

Naut'sa mawt
TRIBAL COUNCIL



WALKING THE NEW PATH

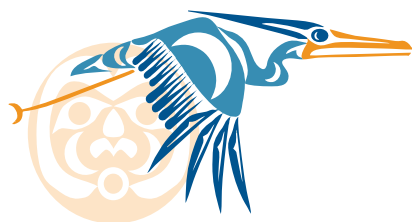
Naut'sa mawt Tribal Council Annual Report 2015 - 2016





WORKING TOGETHER AS ONE

WORKING TOGETHER AS ONE TO SUPPORT AND STRENGTHEN OUR ELEVEN COAST SALISH MEMBER COMMUNITIES THROUGH ECONOMIC DEVELOPMENT, STRONG GOVERNANCE, COMMUNITY PLANNING, FINANCIAL MANAGEMENT AND TECHNICAL SERVICES.



Naut'sa mawt TRIBAL COUNCIL

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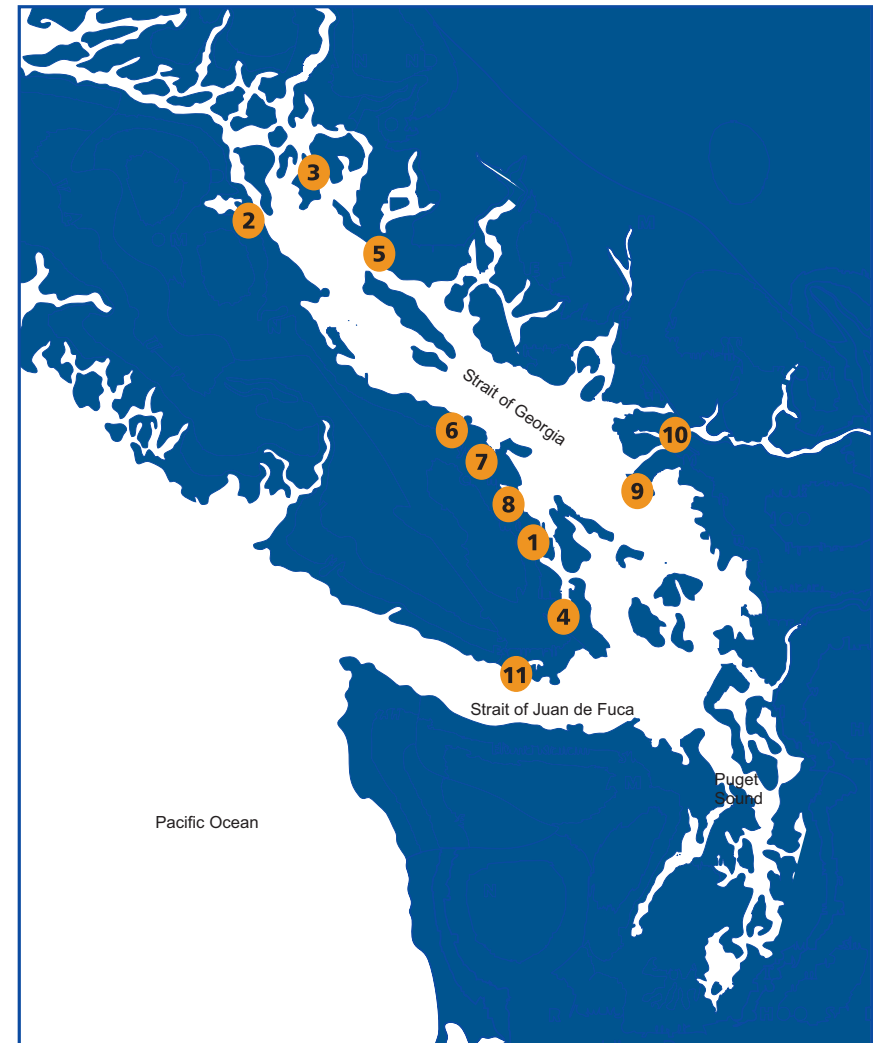
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Members of Naut'sa mawt Tribal Council
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Our Member Nations

1. Halalt
2. Homalco
3. Klahoose
4. Malahat
5. Tla-amin
6. Snaw-naw-as
7. Snuneymuxw
8. Stz'uminus
9. Tsawwassen
10. Tsleil-Waututh
11. T'Sou-ke





Naut'sa mawt
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Naut'sa mawt Tribal Council supports its member nations in realizing their efforts towards self-reliance, self-governance, connection to culture, and quality of life now and for future generations.

Working Together As One

Naut'sa mawt Tribal Council (NmTC) is a non-profit society, incorporated in 1983, that proudly serves eleven member First Nations. We receive funding support from Indigenous and Northern Development Canada and from our own-source revenue which includes joint ventures, corporate subsidiaries, event management, and project management services.

The NmTC offers services in five core delivery areas that include: economic development, financial management, community planning, technical services, and governance.

Our Values

Th'siem or Emot (Respect)

Our greatest asset is our people and we respect each other and our partners in all that we say and do. We build trusting relationships based on open and honest communication, transparency, sharing, and inclusiveness. We treat everyone with dignity, understanding and respect.

Culture

We are mindful of our cultural values, respectfully seeking cultural guidance from our elders and echoing their teachings in the performance of our duties. We respect, understand and learn from the past so that we can grow the good, share and revitalize our traditional languages and practices, and reflect cultural pride in all we do.

Listening

We listen with a peaceful heart and help each other to understand, succeed, and realize our shared goals and the individual needs and goals of our communities.

Naut'sa mawt or Ay' Ajuthum (Collaboration)

We work together as one, collaborating with our member nations for the common good of our communities by sharing knowledge and best practices, building capacity through skills development, connecting with each other, and developing a vision for a sustainable future.

Providing Value

Naut'sa mawt Tribal Council is a values-based learning organization that adapts to, aligns with, and strategically supports the professional capacity development of members and member nations. We are flexible, innovative and creative in our delivery of programs and services, fostering an enjoyment of lifelong learning through storytelling and real world applications. We maximize member outcomes and benefits by removing barriers, networking, and fulfilling needs through mentorships, the sharing of knowledge, and best practices.

Integrity

We stand with our member nations, building relationships at high corporate and government levels based upon a foundation of professionalism, accountability, and ethics.



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"We have successfully become a positive force in our member communities"

Message from the Chairman of the Board

Bryce Williams - Chief of Tsawwassen First Nation

I am pleased to welcome you all to this Annual General Meeting of Naut'sa mawt Tribal Council. Our theme this year is "Walking the Path." It is a good theme following our year of change in 2013-14 and year of transition in 2014-2015. The blend of activities that forms this organization seems to be in harmony.

Naut'sa mawt Tribal Council operates using sound and transparent principles of good governance. It is a positive feeling to know that this organization follows a strategic plan. It is gratifying that an assessment of needs includes the input of all members. Naut'sa mawt Tribal Council offers services that meet the shared and individual needs of our members.

Naut'sa mawt Tribal Council conducts a considerable amount of engagement with member communities. I believe that all members have been touched in some way or the other for the better. I also include the Salish Sea Sentinel, which is the voice of our communities. In the meantime, efforts to generate own-source revenue have helped provide Naut'sa Tribal Council with the means necessary to sustain an enriched program of services. I trust that an ongoing commitment to the values of Naut'sa mawt Tribal Council, and the creative exploration of business opportunities, will lead to long term sustainability of our valued programs and services.

I thank my fellow Directors, who have devoted their time and effort in to determining what path we should follow and their dedication into ensuring we are holding true to our direction. Although time is scarce and all Directors have to attend to many other matters in their communities, I feel that the effort with NmTC has been worthwhile. I would like to thank Gary Reith, our CAO, and his staff for being able to accurately reflect the values of Naut'sa mawt Tribal Council.

Looking ahead to 2016/2017, I see Naut'sa mawt Tribal Council continuing its mission to support programs and services that meet both the common and unique needs of its members – always moving forward in the spirit of working together as one.

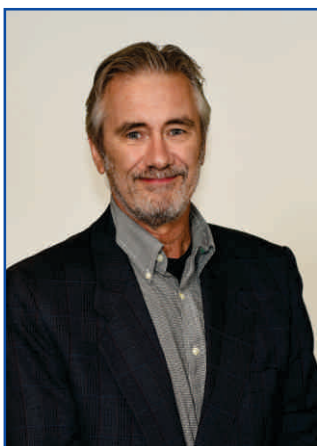
Sincerely,

Bryce Williams

Chief Bryce Williams
Chairman



Naut'sa mawt
TRIBAL COUNCIL



"We must ensure that future success is expanded by our deliberate choices."

Message from the Chief Administrative Officer

Gary Reith, CAO Nautsa'mawt Tribal Council

It is my singular pleasure to acknowledge and thank the Board of Directors for sharing their wisdom and insights this year. They, along with all Naut'sa mawt Tribal members, help set the direction and tone for our organization. Chairperson, Chief Bryce Williams, Vice Chairperson, Terry Sampson, and Secretary and Treasurer, Chief Gordon Planes, have devoted extra time to Naut'sa mawt even in the face of heavy responsibilities to their own Nations. I thank them in particular for this contribution. Parallel to the value added to Naut'sa mawt Tribal Council by our Directors is work conducted by our staff, who have made it possible for Naut'sa mawt Tribal Council to breathe life into the directions provided by our Directors. Staff brims with compassion, confidence and integrity. It is a pleasure being CAO, in a large part due to the opportunity to work with Directors and Staff. I am gratified to observe, and play a part in, the unequivocal evolution of the organization.

The priority in 2013/2014 was to re-energize a program or work for Naut'sa mawt Tribal Council that was developed to service its members. The organization had drifted from its purpose for existing and profile of Naut'sa mawt among our members was limited - and not always positive. Moreover, we had made a significant purchase of Xyntax – a company that we had heard of but which was little understood. A priority was to better understand the nature of this company as well as the attending responsibilities, risks and rewards.

In 2014/2015, we were able to celebrate some of the successes of this movement back to the Tribal Council's service functions. This was evident in a improvement in the engagement of the Board. It could be seen in better teamwork between our two regional offices. It was also evident though our ability to offer a full set of programs in our five core service areas. We continued to offer fee-for-service programs with some success – and learned more about Xyntax.

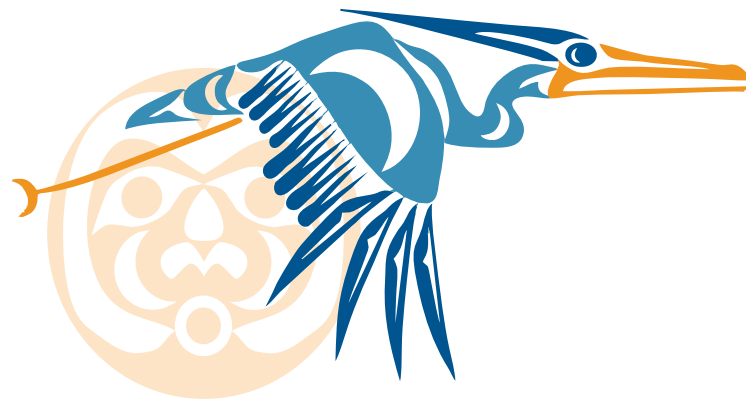
The focus of our activities in 2015/2016 has been to continue to engage the Directors and members. We carried out a strategic planning process so that programs and priorities would be driven by communities and their members. We conducted a needs assessment - for the first time. This was to help target our programs to priority areas. Naut'sa mawt Tribal Council made a practice of evaluating its activities, including those of our Directors. This is a sign of health and shows an organization that welcomes scrutiny and is open to change. Naut'sa mawt Tribal Council continued to undertake significant project management and event planning projects. We reactivated our fee-for-service company, Naut'sa mawt Resources Group, and embarked on a program to help realize the great potential in Xyntax. The Salish Sea Sentinel continued as a quality publication of with its outstanding content and presentation.

I suggest that 2016/2017 will see more of the same processes in place with details of individual programs changing to reflect the changing needs of our members. New measures of which I am particularly excited will include the institution of an Elders Council and a Youth Gathering. We will also be embarking on a program to support persons newly elected to the governments of their Nations with training. As well, we will engage our Executive Committee in the review of our operational policies – much in the same way as they did for our bylaws. In all, it promises to be another exceptional year.

Thank you, again, members of Naut'sa mawt Tribal Council. It is, as always, a continuing honour to be of service.

Sincerely,

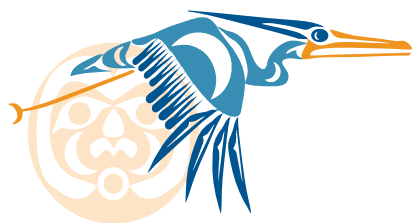
Gary Reith
Gary Reith, CAO



Naut'sa mawt
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A photograph of a large brown bear and a smaller cub walking along a log in a river. The bear is on the left, facing forward, and the cub is on the right, also facing forward. They are both on a log that is partially submerged in the water. The background shows a riverbank with green vegetation and a forest.

ADVISORY SERVICES



Naut'sa mawt
TRIBAL COUNCIL

Advisory Services

NmTC has traditionally provided advisory services to its member Nations in community planning, economic development, finance and administration, and governance, along with technical services, which is funded separately. The service areas interact and overlap to a certain degree, and it is common for advisors in each area to collaborate on the conception and implementation of programs that are consistent with the program of work.

In addition to the five service areas, two additional services have emerged informally: housing policy and the Salish Sea Sentinel. Housing policy is a hybrid area because it incorporates some elements of technical services with elements of all four other service areas. Although some funding is diverted to housing policy, most of the revenue is obtained from external sources. The Salish Sea Sentinel has emerged as a defining element of NmTC, as it illuminates and celebrates achievements in all service areas along with chronicling the events, issues, and people the Salish Sea region. The Sentinel is funded through advertising revenues and own-source revenues.

"The best way to find yourself is to lose yourself in the service of others." - Mahatma Gandhi



Our Advisors



Lisa Scott, Director of Finance - Finance and Administration

"Do your little bit of good where you are; it's those little bits of good put together that overwhelm the world." - Desmond Tutu

Lisa is responsible for the accounting and financial management of the Tribal Council, its programs and subsidiaries. She sits on the board of Xyntax and is actively involved in human resources, business development, and strategic planning. As required, she provides financial guidance and administrative support to the 11 member nations of the Tribal Council. Her mother's ancestry is with Cowichan Tribes on the East Coast of Vancouver Island, and her Father is from Pacheedaht on the West coast of Vancouver Island.



Bronwen Geddes - Community Planning

"The world has plenty of dreamers but it's the doers that shape the planet." – Tim Fargo

Bronwen's passions lie in bringing people together to tackle challenges in creative ways. She is a facilitator, planner and doer. She enjoys pulling together big ideas, including strategies, events, and programs, with the know-how to make them happen. From running two-day strategic retreats, to designing province-wide mentorship and internship programs, to orchestrating major international events.



Erik Blaney - Economic Development

"Life isn't about finding yourself. Life is about creating yourself." - Unknown

Erik strives for a quality educational adventure that stimulates not only the senses, but the soul. He wants people to know of the rich history of the Tla'amin people and experience the connection that their ancestors had thousands of years ago, and how it has transpired into who they are today. He is a cultural person, a drummer and a song keeper who comes from a very strong family who is close to their traditional ways and cultural teachings.



Valerie Cross-Blackett - Governance

"Coming together is a beginning, keeping together is progress, working together is success. – Henry Ford

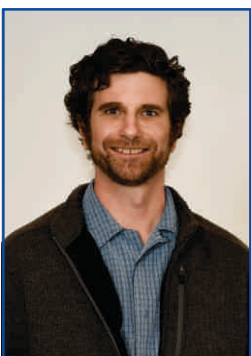
Valerie has more than 14 years of governance and management experience. During the 11 ½ years with her nation, she held key management, administrative and negotiating roles. After the Effective Date of the Tsawwassen Treaty, she was responsible for the daily operation of their public institutions such as the Legislature and Executive Council. She played an integral part in the growth and development of the Tsawwassen Legislature by developing numerous governance tools, processes, and policies. Valerie has a passion for integrating culture and blending modern governance practices with traditional ones.



John Bolton - Technical Services

"If you are making mistakes it means you are out there doing something." – Neil Gaiman

John is a registered Professional Engineer in BC and has worked for consulting engineering firms in design and construction of industrial facilities including pulp mills, mines, power stations (thermal and nuclear), docks, harbours, foreshore protection etc. Over the years, he has worked for Department of Fisheries and Public Works providing design and construction expertise, managing engineering facilities maintenance teams and much more. John has also managed an engineering team working for INAC as District Engineer for 50 First Nations. He very much enjoys working with all First Nations.



Eric Blueschke - Housing Policy

"Alone we can do so little; together we can do so much." – Helen Keller

Eric has more than ten years of diverse experience working in collaborative, multi-stakeholder environments in the areas of communications, planning, research and analysis. This has allowed him the opportunity to work closely with First Nation organizations, agencies and communities, local stakeholders and municipal, provincial and federal governments within the contexts of Environmental Assessment, Regulation and Enforcement, On Reserve Housing Policy and Strategy Development, Comprehensive Community Planning and BC Supreme Court processes.

Community Planning

“Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed it's the only thing that ever has.” Margaret Mead

Naut'sa mawt Tribal Council aims to ensure that the services provided in the area of community planning meet actual community planning needs and are relevant to each community. With respect for culture, we work with our members to bridge traditions with modern practices. We assist with community engagement, research, proposal development, plan review, and implementation. We encourage knowledge sharing through tools, templates, and best practices and we offer skills development training and workshops.

KEY ACCOMPLISHMENTS



Direct Support to Members

- Worked with team (Governance and Housing Advisors) to organize, plan, and facilitate a 2-day Chief and Council strategic planning session for Stz'uminus First Nation and develop a 2-year leadership strategic plan.
- Supported Tsawwassen First Nation Farm School to submit revised, phase II, proposal to the Real Estate Foundation of BC; the project was approved for a grant in the amount of \$263,000 over three years.
- Connected Tla'amin with the indigenous planning program at UBC, which resulted in two second-year master's students completing practicums in the community over an 8-month period.
- Worked with Snaw-naw-as to support capacity development of new staff member (with Governance Advisor).
- Assisted St'zuminus in securing speakers and organizing Power in Numbers 2016 workshop.
- Held one or more in-person meetings with each of the member nations about their planning-related needs, as well as other ways the tribal council might be able to best support them moving forward.



Collective Support

- Developed NmTC's first comprehensive needs assessment, covering all service areas.
- Developed and circulated assessment for completion by all NmTC leadership and senior staff. Over thirty completed surveys received.
- Arranged purchase of and training for NmTC's new clicker voting system from Turning Technologies.
- Provided planning and programming support for the 2015 Joint Gathering.
- Connected with NmTC members at Comprehensive Community Planning (CCP) workshop.
- Developed and led capacity building workshop on community engagement for NmTC AGM participants.



Research and Writing

- Wrote and submitted a successful proposal, on behalf of NmTC members, to the British Columbia Capacity Initiative (BCCI), for project focusing on Nation to Nation Mentorship in land use planning, treaty-preparedness, and community planning.
- Worked closely with T'Sou-ke and Stz'uminus nations to develop and complete Comprehensive Community Planning (CCP) funding proposals to the First Nations Infrastructure Fund (FNIF) at INAC.
- Provided proposal-writing support for NRT Direct Support funding to Homalco and T'Sou-ke.
- Recruited and worked with UBC student intern Gillian Nicol, who supported NmTC activities over an 8-month period as part of her master's program in Indigenous Planning.
- Worked with advisors to develop coordinated NmTC training calendar for 2016-17.
- Provided monthly copy editing support to The Salish Sea Sentinel.





Economic Development

"The best economic development strategy for the next few years lies in fostering entrepreneurs." Angelos Angelou

The Heron's nest is a four-step grassroots economic development initiative of NmTC designed specifically to support entrepreneurs in realizing their dreams. The first step (The Nest) prepares entrepreneurs for self-employment with support in marketing, branding, retail, and business planning. The second step (The Egg) incubates ideas and provides one-on-one support to participants. The third step (Hatching) identifies funding sources and suppliers to help the launching of the business. The fourth step (Flight) celebrates success.

The Heron's nest will continue to support entrepreneurs in the critical early years of their businesses.

The 2015-2016 Fiscal Year was spent working with our very successful Herons Nest Cohort who achieved new milestones and conquered some of their high-reaching goals. Erik Blaney was able to work closely with our 5 participants and assist with many aspects of their business plans and ideas.

Some of the general accomplishments from working with our members are as follows:

April 2015 through March 2016 was a very eventful year. We look forward to growing the number of participants in the Heron's Nest next fiscal year and providing more one-on-one project management support to our applicants. Going forward, there will be an open intake process, instead of an application deadline. Members who are interested in support will be welcomed on a case-by-case basis to allow for more flexibility around scheduling and meeting needs. Next fiscal year will focus on exploring new opportunities for our members.

KEY ACCOMPLISHMENTS



Direct Support to Members

- Heron's Nest Project kick-off, with meetings in five communities; wrapped up Herons Nest Intake Aug 31
- Worked with all members who expressed interest in the Heron's Nest and conducted checkins to see how business planning was coming along
- Worked with Kathleen O'Neil regarding Heron's Nest participants, looked at polishing up their business plans and moving forward with funding applications
- E-mailed 8 different members our business planning templates
- Assisted with registering a business, building business plans and creating financial statements with two individuals
- Assisted Laurier Mathieu, a Klahoose Member, get to the Aboriginal Business Match Conference at no cost, where he was exposed to a number of different opportunities for True Foundations Co.
- Assisted a Tla'amin Nation member who reached out for help to obtain his Linesman/tree falling clearance with BC Hydro. BC Hydro reached out at the beginning of the month to find an aboriginal trained to fall trees near hydro lines; connected individuals interested in pursuing the certification and developing their businesses.



Direct Support to Members

- Xwemalkwhu Wildlife Tours is working on getting their vessel Transport Canada Certified and is working towards changing their business model to include Boat Tours. I have been pushing their tours on the Mainland and trying to help them grow their operation.
- There is a huge opportunity with the local hotel and resort in which I will be working on creating relationships with and introducing both parties to the table.
- Assisted Klahoose member with business planning for Crane and pile driving company.
- Assisted Klahoose member with logistics of Bed and Breakfast.
- Phone meeting with Chief James Delorme regarding business ideas for Klahoose.
- Met with Shawn O'Conner From the Homalco Nation regarding Cultural Tour expansion and planning for expansion next year.
- Met with Stz'uminus member regarding Herons Nest opportunities with new mall development.
- Trip to Stz'uminus to present options for grocery store and brewery.
- Met with Stzuminus twice regarding their mall development and how NmTC could assist with their EC Dev Vision for the area.
- Trip to Ts'ou-ke to determine whether or not an opportunity exists for providing fruits to a local brewery.
- Worked with Sliammon member on business concept plan for commercial fishing enterprise.
- Attended meeting with Snuneymuxw Nation and presented Heron's Nest and other economic development opportunities with their new building development.



Research and Writing

- Prepared and submitted Monthly reports for Board review.
- Reviewed new opportunities for Individual funding.
- Built and Launch the new Heron's Nest Facebook page and highlighted 2 member nations businesses.
- Attended strategic planning meetings and discussions regarding a restructure of the Heron's Nest .



Networking

- Assisted in setting up the Aboriginal Business Best Program in Powell River.
- Attended the Vancouver Island Aboriginal Business Match (ABM) along with the Economic Development Managers pre-meeting held in Nanaimo. Was very pleased to bring a Herons Nester to the ABM Nanaimo and show him how to Network with great success.
- Met with Vancouver Island University and Bear Tooth Mountain Research regarding trades training opportunities for NmTC Member Nations on Central Vancouver Island.
- Had discussions with Fairway Market, Sobeys and Thriftys regarding the 16,000 square foot development in Stzuminus and E-mailed Tsleil Waututh Nation and T'souke regarding partnering opportunities.
- Talked with a number of different organizations and entities that could assist with the training and facilitation.

Finance and Administration

“A budget is telling your money where to go instead of wondering where it went.” Dave Ramsey

This program area aims to help member Nations strengthen financial and administrative skills by sharing information, providing access to training, and providing networking and capacity building workshops. Services include: developing planning and reporting systems; supporting fundraising and proposal-writing activities; providing short term emergency staffing support; assisting with drafting financial management policies, procedures and bylaws; advising on budgets and budget policies; and assisting with personnel recruitment and selection.

KEY ACCOMPLISHMENTS



Finance and Administration

- Centralized accounting in Halalt Office, requiring Halat to hire a new data entry clerk and a finance Assistant
- Compliant with INAC reporting requirements, reports submitted on time resulting in no interruptions in funding
- Reviewed and updated Financial Policies to be compliant with Generally Acceptable Accounting Practices
- Developed a New Hire Packages for NmTC
- Assessed suitability of current staff resources to adequately manage the growing requirements of the organization, and redeployed staff to maximize resources and manage increasing needs of NmTC
- Provided onsite and remote finance assistance to member nations and developed a fee-for-service assistance program for non-member nations
- Strategic planning, scrutinize projects, contracts, & financial processes
- Monitor Xyntax cash flow, AANDC cash flow, and HR processes



Direct Support to Members

- Successfully assisted with the screening and interviewing of the Director of Operations for Halalt
- Attended meeting with Snuneymuxw Nation and presented Finance and Administration services to administration
- Provided Xyntax training with Snuneymuxw controller
- Provided onsite Xyntax support to Halalt
- Met with controller for Snaw-naw-as to help with transition out and provided financial support during the transition to next controller
- Helped with recruiting and hiring best practices in Snaw-naw-as
- Assisted in posting employment positions for member nations
- Provided sponsorship to Malahat Nation's gala event



Collective Support

- A two-day project management workshop was held in Richmond that was attended by nine staff and council from six of our member nations, which was facilitated by Greg Philiban
- 2nd Annual Receptionist Workshop held on June 10 & 11th in Parksville. 14 staff from seven member nations and NmTC participated in this two-day workshop, which was facilitated by Denise Finlay.





Governance

"A lack of transparency results in distrust and a deep sense of insecurity." Dalia Lama

Support provided under the governance services area is intended to provide elected leadership, and the management teams that support them, access to the tools, training and advice to support each of the tribal council members' governance needs. The goal of the Governance Service area is to assist member Nations build governance capacity, receive relevant support, and blend modern governance practices with traditional and cultural governance practices.

KEY ACCOMPLISHMENTS

Board Governance

- Provided administrative and governance support to Naut'sa mawt Tribal Council Board and Members
- Provided administrative and governance support to Naut'sa mawt Resources Group Board and Members
- Planning, drafting and attending AGM and Board meeting, as well as drafting, compilation and production of annual report



Direct Support to Members

- Worked with team to organize, plan and facilitate a two-day Chief and Council Strategic Planning session for Stz'uminus First Nation. Follow-up work included the development of a two year leadership strategic plan
- Coordinated and participated an informational meeting between Halalt and the Land Advisory Board representatives.
- Assisted with selection process for Halalt Director of operations; reviewed 44 resumes and met with Halalt staff and NmTC Director of Finance to short-list 5 to 6 for interviews
- Attended staff meeting with Snuneymuxw and NmTC
- Jointly facilitated Youth Leadership Workshop for Snaw-naw-as



Collective Support

- Provided support, attended and moderated the 2nd Annual Receptionist workshop
- Partnered with six other groups (which included the FN Summit, FN Public Secretariat, and ARMA BC Chapter) to coordinate and deliver a Records and Information Management Symposium on February 2, 2016
- Partnered with Carden Consulting and NVIT to develop a Leadership Capacity program and developed funding proposals to INAC and NRT to fund initiative



Research and Writing

- Developed and submitted proposal to the Aboriginal Intern Program
- Conducted policy review work with Executive Committee



Technical Services

**"Nothing is impossible, the word itself says
I'm possible!"** -Audrey Hepburn

The Naut'sa mawt Tribal Council continues to provide services and advice to its member Nations in eleven Technical Service Areas:

1. Capital Project Management
2. Infrastructure Planning
3. Municipal Agreements
4. Maintenance Management Plans
5. Maintenance Budgets
6. Operational Maintenance
7. Asset Condition Reporting
8. O&M Purchasing
9. Maintenance Safety
10. Housing Inspections
11. Fire Prevention

The Naut'sa mawt Tribal Council also provides advisory services for:

- Marine Structures and Foreshore Protection
- Fisheries Structures and Protection
- Emergency and Business Resumption Plans
- Housing Plans and Policies

KEY ACCOMPLISHMENTS



Direct Support to Members

- Multiple site visits were made to review and/or discuss any issues falling within the Technical Service areas to the following members: Halalt, Snuneymuxw, Homalco, Stz'uminus, Tla'amis, T'Sou-ke, Snaw-naw-as.
- House inspections at the request of Tla'amin and T'Sou-ke were carried out by NMTC.



Collective Support

- A booklet of good practices ' Building Permits, Regulations and Inspections ' prepared by NmTC was given to FOUR member nations: Snaw'Naw'as, Snuneymuxw, Stz'uminus, Tlseil-Waututh.
- After years of lobbying, AANDC finally accepted NMTC's long-standing position and discussions / requests over the years that our member First Nations should receive financial subsidies towards their housing inspections. Effective in 2016, our member administrations can include these subsidies in their housing requests.
- Further groundwork was carried out towards a planned workshop titled ' Land Development ' targeted to be held in Tsawwassen and planned for the Fall 2016. This workshop was delayed while staff sourced funding support.



Research and Writing

- A NMTC Technical Services ' status report ' was discussed with Stz'uminus and with T'Sou-ke.
- The report (internal) is intended to touch on all technical bases that the particular member nation is involved in and identify areas requiring some assistance and where NMTC may be able to assist.

Housing Policy

“The home should be the treasure chest of living” Le Corbusier

The NmTC offers Housing Policy Services in recognition of the importance role and impact that housing has on our member communities.

KEY ACCOMPLISHMENTS



Direct Support to Members

- Worked with Klahoose, T'Sou-ke and Halalt Nations to identify options and expend the \$3500/Nation Toolkit 2.0 Partner First Nations Software Purchase Contribution.
- Worked with Governance and Planning Advisors to facilitate a 2-day Chief and Council strategic planning session for Stz'uminus First Nation and develop a 2-year leadership strategic plan.



Collective Support

- Convened Exploring Housing Authorities Workshop.
- Assisted with preparation of 2016-17 Enhanced Technical Services funding application.



Research and Writing

- Drafted successful NmTC Exploring Housing Authorities proposal to INAC.

Toolkits

- Worked with AFN, NALMA, OFNTSC and Woodward and Company to complete NmTC Housing Toolkit 2.0 (Rent and Rent-To-Own) for February 2016 release and distribution to all member Nations and over 160 First Nations across Canada. Thanks to the project partners, T'Sou-ke, Halalt, and Klahoose First Nations for supporting the New Relationship Trust funding proposal.
- Made Toolkit presentations at the Ontario First Nations Technical Services Corporation Conference and Trade Show, BC Aboriginal Land Managers AGM, and Infonex Housing Strategies Workshop.
- Began development of NmTC Exploring Housing Authorities Toolkit.

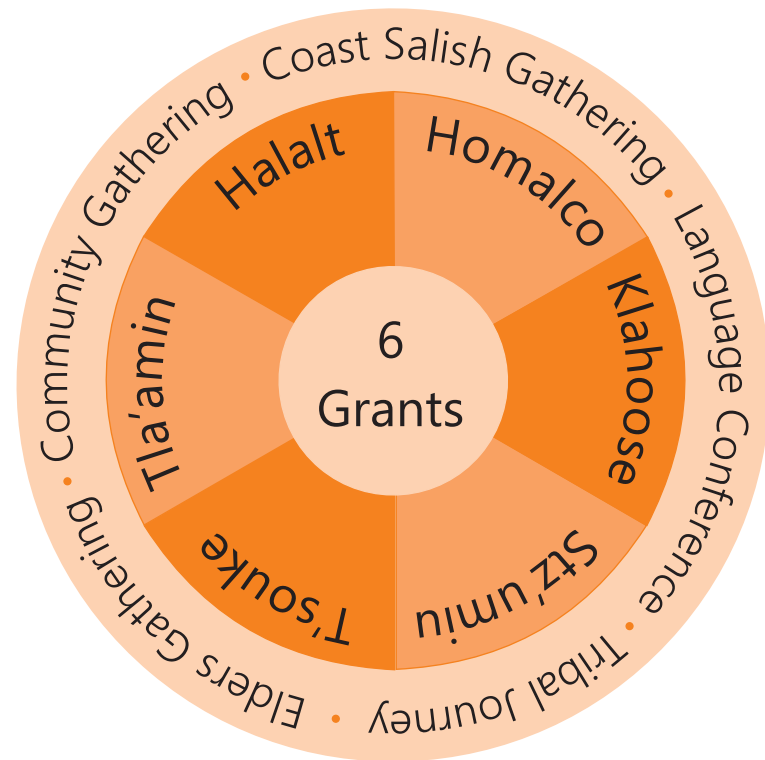


Cultural Grants

"The art of communication is the language of leadership." James Humes

The Cultural and Community Grants Program is a small grant that is intended to assist with cultural activities, sporting events, community gatherings, attendance at gatherings – whatever the member nation deems appropriate. Each member First Nation has access to a maximum grant of \$3,000 in any one-year period.

During the 2015-2016 fiscal year, SIX member nations took advantage of this grant. All of these funds are from own-source revenues.





Salish Sea Sentinel

THE VOICE OF THE NAUT'SA MAWT TRIBAL COUNCIL

The past year saw the magazine continue its transition from a newsletter-type publication to an authoritative magazine; one that not only informed Naut'sa mawt Tribal Council nations about one another, but also told the 'outside world' about the many achievements, and challenges, occurring around the Salish Sea for First Nations who they do not often hear from in the mainstream media.

Leaders and members from all our communities were the key to the always interesting content by keeping in touch with Sentinel journalists, feeding them information on notable events and activities that were featured both in the magazine and on the salishseasentinel.ca web site, as well as on our Facebook and Twitter pages. Many also took the time to sit and share their knowledge with us – conversations that became featured articles, drawing interest from readers who live around the Salish Sea and in other countries.

The Sentinel continued its focus on: reconciliation; tradition and culture; the five dialects of language; economic development; governance; infrastructure; and profiles on role models and high achievers from leadership, business and other areas.



1,000+
FRIENDS ON
FACEBOOK

1,300+
HITS ON
TWITTER

40%
AD SALES
RATIO

10,000
MAX
DISTRIBUTION

- Social media interest rising; so are ad sales (and costs!).
- 1,800 people viewed the Facebook post on "The Indian in the Child" article.
- The Indian in the Child article reached a total of more than 10,000 people.
- Advertising totalled 40% of magazine content
- Sales for our magazine are increasing with 7.5 pages of paid ads
- Free ads for Members and NmTC
- BC Ferries distributor for travellers and tourists
- Increased distribution during summer months to 10,000 copies





Naut'sa mawt
TRIBAL COUNCIL

Subsidiaries

"Individually we are a drop, but together we are an ocean."

Ryuonosuke Satoro

NmTC engages in a variety of other activities, programs, and partnerships intended to expand the resources available to its member Nations and other Indigenous communities across Canada.

A Great Egret is captured in mid-flight over a vast, blue ocean. The bird's long, sharp beak is pointed forward, and its wings are fully extended, showing a mix of white and dark feathers. Its long legs are trailing behind it. The background is a clear blue sky above the ocean's surface. The word "SUBSIDIARIES" is overlaid in a white box on the right side of the image.

SUBSIDIARIES

NmTC Event Management

Fee-for-Service Event Management

Naut'sa mawt Events is one of Canada's most established and trusted Indigenous event management firms. For over 15 years, we have worked with First Nations across Canada on a wide range of issues, and have been proud to manage events centered around Aboriginal initiatives.



Events

First Nations Fill and Commercial Solid Waste Management Workshops

- Chilliwack - February 23 - 24, 2016
- Duncan - March 1 - 2, 2016

Information Sessions on the MTSA Funding Application Process

- Kelowna - June 16, 2015
- Prince George - June 23, 2015
- Nanaimo - June 26, 2015
- Vancouver - June 29, 2015

Land Use Planning Session

- Victoria - March 31st - April 1st, 2015
- Vancouver - April 14th - 15th, 2015

Project Management Planning Workshop

- June 23rd - 25th, 2015

Fort St. John Sustainable Infrastructure for BC First Nations Workshop

- October 7th - 8th, 2015

Joint Gathering 2015

- November 16th - 18th, 2015

Land Use Planning Session Phase II

- October 28 - 30, 2015

Pathways to Service Delivery: An Introductory Workshop on Developing and Negotiating Municipal Services Agreements

- October 22, 2015

Sustainable Infrastructure for BC First Nations

- Williams Lake - October 14 - 15, 2015
- Prince George - October 21 - 22, 2015

SWANA Remote Community Solid Waste Transfer Station Operator Training

- Port Hardy - May, 2015

Occupational Safety and Health Course

- Abbotsford - October 15 - 16, 2015

Construction Project Management Course

- Nanaimo - November 26 - 27, 2015
- Abbotsford - November 30 - December 1, 2015

Environmental Management Planning Workshop

- Whitehorse - December 1st - 2nd 2015
- Richmond - November 24 - 26, 2015 & December 1 - 3, 2015

Naut'sa mawt Project Management

Fee-for-Service Project Management

Naut'sa mawt has been successfully managing projects on behalf of federal and provincial government departments. Activity for this fiscal year has continued to form one of the primary fee-for services activities undertaken by the Tribal Council. The projects listed below were either continued from 2014/2015 or were new in 2015/16. Gross revenues from the various projects managed by Naut'sa mawt was over \$8 million, which was lower than the year earlier, and less than forecast in 2016/17.

1. Municipal Services 2015/16 MTSA - Admin.
2. Municipal Services 2015/16 MTSA- 675 - Gitga'at
3. Municipal Services 2015/16 MTSA-672 - Gitxaala
4. Municipal Services 2015/16 - 540 - Kitasoo
5. Municipal Services 2015/16 - 538 - Heiltsuk
6. Special Services 2015/16 Tech Services Environmental Workshops
7. Solid Waste 2015/16 Tech Services - Solid Waste Management
8. Wastewater O & M 2015/16 Tech Services - Water & Wastewater
9. Safe Water Operations Program (SWOP) 15/16 Tech Services - FNNWWP
10. Safe Water Operations Program (SWOP) 15/16 Tech Services Delivery of MTSA Information Sessions
11. Safe Water Operations Program (SWOP) 15/16 Tech Services - Maintenance Management /Asset Management Pilot Projects FNWWAP
12. Safe Water Operations Program (SWOP) 15/16 Tech Services - Maintenance Management /Asset Management Pilot Projects A-base
13. Special Services 15/16 Tech Services Public Works Management Workshops A-Base
14. Special Services 15/16 Tech Services Delivery of MTSA Information Sessions A-base
15. Special Services 15/16 Tech Services Delivery of an Enhanced Program of Work on Municipal Services Agreement
16. Special Services 15/16 Tech Services Delivery of MTSA Information Sessions A-base

17. LEDSP - Environment prevention 15/16 FNLM First Nations to First Nation Learning & Best Practices Workshop
18. LEDSP - Environment - Prevention 15/16 LEDSP End of Life Vehicle Handbook
19. LEDSP - Environment - Prevention 15/16 Recycling Infrastructure Assessment 20 Rural Remote Communities
20. Safe Water Operations Program (SWOP) 15/16 Tech Services Annual Performance Inspection program
21. Safe Water Operations Program (SWOP) 15/16 Tech Services Asset Management Planning workshops FNWWAP
22. Water O & M 15/16 Tech Services Water Treatment Plant Performance Optimization Program
23. Development of Maintenance Management Systems 15/16 Tech Services - Asset Management Planning Workshops A-Base
24. Special Services 15/16 Tech Services Infrastructure Planning Guide
25. Special Services 15/16 Tech Services Energy Conservation Program for off-grid Communities Wuikinuxv
26. Consultation and Policy Development - Governance - Event Management and Logistics for Joint Gathering 2015
27. Remediation - CSMWG Step 7-9 - 1516 - non FCSAP - Semiahmoo IR1 lot 57
28. Energy Systems - CPMS #11716 Wuikinuxv Energy Conservation (feasibility)
29. Safe Water Operations Program (SWOP) 15/16 Tech Services - Administration of the ACRS Program (FNWWAP)
30. 2014/2015 Carry Over
31. Solid Waste Management - CPMS #11717 Bulk Waste Removal, Repairs, Training and Engineering (Feasibility)
32. Fire Protection Strategy Projects
33. LEDSP - Environment - Prevention 2015/16 Land Management Capacity
34. Wastewater O & M 2015/16 Tech Services - Remote Community Septic Sludge Disposal
35. Special Services - 2015/16 Tech Services - Infrastructure Planning - PHASE 2
36. Special Services 2015/16 tech Services O & M - Update of the Practical Guide

37. Special Services - 2015/16 Review of Enhanced Tribal Council Technical Units
38. Remediation - CSMWG Steps 7-9 - 2015/16 - on reserve Yale et al. Site Closures
39. Environmental Site Assessment - CSMWG Steps 1-4 - on Reserve - Tsay Keh Dene IR1 Lands
40. Environmental Site Assessment - CSMWG Steps 1-4 – non-FCSAP- Musqueam IR2 & 4 Stautlo Ave
41. Solid Waste Management -CPMS #11717 Bulk waste removal, repairs, training and Engineering(feasibility)
42. Risk Management -CSMWG step 7-10 2015/16 non FCSAP - Multiple Remote Landfill Closure Assessment
43. Solid Waste - 2015/16 Product Steward's Roundtable & SWANA Certification
44. Solid Waste Management - 2015/16 CPMS#11527 Multi Community Solid Waste Program Upgrades
45. LEDSP - Environment Prevention 2015/16 - Chilcotin Military Training Area
46. Maintenance Management - 2015/16 - Enhanced Tribal Council Technical Unit
47. Special Services 2015/16 Tech Services - ACRES (FNWWAP)
48. Circuit Rider Training Program - 2015/16 Tech Services Circuit Rider Training Program
49. LEDSP Environment - Prevention 2015/16 Environmental Management Planning workshop, Whitehorse
50. Planning - CPMS #11832 Housing Authority Feasibility Study -Phase 1
51. Environmental Site Assessment - CWMWG Step 1-4 2015/16 - Squamish IR lands Data Review
52. Environmental Site Assessment - CWMWG Step 1-4 2015/16 non-FCSAP - Kwikwetlem IR2 Lot 14 Landfilling
53. Labour - Other Costs - Kispiox - Comm. Bulk Fuel System Upgrades (construction)
54. Wuikinuxv Nation Energy Efficiency Initiative - Upgrading three Pilot Homes fiscal year 2015/16 Proposal
55. ESD - Client Supports Active Measures
56. FNLMI Capacity Dev. FN Land Registry Training
57. Environmental Site Assessment - CSMWG steps 1-4 2015/16 non FCSAP - Uchucklesaht IR2 Wallace Fisheries Plant

Naut'sa mawt Resources Group (NRG)

Strategic Partnerships for Aboriginal Economic Development

Mission

To provide substantial support to the goals of NmTC through generating ethical revenue and providing opportunities for its Coast Salish Members through the generation of ethically-sourced revenue and the provision of employment opportunities for its Coast Salish members.

Vision

NRG will provide a highly profitable source of discretionary income that will support NmTC to reach its vision and mission and to be self-sufficient. NRG will conduct business that provides opportunities for all generations to become self-sufficient in an ever-changing world. NRG will be a business leader that respects and preserves the cultural integrity of the Coast Salish peoples while adhering to its values and principles.

Values

Ethically generate income

Stability and growth - To provide discretionary funds to NmTC

Independence - To empower NmTC to be autonomous and self-sufficient

Cultural focus - Maintain our cultural integrity

Respect for the ancestors – Reconnecting with the old ways

Leaders in delivering environmentally-responsible projects that work towards minimizing the carbon footprint



Naut'sa mawt Resources Group (NRG) was founded by the Naut'sa mawt Tribal Council in 1997 after the Government of Canada announced its Procurement Strategy for Aboriginal Businesses. We pursue opportunities to offer value-added products and services to private and public sectors across Canada. We establish strategic partnerships with service providers and manufacturers that enable us to augment our access to different products and specialized expertise. As a community-owned venture, we are mindful of our Coast Salish cultural values, which guide the conduct of our business at every level.

Although NRG experienced significant revenue in the late '90s and early 2000s, it was dormant and inactive over recent years. The 2015-2016 fiscal year was a year of awakening and re-birth for NRG. The board meeting, held in June 29, 2015, was the beginning of the revival. The board had a two-day strategic planning session in July 2015 and began to plot the path for the future of NRG.

The board then called for an annual general meeting and at the AGM, held in September 2015, the previous board retired:

- Terry Sampson, Chairman – Stz'uminus Nation
- Chief Gordon Planes, Secretary/Treasurer – T'sou-ke Nation
- Chief James Thomas – Halalt Nation
- Gary Reith – CAO NmTC

And a new board was elected to take on the new path:

- Terry Sampson (Stz'uminus), Chairman
- Lawrence Mitchell (Snaw-naw-as), Secretary/Treasurer
- Kevin Peacey, (Klahoose), Director
- Chief James Thomas (Halalt), Director

The new board met one more time on March 22, 2016. At this meeting, staff reported significant activity based on the direction provided by the board.

Projects

NRG retained all of the purchasing vehicles from the federal government of Canada, as identified in the report for last year's AGM of September 30, 2015. As a result of these joint ventures, NRG was able to add additional contracts to those secured with Health Canada (Contract #1000167079) involving the supply of Business Analysts. These contracts include:

- Contract #EP748-161451_B – Leadership Services for Public Works and Government Services Canada.
- Contract #100183193 - Fire Compliance Monitoring for Indigenous and Northern Affairs Canada.

Efforts to secure projects through these existing purchasing vehicles will continue and in 2016-2017 we anticipate that many of them will be subject to renewal.

Through working with one of our principal partners, Contract Community Inc. (CCI) of Ottawa, Ontario, NRG was instrumental in helping secure a Standing Offer to provide real property managers for construction projects in British Columbia. As a result, NRG has the right of first refusal on all project opportunities offered to CCI and has secured a project involving renovations to the Penticton Airport. More such opportunities are anticipated in the 2016-17 fiscal year.

NRG has been in discussion with an array of potential partners that would enable us to competitively supply products or services.

Financials

The 2015-2016 financial activity was reviewed by Reid, Hurst, Nagy (RHN) as appointed by the Naut'sa mawt Tribal Council (NmTC) Members at the February 2016 AGM. NmTC being the parent company of NRG.

From an operating perspective, Naut'sa mawt Resources Group has been undergoing regeneration. In 2013, Naut'sa mawt Resources Group reported revenues of \$34,600 and an operating loss of \$95,209. This was followed, in 2014, by \$0 reported revenues and an operating loss of \$97,740.

In 2015, we reported revenues of \$34,700 and an operating loss of \$93,853. In 2016, we increased revenues to \$196,000 and experienced an operating loss of \$83,600. The trend will be higher revenues with a view to achieving profitability in the 2016/17 or 2017/18 fiscal years.

Notice to Reader:

On the basis of information provided by the Company, we have compiled the balance sheet of Naut'sa Mawt Resources Group Inc. as at March 31, 2016 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Accordingly, readers are cautioned that these statements may not be appropriate for their purposes.

A stylized, handwritten signature in black ink that reads "Reid Hurst Nagy Inc.".

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

VANCOUVER, B.C.
NOVEMBER 17, 2016

NAUT'SA MAWT RESOURCES GROUP INC.

STATEMENT OF LOSS AND DEFICIT For the year ended March 31, 2016 (Unaudited - See Notice to Reader)

	2016 \$	2015 \$
REVENUE		
INAC revenue	-	15,000
Contract revenue	178,479	19,620
Miscellaneous income	17,420	-
	195,899	34,620
DIRECT COSTS	195,479	23,732
GROSS PROFIT	420	10,888
EXPENSES		
Administration fee	24,000	24,000
Advertising and promotion	2,786	2,884
Bad debts	-	14,678
Consulting fees	-	10,647
Honoraria	3,150	-
Depreciation	802	1,107
Interest on long-term debt	40,600	40,600
Director's fee	1,200	-
Memberships	166	-
Office	2,919	1,754
Professional fees	4,000	5,500
Rent	-	300
Repairs and maintenance	-	1,890
Travel	4,463	1,381
	84,086	104,741
LOSS FROM OPERATIONS	(83,666)	(93,853)
OTHER INCOME (EXPENSE)		
Interest	124	556
Income (loss) on investment	19,391	(59,361)
	19,515	(58,805)
NET LOSS	(64,151)	(152,658)
DEFICIT, beginning of the year	(1,113,655)	(960,997)
DEFICIT, end of the year	(1,177,806)	(1,113,655)





NAUT'SA MAWT RESOURCES GROUP INC.

BALANCE SHEET As at March 31, 2016 (Unaudited - See Notice to Reader)

	2016 \$	2015 \$
ASSETS		
CURRENT ASSETS		
Cash	243,545	143,986
Accounts receivable	61,149	37,920
	304,694	181,906
CAPITAL ASSETS (Note 2)	2,234	3,036
INVESTMENT IN SUBSIDIARY (Note 3)	1,364,444	1,345,053
	1,671,372	1,529,995
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	51,639	30,442
GST/HST payable	511	496
Due to shareholder (Note 4)	1,783,597	1,495,881
Current portion of long-term debt	144,000	144,000
	1,979,747	1,670,819
LONG-TERM DEBT (Note 5)	144,000	288,000
NOTE PAYABLE (Note 6)	725,381	684,781
	2,849,128	2,643,600
SHAREHOLDER'S DEFICIENCY		
Share capital (Note 7)	50	50
Deficit	(1,177,806)	(1,113,655)
	(1,177,756)	(1,113,605)
	1,671,372	1,529,995

Approved on behalf of the Board:

Director

Director

NAUT'SA MAWT RESOURCES GROUP INC.

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2016

(Unaudited - See Notice to Reader)

1: DESCRIPTION OF OPERATIONS

Naut'sa mawt Resources Group Inc. ("Company") was founded by the Naut'sa mawt Tribal Council in 1997 after the Government of Canada announced its Procurement Strategy for Aboriginal Businesses. The Company pursues opportunities to offer value-added products and services to private and public sectors across Canada. The Company was incorporated under the laws of the Province of British Columbia. The Company is 100% owned by the Naut'sa mawt Tribal Council.

2: CAPITAL ASSETS

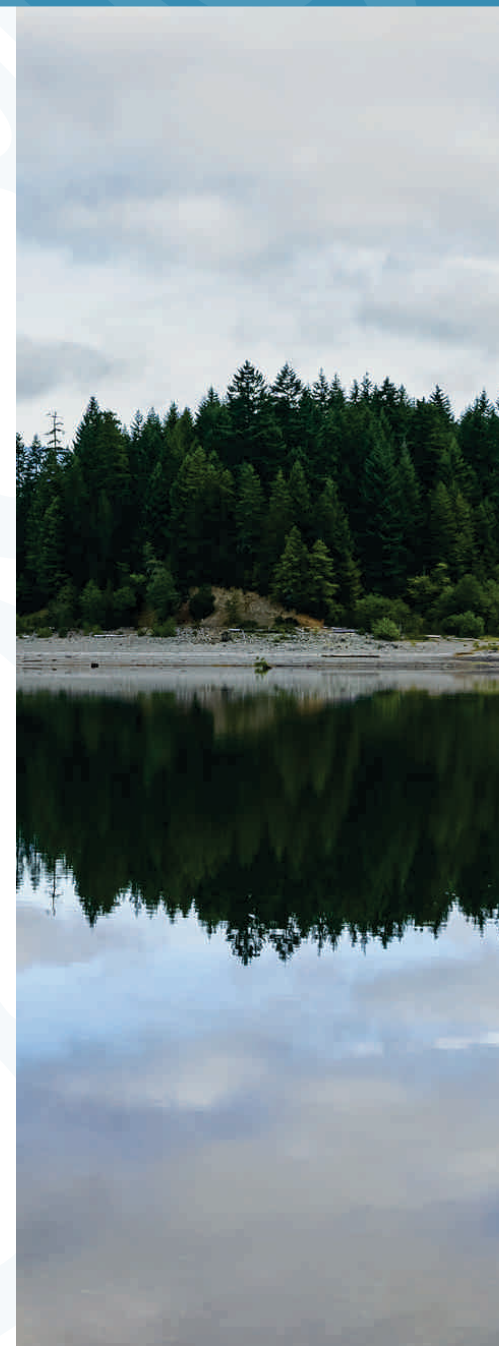
	Cost	Accumulated depreciation	2016 Net	2015 Net
	\$	\$	\$	\$
Computer equipment	19,464	18,099	1,365	1,950
Furniture and fixtures	3,630	2,761	869	1,086
	23,094	20,860	2,234	3,036

3: INVESTMENT IN SUBSIDIARY

The balance represents 80% interest for investment in shares in Xyntax Group Inc.

4: DUE TO SHAREHOLDER

The amount due to the shareholder is unsecured, non-interest bearing with no specific terms of repayment.



5: LONG-TERM DEBT

	2016	2015
	\$	\$
Unsecured interest free loan repayable in annual payment of \$144,000. The loan matures on August 31, 2017.	288,000	432,000
Less: current portion	144,000	144,000
Due beyond one year	144,000	288,000
Estimated principal repayments are as follows:	\$	
2017	144,000	
2018	144,000	
	288,000	

6: NOTE PAYABLE

Naut'sa mawt Tribal Council loan bearing interest at 7% per annum. The loan principal and interest is due on August 31, 2017 and is secured by a General Security Agreement.

	2016	2015
	\$	\$
Note principal	580,000	580,000
Interest payable	145,381	104,781
	725,381	684,781

7: SHARE CAPITAL

	2016	2015
	\$	\$
Authorized		
100,000 Class A common voting shares without par value		
500,000 Class B preferred non-voting shares with a par value of \$0.01 each		
Issued and outstanding		
100 Class A Common shares	50	50

Xyntax

Integrated Financial Management Software Solution for First Nations

Since 1984, Xyntax Systems has worked with First Nations, Tribal Councils, and band-empowered entities throughout Canada. As an aboriginally-owned, Canadian software manufacturer, Xyntax offers a broad range of integrated, easy-to-use, financial and administrative management solutions – all developed with and for First Nations. It provides a software solution that meets the needs of First Nations in Canada unlike any other in available in the market place.

In 2012, Naut'sa mawt Resources Group purchased 80% ownership of Xyntax. The new relationship started off with some challenges that the NRG board has been working to address, including during 2015/2016.

In March 2015, a high-level assessment by Ah-In-Chut Business Group concluded that Xyntax had an excellent potential to increase market share among First Nations in Canada but faced several constraints. Key recommendations surrounded:

- Reviewing the ownership structure
- Developing an HR/succession plan
- Shifting focus from product development to sales
- Diversifying revenue sources, particularly in training opportunities
- Implementing a marketing and brand awareness campaign



Following these recommendations, staff obtained support from the the Tale'awtxw Aboriginal Capital Corporation to undertake further business planning for Xyntax and engaged the services of Brian Payer and Associates (BPA). In particular, BPA examined more short-term steps that needed to be taken to assist Xyntax to meet the growing demand for its programs. A key conclusion of BPA was that Xyntax would realize great benefits by expanding its training and support resources, particularly if this could be done through a contracting out arrangement. Options as to how to accomplish this within current budget restraints is a matter that will be examined in 2016/17, when the final phase of the assessment is planned. This assessment will provide a definitive view of the "as-is" state of Xyntax, identify priority action items, and recommend options to meet the objectives for Xyntax as set by its Board of Directors.

Overall, our optimism about the future of Xyntax is high. We believe it can generate an acceptable and sustainable return on the investment by NRG, offer potential employment and training opportunities for NmTC members, and, of critical importance, assist First Nations in Canada improve governance through offering an unparalleled data management solution.

In fiscal year 2015/16, Xyntax enjoyed levels of sales and product installations higher than ever before in history. There were no seasonal cash flow issues and company was profitable.



CORPORATE GOVERNANCE



Naut'sa mawt
TRIBAL COUNCIL

Naut'sa mawt Tribal Council supports its member nations in realizing their efforts towards self-reliance, self-governance, connection to culture, and quality of life now and for future generations.

Corporate Governance

"Surround yourself with great people, delegate authority; get out of the way." Ronald Regan

Members of the Board of Directors are appointed by their respective councils to represent their nations at the tribal council.

The Board of Directors as a whole is responsible for managing the society and is accountable for the proper conduct of the society's affairs. The board of directors of a society must:

- Take action to achieve the objectives of the society.
- Establish policies about how the society will be governed
- Propose amendments to the constitution and bylaws of the society, as circumstances change, for the consideration of the members
- Approve an annual budget and secure the needed financial resources
- Elect or appoint officers who will ensure high-quality board leadership in accordance with the bylaws
- Report to Members

SIX board meetings were held during this fiscal year:

- May 28, 2015, hosted by the Malahat Nation
- July 23, 2015, hosted by the Tsleil-Waututh Nation
- September 30, 2015, hosted by the Songhees Nation
- November 18, 2015, held immediately after the Joint Gathering in Vancouver
- January 28, 2016, hosted by the Homalco Nation
- March 23, 2016, hosted by the T'Sou-ke Nation

The following decisions / resolutions were made:

- Approved the renewal of the temporary contract with Director Terry Sampson from March 1, 2015, to September 30, 2015;
- Approved funding applications:
 - Application to AANDC's First Nation Housing Authority Initiative
 - Application to First People's Cultural Council
 - Application to the BCCI for the Nation 2 Nation (N2N) Mentorship in Land Use and Community Planning project
 - Application to the New Relationship Trust Governance Capacity Initiative program



- Directed staff to initiate concept and terms of reference for youth participation at board meetings;
- Directed staff to develop terms of reference and implementation plan for a NmTC Elders' Council;
- Assigned the Executive Committee to conduct the performance evaluation of the CAO;
- Approved the creation of a line of credit that Xyntax can access to bridge the cash flow shortfalls during November/December 2015;
- Called the 2015 AGM;
- Approved the 2014-2015 audit and authorized its presentation to the Members at the annual general meeting being held on December 2, 2015;
- Approved bylaw amendments to amend the quorum requirements at an annual general meeting and authorized its presentation to the members at the AGM being held on February 12, 2016, in Parksville, BC:
- Approved the 2016-2017 Program and Services work plan, budget and funding agreement with INAC;
- Elected Officers of the board for the next fiscal year:
- Acclaimed Bryce Williams as Chairman of the Board;
- Acclaimed Terry Sampson as Vice-Chairman of the Board;
- Acclaimed Gordon Planes as Secretary/Treasurer of the Board;
- Approved the Terms of Reference for the NmTC Elders' Council and authorized the creation of the council;
- Set remuneration of Auditor as directed by the Members at the last AGM;
- Supported the delivery of a Youth Leadership Gathering to be held in summer of 2016;
- Authorized bylaw amendment by written consent resolution.

2015-2016
Board of Directors



Chief Bryce Williams
Tsawwassen First Nation



Terry Sampson
Stz'uminus First Nation



Chief Gordon Planes
T'Sou-ke First Nation



Chief James Thomas
Halalt First Nation



Dorothy Paul
Homalco First Nation



Kevin Peacey
Klahoose First Nation



Chief Caroline Harry
Malahat First Nation



Chief Clint Williams
Tla'amin First Nation



Chief John Wesley
Snuneymuxw First Nation



Chris Bob
Snaw-naw-as First Nation



Deanna George
Tsileil-Waututh First Nation

Executive Committee

The Executive Committee also represents the Officers of the society. The Officers are elected each year by the board of directors after each AGM. They are directed by the board and act on authority delegated from the board. During the 2014/15 fiscal year, the Executive Committee met four times to respond to board requests and assignments.

- January 12, 2016

The Board assigned the following projects/assignments to the Executive Committee:

- Policy review;
- Review CAO employment agreement and make recommendations to board.

Chairman of the Board

Chief Bryce Williams - Tsawwassen First Nation



Bryce carries two traditional names: Yaahl liwaans from his mother's Haida side and Təxwiləm named after his great, grandfather from Tsawwassen. Bryce was first elected to the position of Chief of Tsawwassen Nation in 2012. Prior to that, he served as a Legislator and a member of the Executive Council from 2009-2012. Bryce is also an artist, carver, and traditional drummer and singer.

Vice-Chair

Terry Sampson - Stz'uminus First Nation



Terry's traditional name is Yuk'walu-Ala Way. Terry has been an elected councillor for many years and prior to that he has served as Chief of Stz'uminus First Nation. Terry has strong connections to his culture and is devoted to serving his people as an elected official and director.

Secretary / treasurer

Chief Gordon Planes - T'Sou-ke First Nation



Gordon's traditional name is Hya quatcha, named after his great grandfather from Scia-new, the salmon people. Elected Chief of T'Sou-ke Nation for the past 7 years, Gordon previously worked as back-country operations manager of the West Coast trail for Parks Canada. He is a Coast Salish carver, artist, traditional singer and a captain of T'Sou-ke traditional dug-out canoes for the last two decades.



FINANCIAL MANAGEMENT



Naut'sa mawt
TRIBAL COUNCIL



"The activity generated by Naut'sa mawt Tribal Council's advisory and revenue generating activities continues to grow."

Message from the Director of Finance

Lisa Scott, Nautsa'mawt Tribal Council

It has been my pleasure to serve Naut'sa mawt Tribal Council as Director of Finance. I enjoy working alongside this dynamic team of skilled, dedicated professionals, committed to serving our members. I thank the Board of Directors for their leadership and guidance on our journey to become an organization that, above all things, lifts up and supports our People.

My first year with Naut'sa mawt Tribal council was "The Year of Change". Working with our CAO, I reviewed and evaluated our financial systems and reporting procedures. The second year, we developed a plan to centralize all accounting and financial operations. This year, we have continued to "Walk the Path" by expanding our finance team. There are increasing demands of our growing organization. Developing optimal reporting structures and policies is important, as is Implementing Generally Accepted Accounting practices in all areas of finance.

The Tribal Council's historical reporting status has improved. INAC reports have been submitted on time, which ensures an ongoing flow of funding and allows Naut'sa mawt Tribal Council to meet project requirements. Naut'sa mawt Tribal Council completed a number of approved projects in 2015/16 without receiving project funding within that fiscal year, which will be evident in the audit deficit. The deficit will be resolved in the 2016/17 fiscal year.

We completed our Naut'sa mawt Tribal Council audit and NRG reviews for 2014/15 and 2015/16. We have set systems in place for the funding agreements, and policies for the Naut'sa mawt Tribal Council financials. We have shifted Naut'sa mawt Tribal Council from cash basis reporting to an accrual basis where revenue is recognized when committed, but has not yet arrived. This provides a more accurate reflection of our fiscal position. The activity generated by Naut'sa mawt Tribal Council's advisory and revenue-generating activities continues to grow. This is a step forward in realizing our goal of developing optimal reporting structures and implementing Generally Accepted Accounting Practices in all areas of finance.

The Naut'sa mawt Finance office will continue on its path of meeting the financial management needs of our dynamic organization. Guided by strong leadership and good governance, Naut'sa mawt Tribal Council will continue to succeed in the complexity and range of programs and services offered to our members. I am honored to be a part of the team Working Together as One to realize Naut'sa mawt Tribal Council's potential.

Sincerely,

Lisa Scott

Lisa Scott, Director of Finance

Management Letter

ACCOUNTANTS AND BUSINESS ADVISORS

200 - 2000 West 12th Avenue
Vancouver, BC V6J 2G2

T: 604.736.8911
1.866.519.4723
F: 604.736.8915
info@rhncpa.com



Naut'sa Mawt Tribal Council
Att'n: Board of Directors
8017 Chemainus Road
Chemainus, BC V0R 1K50

Dear Directors:

Re: Naut'sa Mawt Tribal Council

In planning and performing our audit of the financial statements of the **Naut'sa Mawt Tribal Council** (the "Tribal Council") for the year ended March 31, 2016, we gained an understanding of your internal controls over financial reporting in order to design our audit plan including procedures that are appropriate for the purpose of expressing an opinion on your financial statements. Please note that our planning related to internal controls was not for the purpose of expressing an opinion on the effectiveness of such controls over financial reporting.

Internal controls are the methods and procedures an organization uses to ensure the accuracy and validity of their financial statements. Such controls protect your organization from abuse and fraud, and should ensure that information is received in an accurate and timely manner. Management of an organization is ultimately responsible for the development and maintenance of effective internal controls over their accounting systems and practices, while accounting departments are charged with the responsibility of processing accounting records and financial statements in accordance with such controls. Canadian Auditing Standards (CAS) dictate that auditors review and evaluate such controls to determine the extent of the audit procedures that they will use during the audit process or plan. The independence standard prescribes that auditors should not review their own work or be actively involved in the maintenance of general ledgers or posting of adjusting entries.

As our audit plan for March 31, 2016 is nearing completion, we wish to take this opportunity to present our findings and recommendations in the form of a letter to Management as required by CAS.

FUND BALANCES AND ACCUMULATED SURPLUS (DEFICIT)

It should be noted that as of March 31, 2015 the Council's accumulated surplus was \$268,577 and decreased to an accumulated deficit \$926,190 by March 31, 2016 for a difference of \$1,194,767 in the period.

ACCOUNTING RECORDS

Status of the Records

The financial records required a number of adjustments and reallocation of opening balances during the Audit process. However, due to staff shortages in the accounting department we were not provided with the financial records on a timely basis which ultimately delayed the audit completion process.

We recommend that:

- 1) *assistance be sought on a regular basis to assist the accounting department with the audit preparation process in order to comply with timely funding reporting requirements.*

Accounting and Bookkeeping Related Issues

During the course of our Audit, we prepared 60 recommended adjusting journal entries. It has been a practice of Reid Hurst Nagy Inc. to advise our clients, throughout the audit process, of any corrections or adjustments that may come to our attention in order that appropriate action can be taken on a timely basis.

It should be noted that we have no authority to adjust your records but are compelled by our standards to recommend adjustments as a result of our findings during the audit process. These recommended adjustments to your records pertained to the following items:

- reallocation of 2016 opening fund balances,
- accounts receivable,
- bad debt,
- tangible capital assets amortization,
- accounts payable,
- accrued liabilities,
- AANDC/INAC recoveries,
- deferred revenue,
- enterprise fund,
- reallocation of revenue and expenses, and
- transfers between fund accounts/departments.

It is our persistent goal to continue to reduce the number of such adjustments by offering recommendations to improve internal controls over your accounting records as well as the accuracy of inputted data.

Accounts Receivable

Our recommendations related to the reconciliations of sub ledger accounts have been implemented along with recording allowances for doubtful accounts. We appreciated the accounting department support in this regard.

Accounts Payable

During our review of accounts payable, we recommended several adjustments related to recovered amounts, reallocation of prepaid expenses as well as accrued liabilities. The unrecorded amounts are mainly due to invoices not being submitted for payment or received subsequent to the year end.

We recommend that:

- 1) *major vendors should be notified before the year-end to submit their invoices in a timely manner;*
- 2) *invoices received after the month-end or year-end should be reviewed and recorded in the appropriate accounting period to insure proper cut off; and*
- 3) *major funded expenditures should be recorded in the applicable accounting period to ensure reporting requirements are met, and reimbursements are received.*
- 4) *all invoices should be approved by the appropriate manager/director prior to cheques being issued*

Payroll

Best practices direct that employment contracts be reviewed annually by Management and legal advisors to ensure compliance with agreed-upon provisions for pay rates etc.

We recommend that:

- 1) *employment contracts be in existence for all employee, and*
- 2) *employment contracts be reviewed on an annual basis by management to ensure compliance with the agreed-upon provisions of the said contracts.*

Management Letter

Deferred Revenue

For SET funding, surpluses are recovered at the end of each fiscal year. Deficits on capital projects may be brought forward from the prior year and used to offset surpluses in the current year.

For FIXED funding, surpluses may be retained for one fiscal year if surpluses are used in the same program in the next fiscal year, or in a different program, as long as a plan is submitted to AANDC/INAC within 120 days after the end of the fiscal year and subsequently approved by AANDC/INAC. In addition, the unexpended FIXED funds will be held as deferred revenue in AANDC/INAC accounts for the Tribal Council and will be utilized first before tapping into any new funding. Again, deficits on capital projects may be brought forward from the prior year and used to offset surpluses in the current year.

We recommend that:

- 1) *the Tribal Council keep track of all surpluses generated from AANDC/INAC funding so that Management is aware of potential surplus recovery by AANDC/INAC depending on the type of funding.*
- 2) *funded expenditures be identified and recorded in the applicable capital projects to meet reporting requirements and minimize the potential recovery for projects funded by SET or FIXED funding.*
- 3) *surpluses from FIXED funding be analyzed to determine if there could be any further expenditures incurred in the following fiscal year to utilize the surpluses. If there are no additional expenditures that can be incurred in the same capital project, then Management should consider the creation of a new work plan to utilize the surplus for another capital project for AANDC/INAC approval. This prudent planning would minimize potential recovery by AANDC/INAC*

SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and the application as part of our audit. The accounting policies used are described in note (2) "Basis of presentation and significant accounting policies" in the financial statements. These financial statements are prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board.

There were no other accounting policies adopted or changes to the application of accounting policies of the Council during the year.

SIGNIFICANT OR UNUSUAL TRANSACTIONS

No significant or unusual transactions came to our attention during the audit process that you need to be apprised of.

ACCOUNTING ESTIMATES

Management is responsible for the accounting estimates included in financial statements. These estimates are based on Management's knowledge of the business and past experience.

The auditors' responsibility is to obtain sufficient appropriate evidence to provide reasonable assurance that Management's accounting estimates are reasonable.

DISAGREEMENTS WITH MANAGEMENT

Our standards require that we communicate any disagreements with Management, whether or not resolved, about matters that relate to our audit process.

Please be advised that we had no disagreements with Management during the audit process.

ISSUES ENCOUNTERED DURING THE AUDIT PROCESS

We encountered no significant issues during our audit process that should be brought to the attention of the Board of Directors.

WHAT'S NEW FOR FIRST NATION ORGANIZATIONS

The Risk of a Cyber-attack

Cyber-attacks have become increasingly sophisticated, dangerous and an increasing concern to the accounting and legal professions. Technological advances which promote such practices as remote access, mobile technology, and cloud computing make us all particularly vulnerable.

A cyber-attack is any type of offensive maneuver employed by individuals or whole organizations that target computer information systems, infrastructures, computer networks, and/or personal computer devices by various means of malicious acts usually originating from an anonymous source that either steals, alters, or destroys a specified target by hacking. A **hacker** is someone who seeks and exploits weaknesses in a computer system or network. Hackers are motivated by such things as profit, protest, challenge, and even enjoyment.

Cyber-attacks can range from installing spyware on a computer to attempt to destroy the infrastructure of an organization. **Spyware** is software that aims at gathering information about a person or organization without their knowledge or asserts control over a computer without ownership's knowledge.

CONCLUSION

The items contained in this correspondence were documented solely for the information of the Board of Directors as well as Management and are not intended for any other purpose. We accept no responsibility to a third party who might use the content of this correspondence.

To ensure there is a clear understanding and record of the matters discussed, we ask that members of the Board sign their acknowledgement in the spaces provided below.

REID HURST NAGY INC.



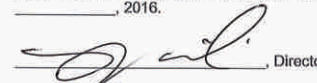
Norman G. Grdina, CFE, CAFM, FCPA, FCGA



David Leung, B Comm, CPA, CGA

ACKNOWLEDGEMENT OF NAUT'SA MAWT TRIBAL COUNCIL:

We have read and approve this Management Letter prepared as part of the Audit Process conducted by Reid Hurst Nagy Inc., Chartered Professional Accountants on behalf of the Board of Directors on this ____ day of _____, 2016.



James Thomas, Director



Director



Director



Director

Independent Auditors Report

To the Members of **Naut'sa mawt Tribal Council**

We have audited the accompanying consolidated financial statements of Naut'sa mawt Tribal Council, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 Tribal Council'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 Tribal Council'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 qualified audit opinion.

Basis for Qualified Opinion

The Tribal Council holds investment in Government Business Enterprises. We were unable to satisfy ourselves as to the carrying value of these investments because the financial records were not audited. Accordingly we were not able to determine whether any adjustment might be necessary to the Investment in Government Business Enterprises, the net income (loss) from these investments and the accumulated deficit in Enterprise Fund.

Qualified opinion

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the Naut'sa mawt Tribal Council as at March 31, 2016 and the results of its operations for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "Reid Hurst Nagy Inc." in a cursive, flowing script.

REID HURST NAGY INC
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
November 22, 2016

Managements Statement of Responsibility for Financial Reporting March 31, 2016

The accompanying consolidated financial statements of Naut'sa mawt Tribal Council are the responsibility of management and have been approved by the Board of Directors.

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 CPA Canada and as such include amounts that are the best estimates and judgements of management.



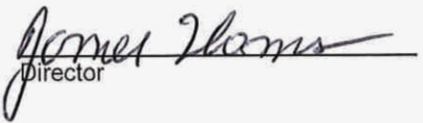
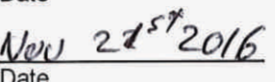
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is 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.

The Board of Directors 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 auditor's report.

The external auditors, Reid Hurst Nagy Inc., 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 Naut'sa mawt Tribal Council and meet when required.

On behalf of Naut'sa mawt Tribal Council:

 _____ Director	 _____ Date
 _____ Director	 _____ Date

NAUT'SA MAWT TRIBAL COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 1,285,817	\$ 4,609,564
Accounts receivable (Note 3)	1,952,161	1,256,356
Investment in government business enterprises (Note 4)	605,940	382,275
	<u>3,843,918</u>	<u>6,248,195</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	2,184,742	4,168,653
Deferred revenue (Note 6)	2,597,067	2,211,105
Obligations under capital leases (Note 7)	-	26,095
	<u>4,781,809</u>	<u>6,405,853</u>
NET DEBT	<u>(937,891)</u>	<u>(157,658)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 8)	8,709	221,457
Prepaid expenses	2,992	204,778
	<u>11,701</u>	<u>426,235</u>
ACCUMULATED SURPLUS (DEFICIT) (Note 9)	<u>\$ (926,190)</u>	<u>\$ 268,577</u>

APPROVED ON BEHALF OF THE NAUT'SA MAWT TRIBAL COUNCIL

 Director

 Director



NAUT'SA MAWT TRIBAL COUNCIL

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
ANNUAL DEFICIT	\$ (1,194,767)	\$ (204,288)
Acquisition of tangible capital assets	(2,150)	-
Amortization of tangible capital assets	1,908	10,992
Disposition of tangible capital assets	212,990	-
	212,748	10,992
Acquisition of prepaid assets	(2,992)	(204,778)
Use of prepaid assets	204,778	269
	201,786	(204,509)
DECREASE IN NET FINANCIAL ASSETS	(780,233)	(397,805)
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	(157,658)	240,147
NET FINANCIAL ASSETS (DEBT), END OF YEAR	\$ (937,891)	\$ (157,658)

NAUT'SA MAWT TRIBAL COUNCIL

CONSOLIDATED SUMMARY STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS FOR THE YEAR ENDED MARCH 31, 2016

	2016 Budget	2016 Actual	2015 Actual
REVENUE			
Indigenous and Northern Affairs Canada	\$ 9,537,897	\$ 8,820,068	\$ 10,945,076
INAC Recovery	-	(86,553)	(260,016)
Net loss from government business enterprises	-	(64,051)	(155,167)
Interest income	-	55,732	47,897
Administration fee	519,000	457,166	508,615
Loss on sale of tangible capital assets	-	(91,990)	-
Other revenue	-	612,340	387,791
Deferred revenue - prior year	1,330	2,211,105	1,120,129
Deferred revenue - current year	1,341,445	(2,597,068)	(2,211,105)
	11,399,672	9,316,749	10,383,220
EXPENSES			
Administration	1,162,500	1,441,663	1,150,620
Programs	10,586,999	9,029,253	9,396,288
Enterprise Fund	-	40,600	40,600
	11,749,499	10,511,516	10,587,508
ANNUAL DEFICIT	(349,827)	(1,194,767)	(204,288)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	268,577	472,865
ACCUMULATED SURPLUS (DEFICIT), END OF YEAR (Note 10)	\$ (349,827)	\$ (926,190)	\$ 268,577



NAUT'SA MAWT TRIBAL COUNCIL

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Annual deficit	\$ (1,194,767)	\$ (204,288)
Items not affecting cash		
Amortization	1,908	10,992
Net income from Government Business Enterprises	64,051	155,167
Loss on sale of tangible capital assets	91,990	-
	(1,036,818)	(38,129)
Change in non-cash items on statement of financial position		
Accounts receivable	(695,805)	1,385,723
Prepaid expenses	201,786	(204,510)
Accounts payable and accrued liabilities	(1,983,911)	1,449,762
Deferred revenue	385,962	1,090,976
	(3,128,786)	3,683,822
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(2,150)	-
Proceeds from disposition of tangible capital assets	121,000	-
	118,850	-
FINANCING ACTIVITIES		
Principal repayment on obligation of capital lease	(26,095)	(44,254)
INVESTING ACTIVITIES		
Due from Government Business Enterprises	(287,716)	(187,572)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(3,323,747)	3,451,996
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,609,564	1,157,568
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,285,817	\$ 4,609,564

NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

1. NATURE OF OPERATIONS

The Naut'sa mawt Tribal Council (Tribal Council) is a non-profit society, incorporated in 1983, that proudly serves eleven member First Nations. We receive funding support from Indigenous and Northern Development Canada and from our own source revenue which includes joint ventures, corporate subsidiaries, event management, and project management services.

The Tribal Council offers services in five core delivery areas that include: economic development; financial management; community planning; technical services; and governance.

The Tribal Council is governed by a Board of Directors, made up of one representative from each of the eleven member First Nations, appointed annually by their respective Councils.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of CPA Canada.

(a) Principles of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of entities which are controlled by the Tribal Council. Controlled entities are consolidated, except for government business enterprises (GBE) which are accounted for by the modified equity method. All inter-fund and inter-organization transactions and balances have been eliminated on consolidation.

The Tribal Council records its investments in GBE on the modified equity basis. Under the modified equity basis, the GBE accounting policies are not adjusted to conform with those of the Tribal Council and inter-entity transactions and balances are not eliminated. The Tribal Council recognizes its equity interest in the annual earnings or loss of the GBE in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions that the Tribal Council may receive from the GBE will be reflected as deductions in the investment asset account.

Entities accounted for on a modified equity basis include:

- Naut'sa Mawt Resources Group Inc. (NRG) - 100% Interest

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.





NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) 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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Naut'sa mawt Tribal Council's incremental cost of borrowing.

Amortization is provided for on a declining balance basis over their estimated useful lives as follows:

Buildings	4% Declining balance
Computer equipment	20% Declining balance
Furniture and equipment	20% Declining balance

Tangible capital assets are written down when conditions indicate that they no longer contribute to Naut'sa mawt Tribal Council'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. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

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. Assets under construction are not amortized until the asset is available to be put into service.

(d) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards for governments requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Items requiring the use of significant estimates include amortization. Actual results could differ from those estimates.

NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues 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. Transfer revenue is 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.

Revenue related to fees or services received in advance of the fees being earned or the services performed is deferred and recognized when the fees are earned or the services performed.

(f) Financial Instruments

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, and any other items elected by the Tribal Council to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss, calculated as the excess of the net recoverable amount of the asset and its carrying value, is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

The Tribal Council's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, deferred revenue and obligations under capital leases. It is management's opinion that the Tribal Council is not exposed to significant interest rate, market, currency, credit, or liquidity risks arising from these financial instruments and that the fair value of these financial instruments approximate their carrying values.





NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

3. ACCOUNTS RECEIVABLE

	2016	2015
INAC	\$ 1,808,686	\$ 1,144,444
GST/HST Public Service Bodies' Rebate	6,498	517
Others	136,977	111,395
	\$ 1,952,161	\$ 1,256,356

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

The investment in Naut'sa Mawt Resources Group Inc. (NRG) consists of the following:

	2016	2015
Investment in NRG	\$ (1,177,656)	\$ (1,113,605)
Due from NRG - (i)	1,783,596	1,495,880
Interest bearing loan - (ii)	580,000	580,000
Interest receivable - interest bearing loan	145,381	104,781
Allowance for doubtful account - principal and interest of the interest bearing loan	(725,381)	(684,781)
	\$ 605,940	\$ 382,275

The financial information of NRG for year ended March 31, 2016 and 2015 are presented as follows:

	2016	2015
Cash	\$ 243,545	\$ 143,986
Accounts receivable	61,149	37,920
Capital assets	2,234	3,036
Investment	1,364,444	1,345,053
Total assets	\$ 1,671,372	\$ 1,529,995
Accounts payable	\$ 51,639	\$ 30,442
Government remittances	511	496
Due to shareholder	1,783,597	1,495,881
Current portion of long-term debt	144,000	144,000
Long-term debt	144,000	288,000
Note payable	725,381	684,781
Total liabilities	2,849,128	2,643,600
Share capital	50	50
Deficit	(1,177,806)	(1,113,655)

NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES, continued

	2016	2015
Revenue	\$ 195,899	\$ 34,620
Interest	124	556
Income (loss) on investment	19,391	(59,361)
	215,414	(24,185)
Direct cost	195,479	23,732
Expenses	84,086	104,741
Total expenses	279,565	128,473
Net income	\$ (64,151)	\$ (152,658)

- i) The amount due from NRG is unsecured and without interest or fixed terms of repayment.
- ii) The interest rate on the interest bearing loan due from NRG is 7% per annum. The loan principal and interest is due on August 31, 2017. The Tribal Council charged NRG \$40,600 (2015: \$40,600) of interest on the loan and the same amount was set up as allowance for doubtful account.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Accounts payable	\$ 2,059,302	\$ 3,878,260
Amounts payable to INAC	83,220	275,940
Payroll remittance payable	6,952	8,588
WCB payable	4,088	1,277
Pension payable	3,617	4,588
Vacation accrual payable	27,563	-
	\$ 2,184,742	\$ 4,168,653

The vacation accrual liability is comprised of the vacation that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

The Tribal Council provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5% of their salary and the Tribal Council is required to match their contribution of 5%. The amount of the retirement benefit to be received by the employees will be the amount of the retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The Tribal Council contributed during the year \$22,090 (2015: \$22,549) for retirement benefits. The Tribal Council does not have any other obligations with regards to the pension plan as at March 31, 2016.



NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

6. DEFERRED REVENUE

	2016	2015
INAC	\$ 2,481,867	\$ 2,211,105
Others	115,200	-
	\$ 2,597,067	\$ 2,211,105

7. OBLIGATIONS UNDER CAPITAL LEASES

	2016	2015
Building lease contract with a monthly payment of \$3,724 until May 2015 and a purchase option of \$18,860.	\$ -	\$ 26,095

8. TANGIBLE CAPITAL ASSETS

	2016 Cost			2016 Accumulated amortization					
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2016 net book value
Buildings	\$ 259,417	\$ -	\$ (259,417)	\$ -	\$ 46,427	\$ -	\$ (46,427)	\$ -	\$ -
Computer equipment	72,285	-	-	72,285	66,224	1,212	-	67,436	4,849
Furniture and equipment	9,182	2,150	-	11,332	6,776	696	-	7,472	3,860
	\$ 340,884	\$ 2,150	\$ (259,417)	\$ 83,617	\$ 119,427	\$ 1,908	\$ (46,427)	\$ 74,908	\$ 8,709

	2015 Cost			2016 Accumulated amortization					
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2015 Net book value
Buildings	\$ 259,417	\$ -	\$ -	\$ 259,417	\$ 37,552	\$ 8,875	\$ -	\$ 46,427	\$ 212,990
Computer equipment	72,285	-	-	72,285	64,709	1,515	-	66,224	6,061
Furniture and equipment	9,182	-	-	9,182	6,174	602	-	6,776	2,406
	\$ 340,884	\$ -	\$ -	\$ 340,884	\$ 108,435	\$ 10,992	\$ -	\$ 119,427	\$ 221,457

NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

9. ACCUMULATED SURPLUS

	2016	2015
Restricted		
Capital Reserve Fund	\$ 452,992	\$ 452,992
Unrestricted		
Operating Fund	70,754	1,014,636
Enterprise Fund	(1,458,465)	(1,394,414)
Invested in Tangible Capital Assets	8,709	195,363
	(1,379,002)	(184,415)
	\$ (926,010)	\$ 268,577

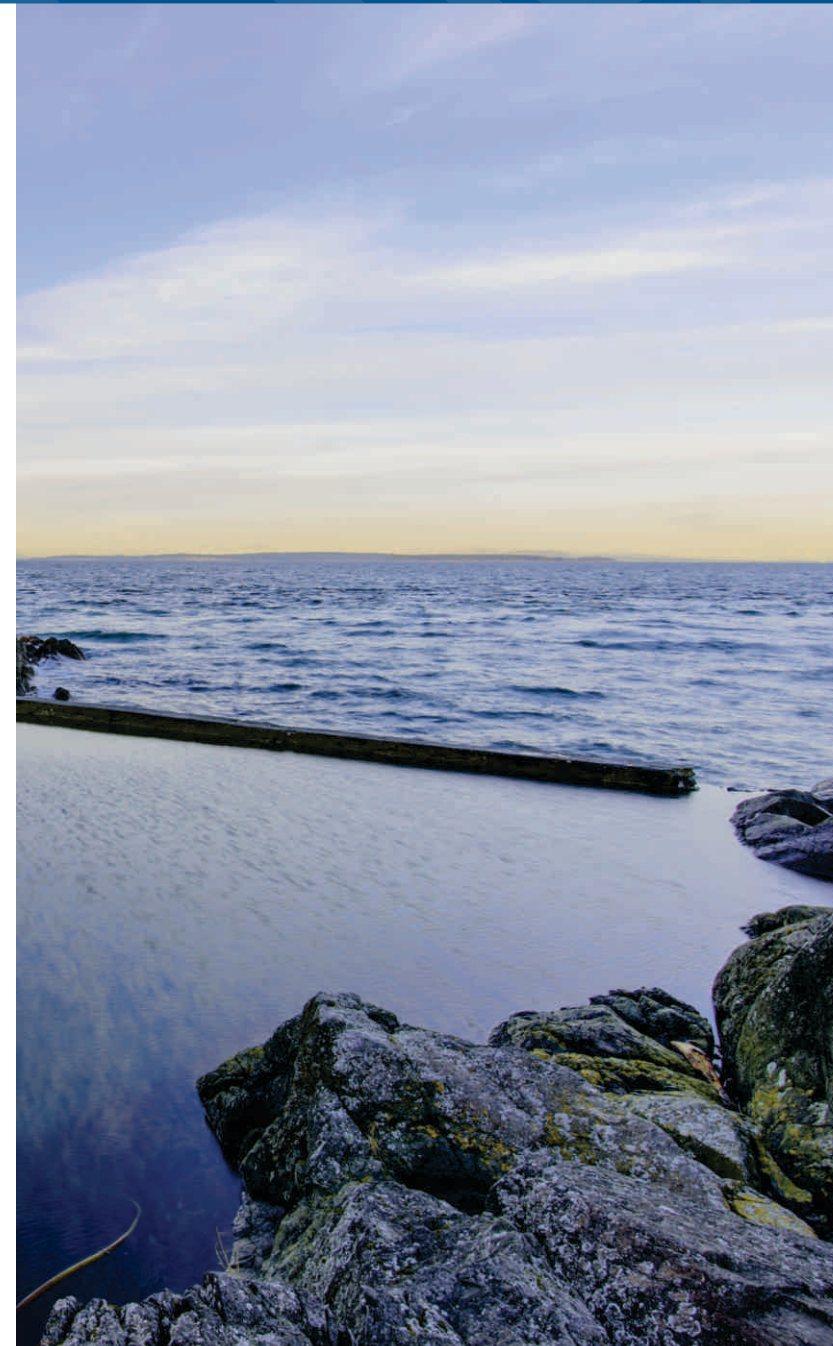
10. RESTATEMENT OF COMPARATIVE FIGURES

The investment in government business enterprises for 2015 fiscal year has been adjusted to include the loss from the Naut'sa Mawt Resources Group Inc. (NRG) since the financial information was made available. As a result, the following balances in the 2015 fiscal year have been adjusted:

	As originally stated	Amount change	Revised balance
Investment in government business enterprises	\$ 537,442	\$ (155,167)	\$ 382,275
Accumulated surplus, end of year	423,744	(155,167)	268,577
Net loss from government business enterprises	-	(155,167)	(155,167)
Annual deficit	(49,121)	(155,167)	(204,288)
Enterprise Fund	\$ (1,239,247)	\$ (155,167)	\$ (1,394,414)

11. ECONOMIC DEPENDENCE

Naut'sa mawt Tribal Council receives a significant portion of its revenue pursuant to a funding agreement with INAC. The nature and extent of this revenue is of such significance that the Tribal Council is economically dependent on this source of revenue.





NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

12. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform with the presentation adopted in the current period.

13. BUDGET INFORMATION

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Board of Directors.

14. EXPENSES BY OBJECT

	2016 Budget	2016 Actual	2015 Actual
Contractor	\$ 9,358,078	\$ 7,869,391	\$ 8,290,675
Meeting	706,854	550,344	383,705
Wages and benefits	357,511	490,305	417,095
Administration	573,429	457,191	512,003
Catering	170,370	428,195	266,422
Advertising	86,000	214,127	188,265
Professional development	119,700	96,756	73,571
Bad debt	-	78,816	57,660
Professional fees	24,000	72,875	190,738
Repairs and maintenance	24,000	58,584	33,408
Office	120,057	55,167	35,364
Honorariums	37,800	34,528	39,942
Grants cultural	33,000	29,000	27,000
Telephone and utilities	41,000	23,191	24,163
Rent	48,000	20,863	25,794
Equipment rental	40,000	17,437	4,310
Insurance	7,000	6,519	5,144
Interest and bank charges	2,700	6,319	1,007
Amortization	-	1,908	10,992
Donations	-	-	250
	\$ 11,749,499	\$ 10,511,516	\$ 10,587,508

NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

15. SEGMENTED INFORMATION

	2016 Budget	Administration 2016 Actual	2015 Actual	2016 Budget	Programs 2016 Actual	2015 Actual
Revenues						
INAC	\$ 525,000	\$ 537,935	\$ 545,516	\$ 9,012,897	\$ 8,282,133	\$ 10,399,560
INAC Recovery	-	(6,812)	-	-	(79,741)	(260,016)
Interest income	-	15,132	7,297	-	-	-
Administration fee	519,000	457,166	508,615	-	-	-
Other revenue	-	(84,374)	25,070	1,342,775	218,761	(728,255)
Total revenue	1,044,000	919,047	1,086,498	10,355,672	8,421,153	9,411,289
Expenses						
Contractor	241,500	269,326	46,997	9,116,578	7,600,065	8,243,678
Meeting	-	2,883	13,871	706,854	547,461	369,834
Wages and benefits	335,700	490,305	412,392	21,811	-	4,703
Administration	-	-	-	573,429	457,191	512,003
Catering	16,100	15,156	6,317	154,270	413,039	260,105
Advertising	86,000	214,127	188,265	-	-	-
Professional development	113,700	88,913	70,369	6,000	7,843	3,202
Bad debt	-	38,216	17,060	-	-	-
Other expenses	369,500	322,737	395,349	8,057	3,654	2,763
Total expenses	1,162,500	1,441,663	1,150,620	10,586,999	9,029,253	9,396,288
Annual surplus (deficit)	\$ (118,500)	\$ (522,616)	\$ (64,122)	\$ (231,327)	\$ (608,100)	\$ 15,001

NAUT'SA MAWT TRIBAL COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2016

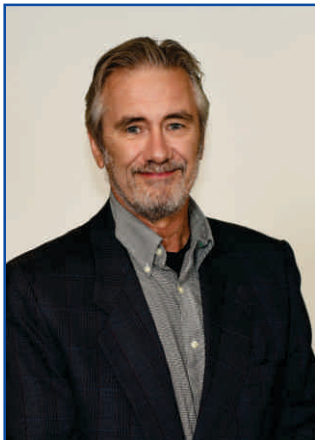
15. SEGMENTED INFORMATION, continued

	Enterprise Fund			Capital Reserve Fund			Consolidated totals		
	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual
Revenues									
INAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,537,897	\$ 8,820,068	\$ 10,945,076
INAC Recovery	-	-	-	-	-	-	-	(86,553)	(260,016)
Net income from Government Business	-	(64,051)	(155,167)	-	-	-	-	(64,051)	(155,167)
Enterprises									
Interest income	-	40,600	40,600	-	-	-	-	55,732	47,897
Administration fee	-	-	-	-	-	-	519,000	457,166	508,615
Other revenue	-	-	-	-	-	-	1,342,775	134,387	(703,185)
Total revenue	-	(23,451)	(114,567)	-	-	-	11,399,672	9,316,749	10,383,220
Expenses									
Contractor	-	-	-	-	-	-	9,358,078	7,869,391	8,290,675
Meeting	-	-	-	-	-	-	706,854	550,344	383,705
Wages and benefits	-	-	-	-	-	-	357,511	490,305	417,095
Administration	-	-	-	-	-	-	573,429	457,191	512,003
Catering	-	-	-	-	-	-	170,370	428,195	266,422
Advertising	-	-	-	-	-	-	86,000	214,127	188,265
Professional development	-	-	-	-	-	-	119,700	96,756	73,571
Bad debt	-	-	-	-	-	-	-	38,216	17,060
Other expenses	-	40,600	40,600	-	-	-	377,557	366,991	438,712
Total expenses	-	40,600	40,600	-	-	-	11,749,499	10,511,516	10,587,508
Annual surplus (deficit)	\$ -	\$ (64,051)	\$ (155,167)	\$ -	\$ -	\$ -	\$ (349,827)	\$ (1,194,767)	\$ (204,288)

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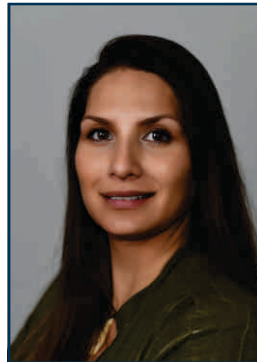


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WORKING TOGETHER AS ONE

WORKING TOGETHER AS ONE TO SUPPORT AND STRENGTHEN OUR ELEVEN COAST SALISH MEMBER COMMUNITIES THROUGH ECONOMIC DEVELOPMENT, STRONG GOVERNANCE, COMMUNITY PLANNING, FINANCIAL MANAGEMENT AND TECHNICAL SERVICES.



Naut'sa mawt
TRIBAL COUNCIL

