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**NUCHATLAHT FIRST NATION**

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**FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2016**

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# NUCHATLAHT FIRST NATION

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YEAR ENDED MARCH 31, 2016  
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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The First Nation maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

The First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The First Nation Council reviews the First Nation's consolidated financial statements and management letter. The Council meets 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 Council approves the consolidated financial statements for issuance to the members. The Council also considers, for review and approval by the members, the engagement of the external auditors.

The consolidated financial statements have been audited by McGorman MacLean, Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the members. McGorman MacLean has full and free access to the Council.

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Councillor

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Councillor

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Councillor

## INDEPENDENT AUDITORS' REPORT

To the members  
Nuchatlaht First Nation

We have audited the accompanying consolidated statement of financial position of Nuchatlaht First Nation as at March 31, 2016 and 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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Nuchatlaht First Nation as at March 31, 2016 and the results of its consolidated operations, changes in net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*McGorman MacLean*

CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada  
July 22, 2016

# NUCHATLAHT FIRST NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2016

	2016	2015
<b>FINANCIAL ASSETS</b>		
Cash (note 4)	\$ 542,913	\$ 372,822
Term deposit	52,434	101,907
Funds on deposit in Ottawa Trusts (note 4)	90,349	88,159
Accounts receivable (note 5)	94,979	153,195
Investment in Hayu Fishing Limited Partnership (note 6)	263,846	201,205
	1,044,521	917,288
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	76,603	164,396
Deferred revenue (note 7)	24,280	111,721
Deficit in Hayu Fishing Ltd. (note 8)	1,026	783
Long term debt (note 9)	968,574	999,987
	1,070,483	1,276,887
<b>NET DEBT</b>	(25,962)	(359,599)
<b>NON-FINANCIAL ASSETS</b>		
Deferred expenses (note 10)	8,740	115,778
Tangible capital assets (note 11)	1,862,198	1,970,392
	1,870,938	2,086,170
<b>ACCUMULATED SURPLUS</b>	\$ 1,844,976	\$ 1,726,571
<b>ACCUMULATED SURPLUS AT END OF YEAR CONSISTS OF:</b>		
Restricted (note 12)	\$ 28,965	\$ 58,422
Unrestricted	922,383	697,739
	951,348	756,161
Investment in tangible capital assets	1,763,604	1,840,386
Treaty debt deficit	(869,976)	(869,976)
	\$ 1,844,976	\$ 1,726,571

Contingent liabilities (note 13)

**APPROVED ON BEHALF OF COUNCIL:**

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## NUCHATLAHT FIRST NATION

### CONSOLIDATED STATEMENT OF OPERATIONS YEAR ENDED MARCH 31, 2016

	Budget (unaudited)	2016	2015
<b>REVENUE</b>			
Nuu-chah-nulth Tribal Council - operating	\$ 702,810	\$ 833,442	\$ 805,539
Nuu-chah-nulth Tribal Council - capital	-	35,798	-
Fisheries licence lease	67,856	104,547	89,800
Income from Hayu Fishing Limited			
Partnership	-	77,586	90,566
Miscellaneous revenue and recoveries	35,237	74,160	36,483
Western Forest Products Inc.	-	62,517	72,531
Province of British Columbia	-	61,666	64,999
Social Housing rents	34,740	29,345	37,140
Fisheries cooperation agreement	24,991	24,923	24,923
CMHC subsidies	10,145	7,593	10,145
Nuu-chah-nulth Economic Development Corporation - capital	-	4,888	9,371
Loss from Hayu Fishing Ltd.	-	(243)	(253)
	875,779	1,316,222	1,241,244
<b>EXPENSES</b>			
Operating Fund	828,411	1,115,904	986,984
Social Housing Fund	59,986	62,251	38,720
Treaty Fund	-	19,662	-
	888,397	1,197,817	1,025,704
<b>ANNUAL SURPLUS (DEFICIT)</b>	(12,618)	118,405	215,540
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	63,842	1,726,571	1,511,031
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	\$ 51,224	\$ 1,844,976	\$ 1,726,571

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**NUCHATLAHT FIRST NATION**

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**CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT  
YEAR ENDED MARCH 31, 2016**

	2016	2015
<b>SURPLUS FOR THE YEAR</b>	\$ 118,405	\$ 215,540
Acquisition of tangible capital assets	(63,205)	(82,432)
Amortization of tangible capital assets	148,935	148,989
Proceeds from disposal of tangible capital assets	10,000	-
Loss on disposal of tangible capital assets	12,464	-
Acquisition of deferred expenses	(8,740)	(115,778)
Use of deferred expenses	115,778	108,831
<b>CHANGE IN NET DEBT</b>	333,637	275,150
<b>NET DEBT AT BEGINNING OF YEAR</b>	(359,599)	(634,749)
<b>NET DEBT AT END OF YEAR</b>	\$ (25,962)	\$ (359,599)

## NUCHATLAHT FIRST NATION

### CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2016

	2016	2015
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 118,405	\$ 215,540
Adjust for items which do not involve cash:		
Amortization	148,935	148,989
Loss on disposal of tangible capital assets	12,464	-
	279,804	364,529
Changes in non-cash working capital		
Decrease (Increase)		
Accounts receivable	58,216	(73,456)
Increase (Decrease)		
Accounts payable and accrued liabilities	(87,793)	60,524
Deferred revenue	(87,441)	(87,773)
Deferred expenses	107,038	(6,947)
	(9,980)	(107,652)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>269,824</b>	<b>256,877</b>
<b>CAPITAL TRANSACTIONS</b>		
Investment in Hayu Fishing Limited Partnership	(62,641)	(78,566)
Deficit in Hayu Fishing Ltd.	243	253
Purchase of tangible capital assets	(63,205)	(82,432)
Proceeds on disposal of tangible capital assets	10,000	-
	(115,603)	(160,745)
<b>FINANCING ACTIVITIES</b>		
Repayment of long term debt	(31,413)	(45,946)
<b>INCREASE IN CASH</b>	<b>122,808</b>	<b>50,186</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>562,888</b>	<b>512,702</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 685,696</b>	<b>\$ 562,888</b>
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash	\$ 542,913	\$ 372,822
Term deposit	52,434	101,907
Funds on deposit in Ottawa Trusts	90,349	88,159
	<b>\$ 685,696</b>	<b>\$ 562,888</b>



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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

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

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as outlined by the Public Sector Accounting Board (PSAB) of the Organization of Chartered Professional Accountants of British Columbia, which encompass the following principles:

(a) Basis of consolidation

The consolidated financial statements reflect a combination of the First Nation's operating, treaty, enterprise, tangible capital assets, trust and social housing funds.

The Operating Fund reports the general activities of the First Nation administration including various commercial activities.

The Treaty Fund reports the activities of the Treaty negotiating team.

The Enterprise Fund reports the activities of the First Nation's owned entities.

The Trust Fund reports on trust funds owned by the First Nation and held by third parties.

The Social Housing Fund reports the activities within the First Nation sponsored Social Housing Program.

(b) Reporting entity and principles of financial reporting

The Nuchatlaht First Nation reporting entity includes all entities which are accountable to the First Nation, and are either owned, directly or indirectly, or controlled by the First Nation.

These consolidated financial statements include the assets, liabilities and results of operations for the following entities:

Nuchatlaht First Nation government administration including special and commercial projects  
Nuchatlaht First Nation Social Housing Program  
Nuchatlaht First Nation Trust Fund  
Hayu Fishing Limited Partnership  
Hayu Fishing Ltd.

All inter-entity balances have been eliminated on consolidation.

(c) Cash

The First Nation's policy is to present bank balances under cash.

(d) Term deposit

The term deposit is stated at cost which equals market value.

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

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

(continued)

(e) Investment in Hayu Fishing Limited Partnership and Hayu Fishing Ltd.

The investment in Hayu Fishing Limited Partnership, representing a twenty-five percent partnership interest, is accounted for using the modified equity method.

The investment in Hayu Fishing Ltd., representing a twenty-five percent ownership interest, is accounted for using the modified equity method.

(f) Deferred expenses

Deferred expenses, which consist of prepaid expenses and oyster farm expenses are recorded at cost. Oyster farm expenses include the cost of start-up and upkeep of the farm, less contributions from Nuu-chah-nulth Economic Development Corporation.

(g) Tangible capital assets

Tangible capital assets are stated at cost and are being amortized on the straight-line basis using the following rates:

Buildings and social housing	-	20 - 45 years
Infrastructure	-	20 - 25 years
Vehicles	-	8 years
Boats and equipment	-	7 years
Equipment	-	5 years
Playground	-	5 years
Computer equipment	-	3 years

In the year of acquisition, 50% of the normal amortization is recorded.

(h) Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements.

Government transfers are recognized in the financial statements as revenue in the period the transfers are authorized and any eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the recipient government. Transfers received which meet the definition of a liability are included in deferred revenue.

Deferred revenue consists of funding which is received, externally restricted, and will not be included in revenue until the related expenses are incurred.

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

### 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses. Significant items subject to such estimates and assumptions include valuation of accounts receivable, deferred expenses, the estimated useful life of tangible capital assets and accrued liabilities. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

### 2. FINANCIAL INSTRUMENTS

The First Nation's financial instruments consist of cash, term deposit, accounts receivable, investment in Hayu Fishing Limited Partnership, accounts payable and accrued liabilities, deficit in Hayu Fishing Ltd. and long term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments, the fair value of which approximates their carrying value. Accounts receivable are subject to credit risk as explained in note 5.

The fair market values of the investments in Hayu Fishing Limited Partnership and Hayu Fishing Ltd. have not been determined and accordingly may differ from the recorded values.

### 3. ECONOMIC DEPENDENCE

The First Nation receives the major portion of its operating revenue pursuant to an agreement referred to as the "Canada/First Nations Funding Agreement" (CFNFA). The agreement is between Nuu-chah-nulth Tribal Council, its member First Nations and Indigenous and Northern Affairs Canada.

### 4. RESTRICTED CASH

#### (a) Ottawa Trust Funds

The Ottawa 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 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.

# NUCHATLAHT FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

### 4. RESTRICTED CASH (continued)

#### (b) Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited in the amount of \$6,626 annually for Social Housing Projects I (\$1,506) and II (\$5,120). These funds, along with the accumulated interest, must be held in separate bank accounts 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.

The First Nation has fully complied with the agreement with CMHC for funding the reserve. At year end, \$48,293 was held in a separate bank account included in cash.

#### (c) Subsidy Surplus Reserve - Project I and II

Under the terms of the agreement with CMHC, excess federal assistance payments received may be retained in a subsidy surplus reserve up to a maximum of \$500 per unit plus interest. The reserve is to be comprised of monies deposited into 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 this account may only be used to meet future subsidy requirements of income-tested occupants over and above the maximum federal assistance. At year end, there were no funds in the subsidy surplus reserve for Project I and II.

### 5. ACCOUNTS RECEIVABLE

	2016	2015
Receivable from First Nation members	\$ 58,997	\$ 58,182
Nuu-chah-nulth Tribal Council	49,621	72,568
Rent receivable from First Nation members	41,116	43,000
Other	38,264	73,920
GST recoverable	6,758	50,452
CMHC subsidies	336	845
	195,092	298,967
Less allowance for doubtful accounts	100,113	145,772
	\$ 94,979	\$ 153,195

The amounts receivable from First Nation members are not secured and an allowance for doubtful accounts has been recorded with respect to these amounts receivable.

## NUCHATLAHT FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

#### 6. INVESTMENT IN HAYU FISHING LIMITED PARTNERSHIP

Nuchatlaht First Nation owns a 25% partnership interest in Hayu Fishing Limited Partnership. The following presents condensed financial information as of December 31, 2015 for the partnership.

	2016	2015
Marketable securities	\$ 26,975	\$ 402,294
Cash	76,196	316,625
Tangible capital assets	93,368	120,587
Accounts receivable	26,681	49,297
Prepaid expenses and deposits	900,960	15,706
Due from partners	-	2,181
	1,124,180	906,690
Accounts payable and accrued liabilities	14,322	18,494
Deferred revenue	54,047	83,298
	68,369	101,792
Partners' equity	\$ 1,055,811	\$ 804,898
Revenue	\$ 497,810	\$ 533,428
Expenses	187,436	171,127
Net income	\$ 310,374	\$ 362,301

#### 7. DEFERRED REVENUE

	2016	2015
Grieg Seafood-Cooperation and Benefits Agreement	\$ 24,280	\$ 49,204
Western Forest Products Inc.-Standing Timber Purchase Agreement	-	62,517
	\$ 24,280	\$ 111,721

## NUCHATLAHT FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

#### 8. DEFICIT IN HAYU FISHING LTD.

Nuchatlaht First Nation owns a 25% interest in Hayu Fishing Ltd. Hayu Fishing Ltd. is the general partner of Hayu Fishing Limited Partnership. The following presents condensed financial information as of December 31, 2015 for the company:

	2016	2015
Investment	\$ 110	\$ 81
Accounts payable and accrued liabilities	4,212	3,212
Share capital	1	1
	4,213	3,213
Deficit	\$ (4,103)	\$ (3,132)
Revenue	\$ 29	\$ 38
Expenses	1,000	1,047
Net loss	\$ (971)	\$ (1,009)

#### 9. LONG TERM DEBT

	2016	2015
British Columbia Treaty Commission Treaty Negotiation Loan	\$ 869,976	\$ 869,976
- Interest free loan until it becomes due and payable at which time interest will be charged at a rate equal to that charged by the Consolidated Revenue Fund to provincial crown corporations		
- Loan proceeds become due and payable upon the earlier of:		
a) September 2, 2016 (extension from the previous maturity date of the twelfth (12th) anniversary of the date on which the first loan advance was made);		
b) The seventh (7th) anniversary of the date of signing of an agreement-in-principle;		
c) The date on which a treaty is signed by the parties;		
d) The date on which the agreement is terminated; or		
e) The date on which Nuu-cha-nulth Tribal Council commits an act of bankruptcy.		

## NUCHATLAHT FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

#### 9. LONG TERM DEBT (continued)

	2016	2015
All Nations Trust Company		
Phase I Social Housing Loan	-	12,122
- Interest at 2.56% compounded semi-annually		
- Monthly payments of \$1,527 including principal and interest		
Phase II Social Housing Loan	98,598	112,539
- Interest at 1.53% compounded semi-annually		
- Renewing December 1, 2017		
- Monthly payments of \$1,295 including principal and interest		
Nuu-chah-nulth Economic Development Corporation		
Forgivable Loan	-	2,662
- Forgivable at a rate of one dollar for each dollar of principal repaid on term loan		
Term Loan	-	2,688
<b>Total long term debt</b>	<b>\$ 968,574</b>	<b>\$ 999,987</b>

The Social Housing loan is secured by a ministerial guarantee from the Department of Indigenous and Northern Affairs Canada.

Assuming the British Columbia Treaty Commission Treaty Negotiation Loan and the Social Housing loan is renewed with similar terms, principal reduction over the next five years is approximately as follows:

2017	\$	14,259
2018		14,352
2019		14,573
2020		14,796
2021		15,026

#### 10. DEFERRED EXPENSES

	2016	2015
Prepaid expenses	\$ 8,740	\$ 10,850
Oyster farm expenses	-	104,928
	<b>\$ 8,740</b>	<b>\$ 115,778</b>

## NUCHATLAHT FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

#### 11. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization			Balance at at end of 2016	Net book value at end of 2016	
	Balance at end of 2015	Additions	Disposals	Balance at end of 2016	Balance at end of 2015	Disposals			Amortization
Land	\$ 70,500	\$ -	\$ -	\$ 70,500	\$ -	\$ -	\$ -	\$ 70,500	
Social Housing	691,172	-	305,788	385,384	359,944	198,522	9,174	214,788	
Buildings	322,583	35,798	(305,788)	664,169	304,057	(198,522)	14,711	146,879	
Infrastructure	2,357,147	-	-	2,357,147	962,362	-	90,540	1,304,245	
Vehicles	50,587	-	-	50,587	19,389	-	6,323	24,875	
Boats and equipment	123,555	4,986	62,654	65,887	62,599	47,327	9,056	41,559	
Equipment	136,655	20,222	11,118	145,759	77,057	3,981	16,970	55,713	
Playground	43,200	-	-	43,200	43,200	-	-	-	
Computer equipment	31,936	2,199	-	34,135	28,335	-	2,161	3,639	
	<b>\$ 3,827,335</b>	<b>\$ 63,205</b>	<b>\$ 73,772</b>	<b>\$ 3,816,768</b>	<b>\$ 1,856,943</b>	<b>\$ 51,308</b>	<b>\$ 148,935</b>	<b>\$ 1,954,570</b>	<b>\$ 1,862,198</b>

  

	Cost			Accumulated amortization			Balance at at end of 2015	Net book value at end of 2015	
	Balance at end of 2014	Additions	Disposals	Balance at end of 2015	Balance at end of 2014	Disposals			Amortization
Land	\$ 70,500	\$ -	\$ -	\$ 70,500	\$ -	\$ -	\$ -	\$ 70,500	
Social Housing	675,175	15,997	-	691,172	342,512	-	17,432	331,228	
Buildings	322,583	-	-	322,583	297,665	-	6,392	18,526	
Infrastructure	2,357,147	-	-	2,357,147	871,823	-	90,539	1,394,785	
Vehicles	41,275	9,312	-	50,587	13,648	-	5,741	31,198	
Boats and equipment	153,380	1,500	31,325	123,555	80,687	31,325	13,237	60,956	
Equipment	84,647	52,008	-	136,655	63,368	-	13,689	59,598	
Playground	43,200	-	-	43,200	43,200	-	-	-	
Computer equipment	28,321	3,615	-	31,936	26,376	-	1,959	3,601	
	<b>\$ 3,776,228</b>	<b>\$ 82,432</b>	<b>\$ 31,325</b>	<b>\$ 3,827,335</b>	<b>\$ 1,739,279</b>	<b>\$ 31,325</b>	<b>\$ 148,989</b>	<b>\$ 1,856,943</b>	<b>\$ 1,970,392</b>

During the year, the mortgage on Social Housing Phase I was paid out in full and housing with the original cost of \$305,788 and the accumulated amortization of \$198,522 was transferred from Social Housing to Buildings.



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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2016

#### 12. RESTRICTED SURPLUS

A portion of the surplus in financial assets is classified as restricted due to the surplus being committed to specific future expenses or recoverable by the relevant funding agencies. This restricted surplus is set out on page 16 of the consolidated financial statements.

#### 13. CONTINGENT LIABILITIES

The First Nation is contingently liable with respect to guarantees for Social Housing loans with All Nations Trust Company in the amount of \$98,471.

#### 14. BUDGET AMOUNTS

Unaudited budget figures have been provided for comparison purposes and have been derived from the estimates provided by the First Nation.

#### 15. EXPENSES BY OBJECT

	2016	2015
Accounting and administration	\$ 28,149	\$ 25,692
Amortization	148,935	145,273
Basic needs	25,192	26,292
Contracted services	69,055	84,223
Insurance	24,474	27,994
Legal fees	17,654	27,506
Other	83,473	45,866
Oyster farm	104,928	-
Patient travel	35,767	21,213
Repairs and maintenance	57,797	36,808
Supplies	45,269	48,504
Support to families	17,549	36,872
Telephone	12,061	9,936
Training and workshops	28,861	14,858
Travel	83,280	55,500
Utilities	10,014	8,505
Wages and benefits	405,359	410,662
	<b>\$ 1,197,817</b>	<b>\$ 1,025,704</b>

#### 16. SEGMENTED REPORTING

The First Nation provides a wide variety of services and programs to its members. These services and programs are reported under various funds as disclosed in note 1(a).