instalments of \$2,201 including interest at 9.83% per annum, secured by equipment with a net book value of \$57,557, due to mature June 2019	53,120	73,224
Mortgage	-	20,056
Mortgage	-	31,907
	<u>\$ 325,716</u>	<u>\$ 529,990</u>

Principal repayments due in each of the next three years are scheduled as follows:

2018	\$ 162,654
2019	136,656
2020	<u>26,406</u>
	<u>\$ 325,716</u>

**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**12. TANGIBLE CAPITAL ASSETS (Appendix B)**

			2017	2016
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Automotive	\$ 824,390	\$ 758,531	\$ 65,859	\$ 94,085
Band housing	9,191,775	6,965,677	2,226,098	2,321,040
Buildings	10,610,024	3,416,146	7,193,878	4,819,412
CMHC social housing	1,962,122	1,764,740	197,382	333,662
Computer equipment	171,349	156,633	14,716	30,232
Equipment	917,988	746,343	171,645	165,279
Infrastructure	5,411,647	1,968,589	3,443,058	3,333,474
Land improvements	319,799	179,927	139,872	145,699
Rental housing	676,741	408,913	267,828	278,988
Roads	1,971,349	877,335	1,094,014	1,139,598
	<u>\$ 32,057,184</u>	<u>\$ 17,242,834</u>	<u>\$ 14,814,350</u>	<u>\$ 12,661,469</u>

Assets under construction included in buildings, in the amount of \$2,567,242, are not currently being amortized. Amortization will commence when the asset is available to be put in use.

**13. CONTINGENT LIABILITIES**

Ulkatcho First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, the Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

**14. RELATED PARTY TRANSACTIONS**

During the year Yun Ka Whu'ten Development Limited Partnership made term demand loan payments as outlined in Note 8 totalling \$286,632 (2016 - \$286,632) on behalf of the Nation.

**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

**15. ECONOMIC DEPENDENCE**

The Nation receives a major portion of its revenue pursuant to funding arrangements with Indigenous and Northern Affairs Canada and First Nations Health Authority. Any disruption in this funding would have a negative effect on the Nation's operations.

**16. RECONCILIATION OF INAC FUNDING AGREEMENT REVENUE**

Pursuant to the Indigenous and Northern Affairs Canada Financial Reporting Requirements for the fiscal period 2016 - 2017, the following reconciliation has been prepared:

Recipient total as per 2016/2017 INAC funding confirmation	<b>\$ 4,037,599</b>
Variance	<u>-</u>
Recipient total as per consolidated statement of operations	<b><u>\$ 4,037,599</u></b>

**17. GOVERNMENT TRANSFERS**

	2017			2016		
	<u>Operating</u>	<u>Capital</u>	<u>Total</u>	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Federal government transfers:						
Indigenous and Northern Affairs Canada	\$ 3,650,224	\$ 387,375	\$ 4,037,599	\$ 3,362,664	\$ -	\$ 3,362,664
First Nations Health Authority	1,123,198	2,857,772	3,980,970	1,153,515	-	1,153,515
Canada Mortgage and Housing Corporation	<u>191,984</u>	<u>-</u>	<u>191,984</u>	<u>64,491</u>	<u>-</u>	<u>64,491</u>
	4,965,406	3,245,147	8,210,553	4,580,670		4,580,670
Provincial Government transfers	<u>446,386</u>	<u>-</u>	<u>446,386</u>	<u>319,242</u>	<u>-</u>	<u>319,242</u>
	<b><u>\$ 5,411,792</u></b>	<b><u>\$ 3,245,147</u></b>	<b><u>\$ 8,656,939</u></b>	<b><u>\$ 4,899,912</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,899,912</u></b>



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

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**18. RISK MANAGEMENT**

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The Nation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include the following:

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation has a history of dealing with its funding agencies and customer base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable.

The Nation maintains its cash and deposits with a single federally regulated Canadian financial institution, and thus has not experienced any change in risk exposure.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Nation's long-term debt is at fixed rates of interest therefore, a change in market interest rates has no impact to cash flows required to service this debt. The term demand loans are subject to floating rates of interest that may expose the Nation to interest rate risk due to fluctuations in the prime rate. The Nation maintains an operating line of credit subject to a floating rate of interest, a change in the variable rate can impact cash flow to service the debt when such debt is outstanding. There has been no change to the risk exposure from 2016 and there is expected to be no substantive change in the next fiscal period.

**19. MANAGEMENT ACTION PLAN**

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Based on the financial position of the Nation for fiscal year ended March 31, 2013, Indigenous and Northern Affairs Canada (INAC) initiated intervention requiring the Nation to implement a Management Action Plan (MAP). The MAP has been prepared and implemented by the Nation and covers the five year period ending March 31, 2019.

**20. SEGMENT DISCLOSURE**

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The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies in Note 1. The segments and services provided are as follows:



**ULKATCHO FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2017**

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**20. SEGMENT DISCLOSURE, continued**

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Economic Development - manages the development of economic opportunities from the land and natural resources for the Nation and its entities;

Education - provides elementary instructional services and financial support to post secondary students;

Employment and Training - provides training and work opportunities for Nation members to improve their job skills and participate effectively in the labour market;

Government Development and Administration - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Health Services - provides a variety of health care programs, services and support to Nation members;

Housing - provides housing and services to Nation members;

Public Works Operations and Maintenance - manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, and maintenance of community buildings;

Social and Community Services - provides programs and services for the social benefit and welfare of Nation members;

Other - Ottawa Trust assets and government business entities provide programs and services for the social, economic and capital needs of Nation members;

Tangible Capital Assets - provides for capital infrastructure development for Nation members.

**21. BUDGETED FIGURES**

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Budgeted figures have been provided for comparison purposes and have been approved by the Chief and Council.

ULKATCHO FIRST NATION  
SEGMENT DISCLOSURE  
YEAR ENDED MARCH 31, 2017

	ECONOMIC DEVELOPMENT			EDUCATION			EMPLOYMENT AND TRAINING			GOVERNMENT DEVELOPMENT AND ADMINISTRATION		
	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016
<b>REVENUE</b>												
Indigenous and Northern Affairs Canada	\$ 53,956	\$ 304,119	\$ 53,956	\$ 1,257,926	\$ 1,381,010	\$ 1,347,155	\$ -	\$ -	\$ -	\$ 484,941	\$ 478,654	\$ 447,900
First Nations Health Authority	-	-	-	-	-	-	-	-	-	-	-	-
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	-	-	-	-	-	-
Province of British Columbia	319,242	346,386	319,242	-	-	-	100,000	100,000	-	-	-	-
Cariboo Chilcotin Aboriginal Training Employment Centre	-	-	-	-	-	-	139,399	150,649	68,302	-	-	-
First Nations Education Steering Committee	-	-	-	-	97,869	35,894	7,803	7,803	-	-	-	-
Ottawa trust assets	-	-	-	-	-	-	-	-	-	-	-	-
Income from investments in government business entities	-	-	-	-	-	-	-	-	-	-	-	-
Management and administration	-	-	-	-	-	-	-	-	-	99,397	182,862	191,732
Own Source	91,600	439,842	229,765	-	-	-	-	-	-	-	-	-
Interest, rent and other	112,500	164,257	14,386	6,400	10,852	8,878	-	1,584	6,970	16,632	40,139	46,987
Change in deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>577,298</b>	<b>1,254,604</b>	<b>617,349</b>	<b>1,264,326</b>	<b>1,489,731</b>	<b>1,391,927</b>	<b>247,202</b>	<b>260,036</b>	<b>75,272</b>	<b>600,970</b>	<b>701,655</b>	<b>686,619</b>
<b>EXPENDITURE</b>												
Activities	-	-	-	12,000	45,134	500	-	-	-	-	-	754
Administration	3,360	7,000	7,000	-	7,580	41,461	9,260	7,846	641	-	2,960	3,819
Amortization and interest	-	-	-	-	6,309	5,973	-	-	-	-	-	-
Capital purchases	-	-	-	3,600	8,967	-	-	-	-	3,000	-	3,459
Consulting and contract services	-	11,042	28,795	-	51,861	7,795	25,000	13,750	-	-	3,281	8,587
Honoraria	5,000	5,064	21,740	-	500	845	3,000	2,263	-	124,800	124,800	127,780
Insurance, fees and dues	-	-	-	5,000	11,558	3,024	1,768	1,031	1,031	42,177	40,545	41,248
Materials and supplies	2,000	4,498	9,269	129,410	133,138	79,686	3,388	4,712	1,624	1,000	619	22,330
Office	-	-	-	6,086	1,635	1,295	-	705	919	18,540	19,162	20,178
Professional fees	141,604	238,971	78,044	-	-	-	77,000	71,760	-	221,502	279,207	231,855
Repairs and maintenance	-	5,296	-	17,500	16,157	3,998	4,746	14,145	-	3,000	11,105	15,618
Telephone and utilities	-	-	-	18,996	32,889	11,553	7,975	4,878	8,396	37,740	36,861	41,786
Travel and accommodations	65,600	190,092	105,217	40,040	82,723	19,236	12,464	11,463	2,546	34,000	6,219	29,535
Wages and benefits	190,373	135,906	43,848	410,186	376,890	288,563	46,601	44,062	50,526	281,206	188,818	234,851
Workshops and training	-	13,898	4,159	9,600	3,627	3,559	45,000	46,984	1,875	4,800	4,816	5,011
Other	12,000	940	1,181	857,812	728,155	835,256	11,000	10,499	-	22,200	23,805	62,764
Loss from investments in government business entities	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>419,937</b>	<b>612,707</b>	<b>299,253</b>	<b>1,510,230</b>	<b>1,507,123</b>	<b>1,302,744</b>	<b>247,202</b>	<b>234,098</b>	<b>67,558</b>	<b>793,965</b>	<b>742,198</b>	<b>849,575</b>
<b>EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)</b>	<b>\$ 157,361</b>	<b>\$ 641,897</b>	<b>\$ 318,096</b>	<b>\$ (245,904)</b>	<b>\$ (17,392)</b>	<b>\$ 89,183</b>	<b>\$ -</b>	<b>\$ 25,938</b>	<b>\$ 7,714</b>	<b>\$ (192,995)</b>	<b>\$ (40,543)</b>	<b>\$ (162,956)</b>

**ULKATCHO FIRST NATION**  
**SEGMENT DISCLOSURE**  
**YEAR ENDED MARCH 31, 2017**

	HEALTH SERVICES			HOUSING			PUBLIC WORKS OPERATIONS AND MAINTENANCE			SOCIAL AND COMMUNITY SERVICES		
	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016
<b>REVENUE</b>												
Indigenous and Northern Affairs Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 288,882	\$ 307,007	\$ 312,946	\$ 1,210,857	\$ 1,179,434	\$ 1,200,707
First Nations Health Authority	998,979	1,123,198	1,153,515	-	-	-	-	-	-	-	-	-
Canada Mortgage and Housing Corporation	-	-	-	181,339	191,984	64,491	-	-	-	-	-	-
Province of British Columbia	-	-	-	-	-	-	-	-	-	-	-	-
Cariboo Chilcotin Aboriginal Training Employment Centre	-	-	-	-	-	-	-	-	-	-	-	-
First Nations Education Steering Committee	-	-	-	-	-	-	-	-	-	-	-	-
Ottawa trust assets	-	-	-	-	-	-	-	-	-	-	-	-
Income from investments in government business entities	-	-	-	-	-	-	-	-	-	-	-	-
Management and administration	-	-	-	-	-	-	-	-	-	-	-	-
Own Source	-	-	-	-	-	-	-	-	-	-	-	-
Interest, rent and other	-	4,963	1,500	182,107	237,799	227,850	-	11,575	919	-	-	-
Change in deferred revenue	-	-	-	-	3,296	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>998,979</b>	<b>1,128,161</b>	<b>1,155,015</b>	<b>363,446</b>	<b>433,079</b>	<b>292,341</b>	<b>288,882</b>	<b>318,582</b>	<b>313,865</b>	<b>1,210,857</b>	<b>1,179,434</b>	<b>1,200,707</b>
<b>EXPENDITURE</b>												
Activities	98,369	90,342	77,439	-	-	-	-	-	-	9,178	11,392	-
Administration	99,397	111,269	101,295	-	9,079	9,036	-	23,962	8,551	-	-	27,453
Amortization and interest	-	-	-	-	146,491	154,220	-	-	-	-	-	-
Capital purchases	65,000	-	-	-	-	-	-	-	-	-	-	-
Consulting and contract services	66,004	69,786	49,941	131,850	129,129	-	117,735	100,177	135,590	-	9,871	780
Honoraria	7,625	8,055	22,755	-	-	-	-	-	-	-	-	-
Insurance, fees and dues	1,656	9,953	4,795	108,359	113,017	30,811	6,491	23,210	16,162	-	-	-
Materials and supplies	63,880	89,941	80,614	-	-	78,465	4,875	4,157	16,496	95,767	41,216	38,432
Office	-	-	34	-	143	728	-	-	1,245	-	-	-
Professional fees	-	-	-	-	6,500	6,500	-	-	-	-	-	-
Repairs and maintenance	11,562	23,044	24,735	35,574	41,101	39,042	51,000	46,081	57,914	-	-	-
Telephone and utilities	30,864	31,795	22,773	500	3,022	1,321	53,414	55,212	68,920	2,400	2,698	3,049
Travel and accommodations	1,702	155,360	159,022	-	-	-	2,850	1,643	3,489	-	1,694	(494)
Wages and benefits	478,253	521,906	500,037	61,223	8,704	-	45,644	97,116	85,370	181,084	229,756	211,075
Workshops and training	41,527	11,663	7,612	-	-	-	-	-	-	26,200	-	803
Other	33,140	44,975	41,747	120,597	90,256	104,731	-	-	-	896,228	1,005,759	969,981
Loss from investments in government business entities	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>998,979</b>	<b>1,168,089</b>	<b>1,092,799</b>	<b>458,103</b>	<b>547,442</b>	<b>424,854</b>	<b>282,009</b>	<b>351,558</b>	<b>393,737</b>	<b>1,210,857</b>	<b>1,302,386</b>	<b>1,251,079</b>
<b>EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)</b>	<b>\$ -</b>	<b>\$ (39,928)</b>	<b>\$ 62,216</b>	<b>\$ (94,657)</b>	<b>\$ (114,363)</b>	<b>\$ (132,513)</b>	<b>\$ 6,873</b>	<b>\$ (32,976)</b>	<b>\$ (79,872)</b>	<b>\$ -</b>	<b>\$ (122,952)</b>	<b>\$ (50,372)</b>



ULKATCHO FIRST NATION  
SEGMENT DISCLOSURE  
YEAR ENDED MARCH 31, 2017

	OTHER			TANGIBLE CAPITAL ASSETS			TOTAL BEFORE ADJUSTMENTS			CONSOLIDATION ADJUSTMENTS			CONSOLIDATED TOTALS		
	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016	Budget	2017	2016
<b>REVENUE</b>															
Indigenous and Northern Affairs Canada	\$ -	\$ -	\$ -	\$ -	\$ 387,375	\$ -	\$ 3,296,562	\$ 4,037,599	\$ 3,362,664	\$ -	\$ -	\$ -	\$ 3,296,562	\$ 4,037,599	\$ 3,362,664
First Nations Health Authority	-	-	-	3,105,050	2,857,772	-	4,104,029	3,980,970	1,153,515	-	-	-	4,104,029	3,980,970	1,153,515
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	181,339	191,984	64,491	-	-	-	181,339	191,984	64,491
Province of British Columbia	-	-	-	-	-	-	419,242	446,386	319,242	-	-	-	419,242	446,386	319,242
Cariboo Chilcotin Aboriginal Training Employment Centre	-	-	-	-	-	-	139,399	150,649	68,302	-	-	-	139,399	150,649	68,302
First Nations Education Steering Committee	-	-	-	-	-	-	7,803	105,672	35,894	-	-	-	7,803	105,672	35,894
Ottawa trust assets	-	3,597	3,615	-	-	-	-	3,597	3,615	-	-	-	-	3,597	3,615
Income from investments in government business entities	-	583,519	36,658	-	-	-	-	583,519	36,658	-	-	-	-	583,519	36,658
Management and administration	-	-	-	-	-	-	99,397	182,862	191,732	-	-	-	99,397	182,862	191,732
Own Source	-	-	-	-	-	-	91,600	439,842	229,765	-	-	-	91,600	439,842	229,765
Interest, rent and other	-	-	-	-	-	-	317,639	471,169	307,490	-	27	-	317,639	471,196	307,490
Change in deferred revenue	-	-	-	-	(403,326)	55,565	-	(400,030)	55,565	-	-	-	-	(400,030)	55,565
<b>TOTAL REVENUE</b>	-	587,116	40,273	3,105,050	2,841,821	55,565	8,657,010	10,194,219	5,828,933	-	27	-	8,657,010	10,194,246	5,828,933
<b>EXPENDITURE</b>															
Activities	-	-	-	-	-	-	119,547	146,868	78,693	-	-	-	119,547	146,868	78,693
Administration	-	-	-	-	-	-	112,017	169,696	199,256	-	-	-	112,017	169,696	199,256
Amortization and interest	-	-	-	-	-	-	-	152,800	160,193	706,000	561,627	614,443	706,000	714,427	774,636
Capital purchases	-	-	-	3,105,050	2,841,821	4,707	3,176,650	2,850,788	8,166	(3,105,050)	(2,850,788)	(8,166)	71,600	-	-
Consulting and contract services	-	-	-	-	-	-	340,589	388,897	231,488	-	-	-	340,589	388,897	231,488
Honoraria	-	-	-	-	-	-	140,425	140,682	173,120	-	-	-	140,425	140,682	173,120
Insurance, fees and dues	-	-	-	-	-	-	165,451	199,314	97,071	-	-	-	165,451	199,314	97,071
Materials and supplies	-	-	-	-	-	-	300,320	278,281	326,916	-	-	-	300,320	278,281	326,916
Office	-	-	-	-	-	-	24,626	21,645	24,399	-	-	-	24,626	21,645	24,399
Professional fees	-	-	-	-	-	-	440,106	596,438	316,399	-	-	-	440,106	596,438	316,399
Repairs and maintenance	-	-	-	-	-	-	123,382	156,929	141,307	-	-	-	123,382	156,929	141,307
Telephone and utilities	-	-	-	-	-	-	151,889	167,355	157,798	-	-	-	151,889	167,355	157,798
Travel and accommodations	-	-	-	-	-	-	156,656	449,194	318,551	-	-	-	156,656	449,194	318,551
Wages and benefits	-	-	-	-	-	-	1,694,570	1,603,158	1,414,270	-	-	-	1,694,570	1,603,158	1,414,270
Workshops and training	-	-	-	-	-	-	127,127	80,988	23,019	-	-	-	127,127	80,988	23,019
Other	-	-	-	-	-	-	1,952,977	1,904,389	2,015,660	-	-	-	1,952,977	1,904,389	2,015,660
Loss from investments in government business entities	-	14	490,193	-	-	-	-	14	490,193	-	-	-	-	14	490,193
<b>TOTAL EXPENDITURE</b>	-	14	490,193	3,105,050	2,841,821	4,707	9,026,332	9,307,436	6,176,499	(2,399,050)	(2,289,161)	606,277	6,627,282	7,018,275	6,782,776
<b>EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)</b>	\$ -	\$ 587,102	\$ (449,920)	\$ -	\$ -	\$ 50,858	\$ (369,322)	\$ 886,783	\$ (347,566)	\$ 2,399,050	\$ 2,289,188	\$ (606,277)	\$ 2,029,728	\$ 3,175,971	\$ (953,843)
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ -	\$ 587,102	\$ (449,920)	\$ -	\$ -	\$ 50,858	\$ (369,322)	\$ 886,783	\$ (347,566)	\$ 2,399,050	\$ 2,289,188	\$ (606,277)	\$ 2,029,728	\$ 3,175,971	\$ (953,843)



**ULKATCHO FIRST NATION**  
**GOVERNMENT BUSINESS ENTITIES**  
**CONDENSED FINANCIAL INFORMATION**  
**YEAR ENDED MARCH 31, 2017**

**APPENDIX A**

	Ulkatcho Mercantile Ltd.	West Chilcotin Forest Products Ltd.	Yun ka Whu'ten Development Limited Partnership	690361 B.C. Ltd.	Total 2017	Total 2016
<b>Assets</b>						
Financial Assets	\$ 190,693	\$ 3	\$ 1,490,209	\$ 624	\$ 1,681,529	\$ 1,567,270
Tangible Capital Assets	25,537	-	581,842	-	607,379	645,878
Other Assets	880	-	-	-	880	851
<b>Total Assets</b>	<b>\$ 217,110</b>	<b>\$ 3</b>	<b>\$ 2,072,051</b>	<b>\$ 624</b>	<b>\$ 2,289,788</b>	<b>\$ 2,213,999</b>
<b>Liabilities and Partner's Equity (Deficiency)</b>						
Liabilities	\$ 35,555	\$ -	\$ 1,663,051	\$ 123	\$ 1,698,729	\$ 1,963,837
Debt	11,923	-	-	-	11,923	16,871
Equity (Deficit)	100,729	3	404,000	(193)	504,539	160,822
<b>Total Liabilities and Equity</b>	<b>\$ 148,207</b>	<b>\$ 3</b>	<b>\$ 2,067,051</b>	<b>\$ (70)</b>	<b>\$ 2,215,191</b>	<b>\$ 2,141,530</b>
<b>Related Party Loans</b>	<b>\$ 68,903</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 694</b>	<b>\$ 74,597</b>	<b>\$ 72,469</b>
Intercompany Loans	\$ (5,000)	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,000
Ulkatcho First Nation Advances	73,903	-	-	694	74,597	67,469
<b>Related Party Loans</b>	<b>\$ 68,903</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 694</b>	<b>\$ 74,597</b>	<b>\$ 72,469</b>
<b>Revenue</b>	<b>\$ 884,341</b>	<b>\$ -</b>	<b>\$ 4,368,507</b>	<b>\$ 58</b>	<b>\$ 5,252,906</b>	<b>\$ 1,593,771</b>
Expenses	874,563	-	3,749,232	(48)	4,623,747	1,960,901
Amortization	5,589	-	39,887	-	45,476	86,454
<b>Total Expenses</b>	<b>880,152</b>	<b>-</b>	<b>3,789,119</b>	<b>(48)</b>	<b>4,669,223</b>	<b>2,047,355</b>
<b>Net Income (Loss)</b>	<b>\$ 4,189</b>	<b>\$ -</b>	<b>\$ 579,388</b>	<b>\$ 106</b>	<b>\$ 583,683</b>	<b>\$ (453,584)</b>
<b>Ulkatcho First Nation Share</b>	<b>\$ 4,189</b>	<b>\$ -</b>	<b>\$ 579,330</b>	<b>\$ (14)</b>	<b>\$ 583,505</b>	<b>\$ (453,535)</b>

**ULKATCHO FIRST NATION**  
**TANGIBLE CAPITAL ASSETS**  
**YEAR ENDED MARCH 31, 2017**

**APPENDIX B**

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE
	Opening	Additions	Disposals	Balance	Opening	Amortization	Disposals	Balance	2017
	Balance			End of Year	Balance			End of Year	
Automotive equipment	\$ 824,390	\$ -	\$ -	\$ 824,390	\$ 730,305	\$ 28,226	\$ -	\$ 758,531	\$ 65,859
Band housing	9,191,775	-	-	9,191,775	6,870,735	94,942	-	6,965,677	2,226,098
Buildings	8,042,781	2,567,243	-	10,610,024	3,223,369	192,777	-	3,416,146	7,193,878
CMHC social housing	1,962,122	-	-	1,962,122	1,628,460	136,280	-	1,764,740	197,382
Computer equipment	171,349	-	-	171,349	141,117	15,516	-	156,633	14,716
Equipment	877,366	40,622	-	917,988	712,087	34,256	-	746,343	171,645
Infrastructure	5,168,724	242,923	-	5,411,647	1,835,250	133,339	-	1,968,589	3,443,058
Land improvements	319,799	-	-	319,799	174,100	5,827	-	179,927	139,872
Rental housing	676,741	-	-	676,741	397,753	11,160	-	408,913	267,828
Roads	1,971,349	-	-	1,971,349	831,751	45,584	-	877,335	1,094,014
	<u>\$ 29,206,396</u>	<u>\$ 2,850,788</u>	<u>\$ -</u>	<u>\$ 32,057,184</u>	<u>\$ 16,544,927</u>	<u>\$ 697,907</u>	<u>\$ -</u>	<u>\$ 17,242,834</u>	<u>\$ 14,814,350</u>

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE
	Opening	Additions	Disposals	Balance	Opening	Amortization	Disposals	Balance	2016
	Balance			End of Year	Balance			End of Year	
Automotive equipment	\$ 824,390	\$ -	\$ -	\$ 824,390	\$ 689,983	\$ 40,322	\$ -	\$ 730,305	\$ 94,085
Band housing	9,191,775	-	-	9,191,775	6,774,025	96,710	-	6,870,735	2,321,040
Buildings	8,042,781	-	-	8,042,781	3,022,560	200,809	-	3,223,369	4,819,412
CMHC social housing	1,962,122	-	-	1,962,122	1,492,599	135,861	-	1,628,460	333,662
Computer equipment	167,890	3,459	-	171,349	109,810	31,307	-	141,117	30,232
Equipment	877,366	-	-	877,366	670,767	41,320	-	712,087	165,279
Infrastructure	5,164,017	4,707	-	5,168,724	1,696,453	138,797	-	1,835,250	3,333,474
Land improvements	319,799	-	-	319,799	168,029	6,071	-	174,100	145,699
Rental housing	676,741	-	-	676,741	386,129	11,624	-	397,753	278,988
Roads	1,971,349	-	-	1,971,349	784,268	47,483	-	831,751	1,139,598
	<u>\$ 29,198,230</u>	<u>\$ 8,166</u>	<u>\$ -</u>	<u>\$ 29,206,396</u>	<u>\$ 15,794,623</u>	<u>\$ 750,304</u>	<u>\$ -</u>	<u>\$ 16,544,927</u>	<u>\$ 12,661,469</u>