



**Nee Tahi Buhn Indian Band  
Summary Financial Statements**

**March 31, 2018**

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# **Nee Tahi Buhn Indian Band**

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**For the year ended March 31, 2018**

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**Nee Tahi Buhn Indian Band  
March 31, 2018**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying consolidated financial statements of Nee Tahi Buhn Indian Band are the responsibility of management and have been approved by 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 controls to provide reasonable assurance that reliable financial information is produced.

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

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 auditor's report.

The external auditors, Ribeyre Chang Haylock 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 Nee Tahi Buhn Indian Band and meet when required.

  
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Chief Ray Morris

## INDEPENDENT AUDITORS' REPORT

To: The Members of the Nee Tahi Buhn Indian Band

### **Nee Tahi Buhn Indian Band**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Nee Tahi Buhn Indian Band, which comprise the statement of financial position as at March 31, 2018, and the summary statement of operations, summary statement of change in net debt, summary statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of 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 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements present fairly, in all material respects, the financial position of the Nee Tahi Buhn Indian Band as at March 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Port Coquitlam, B.C.  
July 24, 2018

*Rihye Amy Hybak*  
Chartered Professional Accountants



# Nee Tahi Buhn Indian Band

## SUMMARY STATEMENT OF FINANCIAL POSITION

As at March 31, 2018

Statement 1

	2018	2017
<b>Financial assets</b>		
Cash - Note 3	\$ 24,470	\$ 152,668
Accounts receivable - Note 4	389,719	161,903
Investments - Note 5	224,218	584,129
Trust moneys - Note 6	3,177	2,767
	<b>641,584</b>	<b>901,467</b>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	375,326	317,365
Deferred revenue	-	88,325
Long-term debt - Note 7	17,009	27,075
	<b>392,335</b>	<b>432,765</b>
<b>Net financial assets</b>	<b>249,249</b>	<b>468,702</b>
<b>Non-financial assets</b>		
Prepaid expenses and deposits	1,276	9,044
Fixed assets - Note 8	661,606	670,413
	<b>662,882</b>	<b>679,457</b>
<b>Accumulated surplus</b>	<b>\$ 912,131</b>	<b>\$ 1,148,159</b>

See accompanying notes

On behalf of Chief and Council:



Chief

# Nee Tahi Buhn Indian Band

## SUMMARY STATEMENT OF OPERATIONS

For the year ended March 31, 2018	Statement 2		
	2018 Budget	2018	2017
<b>Revenue</b>			
<b>Operating Fund</b>			
Indigenous and Northern Affairs Canada	\$ 459,656	\$ 340,888	
Canada Mortgage and Housing Corporation	8,444	10,634	
Health	164,827	149,831	
Pacific Trail Pipeline	-	(15,240)	
Prince George Native Aboriginal Education & Training Association	28,609	28,609	
Province of British Columbia	363,976	81,042	
Resources	-	55,000	
Investment (Loss) gain	(112,300)	438,185	
Other	38,167	131,845	
<b>Social Housing Fund</b>	8,444	10,634	
<b>Trust Fund</b>	410	395	
	-	960,233	1,231,823
<b>Expenses</b>			
<b>Operating Fund</b>			
Band government	416,119	277,503	
Economic development	(54,591)	304,543	
Education and training	165,421	132,907	
Health services	138,936	60,035	
Social services	68,064	112,414	
Community infrastructure	138,686	57,303	
<b>Investment fund</b>	247,611	775,000	
<b>Social Housing Fund</b>	19,434	20,037	
	-	1,139,680	1,739,742
<b>Deficit</b>	-	(179,447)	(507,919)
<b>Accumulated surplus, beginning of year</b>		1,148,159	1,711,649
<b>Recoveries</b>		(56,581)	(55,571)
<b>Accumulated surplus, end of year</b>		\$ 912,131	\$ 1,148,159

*See accompanying notes*

# Nee Tahi Buhn Indian Band

## SUMMARY STATEMENT OF NET FINANCIAL ASSETS

For the year ended March 31, 2018

Statement 3

	2018	2017
<b>Annual deficit</b>	<b>\$ (179,447)</b>	<b>\$ (507,919)</b>
<b>Recoveries in the year</b>	<b>(56,581)</b>	<b>(55,571)</b>
	<b>(236,028)</b>	<b>(563,490)</b>
<b>Changes in tangible capital assets</b>		
Acquisition of fixed assets	<b>(64,945)</b>	<b>(28,264)</b>
Amortization of fixed assets	<b>73,752</b>	<b>67,181</b>
	<b>8,807</b>	<b>38,917</b>
<b>Changes in other non-financial assets</b>		
Acquisition of prepaid asset - net	<b>7,768</b>	<b>(5,008)</b>
<b>Decrease in net assets</b>	<b>(219,453)</b>	<b>(529,581)</b>
Net financial assets, beginning of year	<b>468,702</b>	<b>998,283</b>
<b>Net financial assets, end of year</b>	<b>\$ 249,249</b>	<b>\$ 468,702</b>

*See accompanying notes*



# Nee Tahi Buhn Indian Band

## SUMMARY STATEMENT OF CASH FLOWS

For the year ended March 31, 2018

Statement 4

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Net change in accumulated surplus	\$ (236,028)	\$ (563,490)
Items not involving cash:		
Deferred revenue	(88,325)	88,325
Depreciation of assets	73,752	67,181
Change in Investment Fund	359,911	331,435
Change in Trust Fund	(410)	(395)
Changes in working capital items	(162,087)	222,359
<b>Cash (used in) provided by operating activities</b>	<b>(53,187)</b>	<b>145,415</b>
<b>INVESTING ACTIVITIES</b>		
Purchase and construction of fixed assets	(64,945)	(28,264)
<b>Cash used in investing activities</b>	<b>(64,945)</b>	<b>(28,264)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(10,066)	(9,878)
<b>Cash used in financing activities</b>	<b>(10,066)</b>	<b>(9,878)</b>
<b>(Decrease) increase in cash during the year</b>	<b>(128,198)</b>	<b>107,273</b>
Cash, beginning of year	152,668	45,395
<b>Cash, end of year</b>	<b>\$ 24,470</b>	<b>\$ 152,668</b>

See accompanying notes

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# Nee Tahi Buhn Indian Band

## NOTES TO FINANCIAL STATEMENTS

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March 31, 2018

See Auditors' Report

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

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 Canadian Institute of Chartered Professional Accountants.

#### a) Fund accounting

The Nee Tahi Buhn Indian Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the summary financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Nee Tahi Buhn Indian Band maintains the following funds:

- The Operating Fund which reports the general activities of the band administration.
- The Investment Fund which reports the Band's investments in related entities.
- The Trust Fund which reports on trust funds owned by the Band and held by a third party.
- The Social Housing Fund which reports on the housing activities related to CMHC funded housing.

#### b) Reporting entity and principles of financial reporting

The Nee Tahi Buhn Indian Band reporting entity includes the Nee Tahi Buhn Indian Band government and all related entities which are accountable to the Band and are either owned or controlled by the Band.

These financial statements consolidate the assets, liabilities and results of operation for the following entities which use accounting principles which lend themselves to consolidation:

- Operating Fund
- Investment Fund
- Trust Fund
- Social Housing Fund

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

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## Nee Tahi Buhn Indian Band

### NOTES TO FINANCIAL STATEMENTS

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**March 31, 2018**

**See Auditors' Report**

#### **1. Continued...**

The Nee Tahi Buhn Indian Band owns and controls the incorporated business, Hunust'ot'en Investment Corporation. The business is included in the summary financial statements using the modified equity method.

#### **c) Fixed assets**

The acquisition costs of fixed assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Operating Fund with a corresponding increase in Operating Fund - unrestricted equity.

Fixed assets acquired as part of the Social Housing Fund are recorded as assets of that Fund.

#### **d) Depreciation**

Fixed assets are recorded and depreciated with a corresponding reduction in Equity in Fixed Assets. Assets are depreciated over their expected useful life using the declining balance method at the following rates:

Automotive	30%
Buildings and infrastructure	5%
Computer software and equipment	20% and 30%
Furniture and equipment	20%
Infrastructure	4%
Mobile and other equipment	30%

Social Housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are depreciated at a rate equivalent to the annual principal reduction in the related long-term debt, as required for Canada Mortgage and Housing Corporation reporting purposes. To be consistent, housing assets in the Capital Fund are also depreciated at a rate equivalent to the annual principal reduction in the related long-term debt.

#### **e) Revenue recognition**

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 is reflected as deferred revenue in the year of receipt and classified as such on the Statement of Financial Position.

# Nee Tahi Buhn Indian Band

## NOTES TO FINANCIAL STATEMENTS

**March 31, 2018**

**See Auditors' Report**

**1. Continued...**

**f) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reported period. Actual results could differ from the estimates.

**2. ECONOMIC DEPENDENCE**

The Nee Tahi Buhn Indian Band receives the majority of its recurring operational revenue pursuant to a funding arrangement with Indigenous Services Canada (ISC).

**3. CASH**

Cash includes line of credit which bears interest rate of bank's prime rate plus 2.62%. As of March 31, 2018, there was no outstanding balance on the line of credit.

**4. ACCOUNTS RECEIVABLE**

	2018	2017
Accounts receivable is comprised of the following:		
Buckley Valley Child Development Centre Society	\$ -	\$ 1,720
Canada Mortgage and Housing Corporation	703	703
Canada Revenue Agency	36,534	29,453
Carrier Sekani Family Services	21,148	20,623
College of New Caledonia	-	548
Eagle Bay Protection Services	117,000	117,000
Allowance for advance to Eagle Bay Protection Services	(117,000)	(117,000)
Employee payroll advances	75,961	54,655
Allowance for advances to employees	(29,297)	(27,473)
First Nation Education Steering Committee	-	8,440
Huckleberry Mines Ltd.	-	1,000
Indigenous Services Canada	20,000	12,500
Lakes District Aboriginal Training and Employment Society	14,400	14,400
Allowance for Lakes District Aboriginal Training and Employment Society	(14,400)	(14,400)
New Relationship Trust	-	5,000
Prince George Nechako Aboriginal Employment and Training Association	3,419	49,923
Province of British Columbia	247,179	-
Helix Seismic Corporation	250,000	250,000
Allowance for advances to Helix Seismic Corporation	(250,000)	(250,000)
Other	14,072	4,811
	<b>\$ 389,719</b>	<b>\$ 161,903</b>

# Nee Tahi Buhn Indian Band

## NOTES TO FINANCIAL STATEMENTS

**March 31, 2018**

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### 5. INVESTMENTS

Investments consist of the following:	2018	2017
Voting shares in a non-profit organization	\$ 6	\$ 6
All Nations Coffee Company (100% interest)		
1 Common share	1	1
Due from All Nations Coffee Company	3,551	1,769
	<b>3,552</b>	<b>1,770</b>
1028007 B.C. Ltd. (100% interest)		
1 Common share	1	1
Due from 1028007 B.C. Ltd.	524,999	524,999
Less: allowance for doubtful account	(525,000)	(525,000)
	-	-
Hunust'ot'en Investment Corporation operating as 625142 B.C. Ltd. (100% interest)		
100 shares (market value nil)	100	100
Due from Hunust'ot'en Investment Corporation	189,787	358,438
Accumulated deficit (limited to investment value)	(189,887)	(7,433)
	-	351,105
Chinook Comfor Limited Partnership (14.7%)		
Units, at cost	1,415	1,415
Partnership equity	219,245	229,371
	<b>220,660</b>	<b>230,786</b>
FN (PTP) Group Limited Partnership (7.65% interest)		
Partnership equity	(1,000)	(538)
Units, at cost	1,000	1,000
	-	462
	<b>\$ 224,218</b>	<b>\$ 584,129</b>

Financial information for enterprise entities wholly-owned by the band ending March 31, 2018 are as follows:

	Assets	Liabilities	Revenues	Income (loss)
All Nations Coffee Company	\$ 3,552	\$ 3,551	\$ -	\$ -
1028007 B.C. Ltd.	\$ -	\$ 524,999	\$ -	\$ -
Hunust'ot'en Investment Corporation	\$ 12,729	\$ 270,577	\$ 116,000	\$ (250,515)

# Nee Tahi Buhn Indian Band

## NOTES TO FINANCIAL STATEMENTS

March 31, 2018

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### 6. TRUST MONEYS

	March 31, 2017	Additions	Withdrawals	March 31, 2018
Revenue	\$ 2,767	\$ 410	\$ -	\$ 3,177

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

### 7. LONG-TERM DEBT

	2018	2017
Mortgage payable with payments of \$858 per month including interest at 1.04% per annum, due on November 1, 2019, secured by a first mortgage on land and housing units.	\$ 17,009	\$ 27,075

Principal payments expected over the next four years are: 2019 - \$10,170; 2020 - \$6,839, 2021 - nil, 2022 - nil, 2023 - nil.



**Nee Tahí Buhn Indian Band**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2018

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**8. FIXED ASSETS**

	2018					2017	
	Beginning Cost	Additions	Ending Cost	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Net Book Value	Net Book Value
Operating Fund							
Automotive	\$ 41,182	\$ 64,945	\$ 106,127	\$ (30,043)	\$ (43,128)	\$ 62,999	\$ 11,139
Buildings and infrastructure	783,330	-	783,330	(290,358)	(314,219)	469,111	492,972
Computers	115,863	-	115,863	(59,396)	(74,886)	40,977	56,467
Office furniture and fixtures	50,439	-	50,439	(45,842)	(921)	3,676	4,597
Logging equipment	28,500	-	28,500	(28,410)	(27)	63	90
Equipment	89,740	-	89,740	(55,396)	(10,302)	24,042	34,344
	<b>1,109,054</b>	<b>64,945</b>	<b>1,173,999</b>	<b>(509,445)</b>	<b>(573,131)</b>	<b>600,868</b>	<b>599,609</b>
Social Housing Fund							
Land	6,979	-	6,979	-	-	6,979	6,979
Equipment	4,765	-	4,765	(2,532)	(2,758)	2,007	2,233
Buildings and infrastructure	207,223	-	207,223	(145,631)	(9,840)	51,752	61,592
	<b>218,967</b>	<b>-</b>	<b>218,967</b>	<b>(148,163)</b>	<b>(158,229)</b>	<b>60,738</b>	<b>70,804</b>
	<b>\$ 1,328,021</b>	<b>\$ 64,945</b>	<b>\$ 1,392,966</b>	<b>\$ (657,608)</b>	<b>\$ (73,752)</b>	<b>\$ 661,606</b>	<b>\$ 670,413</b>

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## Nee Tahi Buhn Indian Band

### NOTES TO FINANCIAL STATEMENTS

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March 31, 2018

See Auditors' Report

#### 9. BUDGET INFORMATION

The budget information disclosed has been approved by the Band. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determined.

#### 10. REPLACEMENT RESERVE FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, the Nee Tahi Buhn Indian Band Social Housing must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets.

As at March 31, 2018, cash and term deposits required to fund the Replacement Reserve Fund were deficient by \$65,971 (2017 - \$63,216)

#### 11. SUBSIDY SURPLUS FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, the Nee Tahi Buhn Indian Band Social Housing is permitted to set aside an amount of \$500 per housing unit for the purpose of meeting future requirements of income listed over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

As at March 31, 2018, the subsidy surplus fund was not utilized.