

Hollow Water First Nation
Consolidated Financial Statements
March 31, 2018

Hollow Water First Nation

Contents

For the year ended March 31, 2018

	Page
Management's Responsibility	
Independent Auditors' Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	19
Schedule 2 - Consolidated Schedule of Expenses by Object.....	21
Consolidated Schedules of Segment Operations	
Schedule 3 - Consolidated Summary Schedule of Segment Operations.....	22
Schedule 4 - Education.....	23
Schedule 5 - Economic Development.....	24
Schedule 6 - Economic Enterprises.....	25
Schedule 7 - Community Wellness.....	26
Schedule 8 - Social Assistance.....	27
Schedule 9 - Subsidized Housing.....	28
Schedule 10 - Governance.....	29
Schedule 11 - Community Infrastructure.....	30
Schedule 12 - Hollow Water - WERI Construction Ltd.....	31

Management's Responsibility

To the Members of Hollow Water First Nation:

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

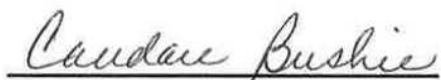
Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Hollow Water First Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council on behalf of the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

December 21, 2018



Finance Manager

Independent Auditors' Report

To the Members of Hollow Water First Nation:

We have audited the accompanying consolidated financial statements of Hollow Water First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

These consolidated financial statements do not disclose sufficient information regarding the First Nation's investment in a government partnership with a registered business name of Hollow Water - Valard government partnership, nor has it properly consolidated its portion of the assets, liabilities, revenue and expenses of the government partnership in accordance with the proportionate consolidation method as required by public sector accounting standards. Instead, the First Nation has recognized revenue from the Hollow Water - Valard government partnership in accordance with the modified equity method.

We were not able to gain sufficient, appropriate audit evidence regarding the completeness of disclosure pertaining to related party balances and transactions due to limitations in financial reporting systems and the limitations in the scope of our audit procedures.

The First Nation's consolidated statement of operations and accumulated surplus and consolidated statement of changes in net debt do not present a comparison of the results for the accounting period with those originally planned, which constitutes a departure from Canadian public sector accounting standards.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Hollow Water First Nation as at March 31, 2018 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Winnipeg, Manitoba

December 21, 2018

MNP LLP

Chartered Professional Accountants

As at March 31, 2018

Approved on behalf of the Chief and Council

Councillor

MNP

Hollow Water First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2018

	<i>Schedules</i>	2018	2017
Revenue			
Indigenous Services Canada (Note 17)		6,766,796	6,965,726
First Nations and Inuit Health (Note 18)		2,176,409	1,697,090
Other		1,913,622	1,774,524
Income from Government Business Partnership (Note 19)		794,519	732,261
Province of Manitoba (Note 20)		292,607	505,530
Southeast Resource Development Council Corp.		260,503	219,549
Video Lottery Terminals		197,125	255,567
Canada Mortgage and Housing Corporation		138,745	144,451
Government of Canada - Department of Justice		120,000	120,000
First Peoples' Development Inc.		64,418	152,000
Revenue deferred in prior year (Note 9)		333,058	265,322
Revenue deferred to subsequent year (Note 9)		(619,206)	(333,058)
Recoveries by federal funding agency		-	(7,816)
		12,438,596	12,491,146
Segment expenses			
Education	4	4,414,624	4,366,664
Economic Development	5	408,456	547,748
Economic Enterprises	6	666,587	1,816,642
Community Wellness	7	1,804,151	1,553,803
Social Assistance	8	936,863	875,263
Subsidized Housing	9	261,973	229,005
Governance	10	1,134,693	1,107,162
Community Infrastructure	11	1,893,363	1,557,008
Hollow Water - WERI Construction Ltd.	12	1,695,708	325,314
Total segment expenses (Schedule 2)		13,216,418	12,378,609
Surplus (deficit) before other items		(777,822)	112,537
Other items			
Indigenous Services Canada - water treatment plant and lagoon (Note 17)		12,523,127	6,000,000
Revenue deferred in prior year - water treatment plant and lagoon (Note 9)		2,608,605	-
Revenue deferred to subsequent year - water treatment plant and lagoon (Note 9)		(2,504,548)	(2,608,605)
Treaty 5 claim expenses (Note 10)		(779,765)	-
Claims compensation		-	(115,002)
		11,847,419	3,276,393
Surplus		11,069,597	3,388,930
Accumulated surplus, beginning of year		10,876,105	7,487,175
Accumulated surplus, end of year		21,945,702	10,876,105

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

Hollow Water First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2018

	2018	2017
Annual surplus (deficit)	11,069,597	3,388,930
Purchases of tangible capital assets	(2,737,889)	(812,958)
Amortization of tangible capital assets	913,750	775,271
Costs of construction in progress	(11,374,941)	(4,643,637)
Increase in net debt	(2,129,483)	(1,292,394)
Net debt, beginning of year	(2,670,136)	(1,377,742)
Net debt, end of year	(4,799,619)	(2,670,136)

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

Hollow Water First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts from contributors	24,257,741	18,048,134
Cash paid to suppliers	(8,612,086)	(8,287,273)
Cash paid to employees	(2,901,174)	(3,311,861)
Interest on long-term debt	(225,147)	(184,821)
	12,519,334	6,264,179
Financing activities		
Advances of long-term debt	977,402	2,072,266
Repayment of long-term debt	(777,341)	(505,119)
Advance of demand loan payable	554,228	-
First Peoples Economic Growth Fund Inc. loans	226,308	-
Increase (decrease) in bank indebtedness	(69,465)	47,087
	911,132	1,614,234
Capital activities		
Purchases of tangible capital assets	(2,737,889)	(812,958)
Costs of construction in progress	(11,374,941)	(4,643,637)
	(14,112,830)	(5,456,595)
Investing activities		
Proceeds from withdrawal of Investment in Government Business Partnership	700,000	859,985
Change in restricted cash and short-term investments	1,061,325	(4,058,646)
	1,761,325	(3,198,661)
Increase (decrease) in cash resources	1,078,961	(776,843)
Cash resources, beginning of year	183,740	960,583
Cash resources, end of year	1,262,701	183,740

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

1. Operations

The Hollow Water First Nation (the "First Nation") is located in the Province of Manitoba, and provides various services to its Members. The Hollow Water First Nation financial reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

2. Change in accounting policies

Effective April 1, 2017, the First Nation adopted the recommendations relating to the following Sections, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 2200 Related Party Disclosures
- PS 3420 Inter-entity Transactions
- PS 3210 Assets
- PS 3320 Contingent Assets
- PS 3380 Contractual Rights

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements of adopting the new Sections.

3. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity

The Hollow Water First Nation reporting entity includes the First Nation government and all related organizations and departments that are either owned or controlled by the First Nation. Trusts administered on behalf of third parties by Hollow Water First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- Hollow Water First Nation Housing Authority
- Wanipigaa-Sibi Development Corp.
- Community Holistic Circle Healing Inc.
- Hollow Water East Side Rd. Const. Ltd.
- Hollow Water First Nation Gaming Centre
- Hollow Water First Nation Government

All inter-entity balances and transactions have been eliminated on consolidation.

The First Nation has accounted for its interest in a government business partnership known as the South Beach Casino Limited Partnership according to the modified equity method.

The First Nation has accounted for its interest in a government partnership called Hollow Water First Nation - WERI Construction Ltd., of which the Hollow Water First Nation owns 51% of the common shares, according to the proportionate consolidation method.

The First Nation has recognized revenue from the Hollow Water - Valard government partnership in accordance with the modified equity method, instead of following the proportionate consolidation method as required by Canadian public sector accounting standards.

3. Significant accounting policies *(Continued from previous page)*

Basis of presentation

Sources of revenues and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Portfolio investments

Portfolio investments are recorded at the lower of cost and net realizable value. The First Nation is considered a beneficial owner of 12.5% of Shawano Wapunong Building Inc. (the "Company"). The First Nation's investment in Shawano Wapunong Building Inc. meets the definition of a portfolio investment. When the Company was established, 100% of the common shares of the Company were purchased by the Southeast Resource Development Council Corp. to be held in trust for the beneficial owners. As a result, the First Nation's cost associated with the investment is \$0 (2017 - \$0).

Investment in Government Business Partnership

The Investment in the Government Business Partnership is accounted for in accordance with the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the Government Business Partnership's accounting policies are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in the Government Business Partnership is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreases by post acquisition losses and withdrawals.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

Non-financial assets

The First Nation's tangible capital assets are accounted for as assets because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

3. Significant accounting policies *(Continued from previous page)*

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

Tangible capital assets are amortized using the straight line method at rates intended to amortize the cost of the assets over their estimated useful lives:

Buses	10 years
Community buildings	25 years
Band housing	15 years
Heavy equipment	12 years
Vehicles	5 years
Roads	40 years
Bridges	40 years
Subsidized housing	25 years
Infrastructure	40 years
Ball field	20 years

Construction in progress

Construction in progress represents the total cost of assets being constructed that are not available for use. When the construction phase has been completed and the assets are available for use they are recorded as tangible capital assets.

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying value exceeds the residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

Employee future benefits

The First Nation's employee future benefit program consists of a defined contribution pension plan. The First Nation's contributions to the defined contribution plan are expensed as incurred.

3. Significant accounting policies *(Continued from previous page)*

Revenue recognition

Government Transfers

Government transfer revenue including, but not limited to, Indigenous Services Canada (ISC), First Nations and Inuit Health (FNIH), Canada Mortgage and Housing Corporation (CMHC) and Province of Manitoba funding is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with related department expenses in the year of their occurrence.

Income from Government Business Partnership

Revenue recognized from the Government Business Partnership is in accordance with the modified equity method of accounting for the investment, and corresponds to the First Nation's proportionate share of the Government Business Partnership's net annual surplus.

Other

Contracted revenue is recognized when the services are provided and the collectability of the proceeds is reasonably assured.

Other revenue is recognized by the First Nation when services are provided or goods are shipped and collectability is reasonably assured.

The First Nations recognizes Video Lottery Terminals (VLT) revenue as the net win from gaming activities (the difference between gaming wins and gaming losses), consisting of slot machines, on a daily basis. Gaming revenue is net of commissions paid to Manitoba Liquor and Lotteries Corporation which management believes is the most appropriate presentation of gaming revenue on the consolidated financial statements.

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where necessary. Accounts payable and accruals includes an estimate of contingent liabilities. Amortization is based on the estimated useful lives of the related tangible capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue. Provisions for funding recoveries and site rehabilitation costs are recorded in accordance with management's estimates of future costs.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.

3. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through 9 reportable segments as listed below. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance. These segments are differentiated by the major activities they perform or services they provide. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the Significant Accounting Policies.

For each segment, revenue and expenses represent amounts that are directly attributable to the segment. Tangible capital assets are assigned to the First Nation's segments in accordance with management's determination, as to the activities and services that will be facilitated as a result of ongoing ownership of the assets.

The First Nation's segments are as follows:

Education

- includes the operations of education programs.

Economic Development

- includes economic stimulus activities, with related expenses.

Economic Enterprises

- includes the operations of for-profit companies that are controlled by the First Nation.

Community Wellness

- includes the First Nation's funding related to health and wellness.

Social Assistance

- includes the operations pertaining to the delivery of social assistance programs.

Subsidized Housing

- reports on CMHC subsidized housing.

Governance

- includes administration and governance activities.

Community Infrastructure

- includes activities for the maintenance of the community and its infrastructure.

Hollow Water - WERI Construction Ltd.

- this segment reports on the activities of the First Nation's proportionate share in a company called Hollow Water - WERI Construction Ltd.

In the First Nation's March 31, 2017 consolidated financial statements, the Hollow Water - WERI Construction Ltd. segment was not reported as a separate segment. Instead, its activities were reported on as part of the Economic Enterprises segment.

3. Significant accounting policies *(Continued from previous page)*

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2018.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Financial instruments

Financial instruments include cash and cash equivalents, accounts receivable, investment in government business partnership, restricted cash and short-term investments, bank indebtedness, accounts payable and accruals, demand loan payable, First Peoples Economic Growth Fund Inc. loans, and long-term debt. Unless otherwise stated, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risk arising from these financial instruments.

Hollow Water First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

4. Accounts receivable

	2018	2017
Indigenous Services Canada	36,614	82,841
Black River Development Corp.	-	200,000
Canada Mortgage and Housing Corporation	11,547	11,639
First Nations and Inuit Health	30,000	26,857
GST receivable	11,097	-
Province of Manitoba	156,000	67,565
First Nation Members	269,692	281,077
Trade and other	178,183	157,192
Public Works and Government Services Canada	299,691	-
Government of Canada - Department of Justice	120,000	90,000
	1,112,824	917,171
Allowance for doubtful accounts		
First Nation Members	(269,692)	(278,389)
Trade and other	(12,804)	(4,065)
	(282,496)	(282,454)
	830,328	634,717

5. Investment in Government Business Partnership

Investment in Government Business Partnership represents a one-seventh ownership interest in the South Beach Casino Limited Partnership which was formed to operate a casino and hotel on the Brokenhead Ojibway Nation land at Scanterbury, Manitoba.

	2018	2017
Balance, beginning of year	3,306,568	3,434,292
Partnership income	794,519	732,261
Withdrawals	(700,000)	(859,985)
	3,401,087	3,306,568

Hollow Water First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

6. Restricted cash and short-term investments

	2018	2017
Ottawa Trust		
Revenue Trust	18,406	17,593
Capital Trust	5,561	5,561
	23,967	23,154
CMHC Replacement Reserve		
Cash	35,165	22,284
Guaranteed Investment Certificate, bearing interest at 1.6%, maturing June 9, 2018. On June 9, 2018 the First Nation re-invested \$165,463 into another Guaranteed Investment Certificate bearing interest at 2.2%, maturing June 9, 2019.	162,857	175,627
Accrued interest on Guaranteed Investment Certificate	1,448	2,271
	199,470	200,182
Other		
Province of Manitoba	-	31,915
Shawano Consulting Services Ltd.	2,940,557	3,970,068
	2,940,557	4,001,983
	3,163,994	4,225,319

Ottawa Trust

The Ottawa Trust arose from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust is recognized in the year in which it is earned when it is measurable and collection is reasonably assured. Capital and revenue trust money is transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Chief and Council. Interest revenue earned in the revenue trust amounted to \$813 (2017 - \$728). Interest revenue earned in the capital trust amounted to \$0 (2017 - \$0).

CMHC replacement reserve

As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The First Nation is not in compliance with its agreement with CMHC. The agreement requires that the First Nation maintain separate banking instruments to fund the full amount of the CMHC replacement reserve. At year end the required fund balance in the CMHC replacement reserve was \$281,923 (2017 - \$248,905). The combined value of replacement reserve bank accounts and investments was \$199,470 (2017 - \$200,182), resulting in an underfunded replacement reserve of \$82,453 (2017 - \$48,723).

Province of Manitoba

In previous years, the First Nation had a chequing account that required a co-signature from a representative from the Province of Manitoba. Funds held in this account were restricted for the purpose of highway construction.

Shawano Consulting Services Ltd.

Funds held in trust by construction contractor relate to government transfer revenue that must be spent on particular costs of construction and renovations.

Hollow Water First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

7. Bank indebtedness

	2018	2017
Operating line of credit*	-	60,967
Cheques outstanding in excess of cash on deposit	26,233	33,375
Bank overdraft	-	1,356
	26,233	95,698

*The First Nation has an operating line of credit available at an interest rate of bank prime of 3.45% (3.95% as at December 21, 2018) plus 2.2%, to a maximum of \$100,000.

8. Accounts payable and accruals

	2018	2017
Water treatment plant and lagoon expansion	436,009	1,360,106
Accrued legal fees on Treaty 5 settlement claim (see Note 10)	225,537	-
Indigenous Services Canada	23,796	76,178
Tuition payments to Frontier School Division	1,178,086	-
Winnipeg Environmental Remediations Inc.	316,930	-
Trade payables and accruals	1,385,573	785,621
	3,565,931	2,221,905

9. Deferred revenue

	2018	2017
Indigenous Services Canada - water treatment plant and lagoon expansion	2,504,548	2,608,605
Indigenous Services Canada - other	230,212	278,190
Total Indigenous Services Canada	2,734,760	2,886,795
First Nations and Inuit Health	348,049	54,868
Government of Canada - Department of Justice	40,945	-
Total other deferred revenue	388,994	54,868
	3,123,754	2,941,663

Hollow Water First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

10. Demand loan payable

The First Nation's demand loan payable consists of an authorized loan to a maximum of \$2,988,160 which can only be used for specified purposes pertaining to a legal claim against the Government of Canada. The loan is secured by an assignment and redirection of \$2,988,160 from a successful legal settlement, a commercial litigation insurance policy, a security bond of indemnity and a general security agreement. The loan requires monthly payments of interest only at bank prime (3.45%) plus 0.25%. The First Nation expects to settle this demand loan payable through funds obtained by either a successful legal settlement with the Government of Canada or through an insurance policy in the case of an unsuccessful legal settlement. No assets have been recorded in these financial statements with respect to potential future settlement proceeds.

The demand loan is repayable in full on the earlier of:

- a) 7 days after receipt of funds pursuant to a settlement, judgement or order relating to the First Nation's claim or
- b) on September 1, 2022 by payment of claim on the insurance policy.

11. First Peoples Economic Growth Fund Inc. loans

The First Nation owns 51% of Hollow Water - WERI Construction Ltd. During the year, Hollow Water - WERI Construction Ltd. (the "Company"), obtained loan financing from First Peoples Economic Growth Fund Inc. The First Nation has guaranteed the repayment of the following loans entered into by the Company. The financing was obtained in order for Hollow Water - WERI Construction Ltd. to purchase heavy equipment and to provide for insurance, marketing and other administrative costs.

The loan advances from the First Peoples Economic Development Fund are secured by:

- 1) A promissory note from Hollow Water - WERI Construction Ltd.
- 2) A joint and several loan guarantee by the owners of Hollow Water - WERI Construction Ltd., including the First Nation
- 3) A general security agreement registered as a first charge covering all property owned by Hollow Water - WERI Construction Ltd.
- 4) Insurance coverage with a face value of no less than \$310,000
- 5) An Access Agreement signed by the Chief and Council of Hollow Water First Nation
- 6) A Band Council Resolution signed by the Chief and Council of Hollow Water First Nation
- 7) A waiver of *Indian Act* Restrictions on Enforcement signed by the Chief and Council of Hollow Water First Nation.

The loan advances from the First Peoples Economic Growth Fund Inc. are outlined below:

	2018	2017
Community Economic Expansion Program Loan		
This loan is non-interest bearing and requires 84 monthly principal payments of \$1,882.	158,100	-
Joint Venture Program Loan		
This loan requires 84 monthly payments of \$2,241 including interest at 6.30%.	151,900	-
Business Contribution Fund Forgivable Loan		
This loan is forgivable if after three years (the "control period") financial statements are prepared and submitted along with a "Business Performance Review." If the business does not remain in operation or changes in any significant way during the control period (i.e. sale of a significant asset or the acquisition of a partner), the non-repayable contribution will be deemed to be repayable and collection efforts will commence.	133,742	-
Less: Reduction of non-controlling share		
The proportionate share of the loans that pertains to the other co-owner of Hollow Water - WERI Construction Ltd. is excluded from the loan balance in the First Nation's consolidated financial statements.	(217,434)	-
	226,308	-

Hollow Water First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

12. Long-term debt

	2018	2017
Payments of \$2,125 per month including interest at 1.05%, maturing February 2031, with the next scheduled renewal in August 2021, secured by a Ministerial guarantee and an assignment of fire insurance.	307,854	329,996
Term loan, repaid during the year.	-	79,862
Payments of \$670 per month including interest at 2.41%, maturing February 2033, with the next scheduled renewal in April 2023, secured by a Ministerial guarantee and an assignment of fire insurance.	100,739	106,664
Payments of \$2,343 per month including interest at 2.35%, maturing September 2033, with the next scheduled renewal in September 2018, secured by a Ministerial guarantee and an assignment of fire insurance.	365,257	384,587
Payments of \$2,240 per month including interest at 1.05%, maturing January 2035, with the next scheduled renewal in August 2021, secured by a Ministerial guarantee and an assignment of fire insurance.	414,576	436,980
Payments of \$3,210 per month including interest at 1.05%, maturing March 2036, with the next scheduled renewal in August 2021, secured by a Ministerial guarantee and an assignment of fire insurance.	631,615	663,336
Term loan, secured by a guaranteed investment certificate described in Note 6, with monthly payments of \$2,262 including interest at bank prime of 3.45% plus 1.00%, maturing May 2023, with the next scheduled renewal date of May 2021.	142,500	169,643
Term loan, with monthly payments of \$1,908 including interest at 1.30%, maturing May 2037, with the next scheduled renewal in May 2022, secured by a ministerial guarantee and an assignment of fire insurance.	388,446	405,596
Term loan, with monthly payments of \$3,460, including interest at 5.62%, maturing November 2031, with the next scheduled renewal in November 2021, secured by a general assignment of rents and leases earned by the First Nation from Southeast Child and Family Services and an assignment of fire insurance.	425,384	445,533
10 unit housing project mortgage, requiring semi-annual payments of \$78,353 including interest at 6.28% (prime rate of 3.45% plus 2.83%), maturing June 2032, with the next scheduled renewal in June 2022.	2,193,871	1,373,175
Term loan which was obtained to finance the acquisition of a 5 unit housing project consisting of 3 ready-to-move homes and 2 remodelled sea containers, with semi-annual principal payments of \$16,057 and monthly interest payments at 6.28% (prime rate of 3.45% plus 2.83%), maturing June 2031, with the next scheduled renewal in June 2021.	433,529	449,586
Term loan, with annual payments of \$278,752, plus interest at 6.20% (prime rate of 3.45% plus 2.75%), maturing December 2019, secured by a first charge against annual partnership withdrawals from the Investment in Government Business Partnership described in Note 5.	557,504	836,256
Term loan, repaid during the year.	-	80,000
	5,961,275	5,761,214

Hollow Water First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2018

12. Long-term debt (Continued from previous page)

Changes to long-term debt subsequent to March 31, 2018

On May 9, 2018, the First Nation entered into a financing arrangement whereas the loans listed above at March 31, 2018 balances of \$2,193,871, \$433,529 and \$557,504 were combined into one consolidated term loan. Also included in the consolidated loan were other financial commitments of \$1,414,680 for a total consolidation loan of \$4,599,134, with an authorized amount of \$4,724,157. The consolidated loan is repayable in lump sum payments as follows:

\$577,451 annually December 2018, December 2019, December 2020, December 2021, December 2022, December 2023 and December 2024.

\$100,000 annually May 2019, May 2020, May 2021, May 2022, May 2023, May 2024 and May 2025.

The consolidated loan is secured by a general security agreement and a fire insurance policy in the amount of \$5,522,000. Interest is payable monthly at the bank's prime rate (3.95% as of December 21, 2018) plus 2.1%. The loan matures in May 2025 and is scheduled for renewal of terms on May 2023.

Principal repayments in future years

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

2019	838,000
2020	841,000
2021	845,000
2022	849,000
2023	852,000
	4,225,000

13. Contingencies

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. At year-end, it was not yet determined to what extent any funding amounts related to the year ending March 31, 2018 might be recovered by these agencies.

At March 31, 2018, the First Nation has determined that some contaminated sites exist. However, no determination has been made as to whether the contamination exceeds an environmental standard that the First Nation is required to comply with. Also, the First Nation does not consider themselves to be responsible and have not accepted responsibility. As a result, no liability regarding the contaminated sites is recorded in these consolidated financial statements. If and when it is determined that a liability exists, the liability will be recorded in the period in which such a determination is made, in accordance with the accounting policy described in Note 3.

14. Tangible capital assets by segment

	2018	2017
Subsidized Housing	2,191,195	2,328,175
Housing	3,719,207	1,436,435
Education	22,788	32,862
Community Infrastructure	4,264,654	4,895,804
Hollow Water - WERI Construction Ltd.	354,251	-
Economic Enterprises	174,648	209,328
	10,726,743	8,902,604

Hollow Water First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

15. Construction in progress

	2018	2017
Water treatment plant and lagoon expansion	16,018,578	3,391,395
Housing construction	-	1,252,242
	16,018,578	4,643,637

16. Accumulated surplus

	2018	2017
Invested in tangible capital assets	21,115,242	8,621,283
Ottawa Trust	23,967	23,154
CMHC replacement reserve - required amount	281,923	248,905
Investment in Government Business Partnership	3,401,087	3,306,568
Treaty 5 land claim (demand loan payable and accrued legal fees)	(779,765)	-
Accumulated deficit from operations	(2,096,752)	(1,323,805)
	21,945,702	10,876,105

17. Indigenous Services Canada

Indigenous Services Canada revenue recorded on the consolidated financial statements in the year ended March 31, 2018 and in the year ended March 31, 2017 agrees to the amounts stated on the year-end ISC funding confirmation.

18. First Nations and Inuit Health

First Nations Inuit Health revenue recorded on the consolidated financial statements in the year ended March 31, 2018 and in the year ended March 31, 2017 agrees to the amounts stated on the year-end FNIH funding confirmation.

19. Related party transactions

Income from Government Business Partnership of \$794,519 (2017 - \$732,261) was earned through the investment in the South Beach Casino Limited Partnership as described in Note 5.

These transactions were conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

20. Province of Manitoba

	2017	2016
Construction contract revenue	105,262	226,580
Department of Justice funding grant	120,000	120,000
Other	67,345	158,950
	292,607	505,530

21. Defined contribution pension plan

The First Nation remits its pension liabilities on a monthly basis and remittances were current at year end.

22. Economic dependence

The First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") and First Nations and Inuit Health ("FNIH"). The revenue is provided as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC and FNIH under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

23. Provision for site rehabilitation

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance.

As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care. The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of The Manitoba Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

24. First Nations Financial Transparency Act

The First Nation was required to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 29, 2018. Since the audit report date is dated after this date, the First Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined. The First Nation fully intends to post its consolidated financial statements on a website upon release of these consolidated financial statements.

25. Budget information

The Chief and Council of the Hollow Water First Nation have approved a 5-year budget as part of a long-term strategic plan. The 5-year budget is for the period beginning April 1, 2017 and ending March 31, 2022. The budget is not prepared in the context of consolidated financial statements prepared in accordance with Canadian public sector accounting standards.

26. Subsequent event

Subsequent to year-end the First Nation received a building, contributed from a not-for-profit organization who constructed the building on the reserve land at Hollow Water First Nation. The building was constructed for the use of the Aboriginal Head Start on Reserve (AHSOR) program. The contribution of this building will result in the First Nation recognizing the addition of a new tangible capital asset and related revenue in the year-ended March 31, 2019. The value of the construction project is estimated at \$625,000.

27. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Hollow Water First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Buses</i>	<i>Community buildings</i>	<i>Band housing</i>	<i>Heavy equipment</i>	<i>Vehicles</i>	<i>Roads</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	337,180	2,438,307	7,239,101	1,316,360	979,828	835,641	13,146,417
Acquisition of tangible capital assets	-	-	2,350,577	269,346	117,966	-	2,737,889
Balance, end of year	337,180	2,438,307	9,589,678	1,585,706	1,097,794	835,641	15,884,306
Accumulated amortization							
Balance, beginning of year	304,318	1,572,960	5,526,479	936,834	575,020	662,572	9,578,183
Annual amortization	10,074	71,075	343,992	45,024	106,939	20,891	597,995
Balance, end of year	314,392	1,644,035	5,870,471	981,858	681,959	683,463	10,176,178
Net book value of tangible capital assets	22,788	794,272	3,719,207	603,848	415,835	152,178	5,708,128
2017 - net book value of tangible capital assets	32,862	865,347	1,712,622	379,526	404,808	173,069	3,568,234

Hollow Water First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Subtotal</i>	<i>Bridges</i>	<i>Subsidized housing</i>	<i>Infrastructure</i>	<i>Ball field</i>	<i>2018</i>	<i>2017</i>
Cost							
Balance, beginning of year	13,146,417	696,086	4,817,486	6,454,919	32,846	25,147,754	24,334,796
Acquisition of tangible capital assets	2,737,889	-	-	-	-	2,737,889	812,958
Balance, end of year	15,884,306	696,086	4,817,486	6,454,919	32,846	27,885,643	25,147,754
Accumulated amortization							
Balance, beginning of year	9,578,183	522,056	2,489,311	3,622,754	32,846	16,245,150	15,469,879
Annual amortization	597,995	17,402	136,980	161,373	-	913,750	775,271
Balance, end of year	10,176,178	539,458	2,626,291	3,784,127	32,846	17,158,900	16,245,150
Net book value of tangible capital assets	5,708,128	156,628	2,191,195	2,670,792	-	10,726,743	8,902,604
2017 - net book value of tangible capital assets	3,568,234	174,030	2,328,175	2,832,165	-	8,902,604	

Hollow Water First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2018

	2018	2017
Consolidated expenses by object		
Amortization	913,750	775,271
Community events	137,142	156,995
Contracted services	1,630,828	353,684
Insurance	136,810	136,183
Interest on long-term debt	225,147	184,920
Commissions and registration fees	86,168	92,012
Member disbursements	298,594	250,234
Professional fees	158,986	212,627
Rent	80,078	1,224
Repairs and maintenance	649,544	932,239
Salaries and benefits	2,901,175	3,311,861
Social assistance	866,233	794,378
Supplies	256,704	236,502
Telephone	32,938	33,886
Training	239,147	463,464
Travel and transportation	587,949	479,213
Tuition	3,928,604	3,926,720
Utilities	86,621	37,196
	13,216,418	12,378,609

Hollow Water First Nation

Schedule 3 - Consolidated Summary Schedule of Segment Operations

For the year ended March 31, 2018

	<i>Revenue and other items</i>	<i>Expenses</i>	<i>2018 Surplus (Deficit)</i>	<i>2017 Surplus (Deficit)</i>
Segments (Schedules 4 to 12)				
Education	4,278,130	4,414,624	(136,494)	217,338
Economic Development	164,960	408,456	(243,496)	220,411
Economic Enterprises	445,987	666,587	(220,600)	(94,317)
Community Wellness	1,948,738	1,804,151	144,587	227,573
Social Assistance	910,258	936,863	(26,605)	(20,026)
Subsidized Housing	138,745	261,973	(123,228)	(84,554)
Governance	1,314,013	1,134,693	179,320	(105,868)
Community Infrastructure	13,551,652	1,893,363	11,658,289	2,891,284
Hollow Water - WERI Construction Ltd.	1,533,532	1,695,708	(162,176)	137,089
	24,286,015	13,216,418	11,069,597	3,388,930

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

Hollow Water First Nation
Education
Schedule 4 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Indigenous Services Canada	4,280,424	4,261,932
Province of Manitoba	26,741	131,547
Other	28,021	-
Southeast Resource Development Council Corp.	-	84,607
Revenue deferred in prior year	104,538	210,454
Revenue deferred to subsequent year	(161,594)	(104,538)
	4,278,130	4,584,002
Expenses		
Community events	1,800	-
Contracted services	170,064	-
Insurance	4,049	-
Professional fees	19,800	63,781
Repairs and maintenance	24,110	117,765
Salaries and benefits	189,128	157,085
Supplies	9,057	261
Telephone	9,722	1,800
Training	40,008	83,255
Travel and transportation	18,282	15,997
Tuition	3,928,604	3,926,720
	4,414,624	4,366,664
Surplus (deficit)	(136,494)	217,338

Hollow Water First Nation
Economic Development
Schedule 5 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Income from Government Business Partnership	794,519	732,261
First Peoples' Development Inc.	64,418	152,000
Other	74,512	10,176
Revenue deferred in prior year	11,276	-
Revenue deferred to subsequent year	-	(11,276)
	944,725	883,161
Expenses		
Community events	60,482	74,789
Insurance	1,066	1,066
Interest on long-term debt	75,268	94,700
Member disbursements	227,194	250,234
Professional fees	-	22,002
Salaries and benefits	-	420
Supplies	44,446	1,205
Training	-	103,332
	408,456	547,748
Surplus before other items	536,269	335,413
Other items		
Treaty 5 claim expenses	(779,765)	-
Claims compensation	-	(115,002)
	(779,765)	(115,002)
Surplus (deficit)	(243,496)	220,411

Hollow Water First Nation
Economic Enterprises
Schedule 6 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Video Lottery Terminals	197,125	255,567
Other	143,600	1,230,177
Province of Manitoba	105,262	236,581
	445,987	1,722,325
Expenses		
Amortization	24,963	24,963
Contracted services	4,300	13,525
Insurance	-	531
Interest on long-term debt	2,356	7,973
Commissions and registration fees	86,168	92,012
Professional fees	30,603	33,727
Repairs and maintenance	118,407	402,218
Salaries and benefits	361,302	1,027,659
Supplies	829	34,782
Telephone	1,407	6,476
Travel and transportation	36,252	172,776
	666,587	1,816,642
Deficit	(220,600)	(94,317)

Hollow Water First Nation
Community Wellness
Schedule 7 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Indigenous Services Canada	65,510	84,286
First Nations and Inuit Health	2,176,409	1,697,090
Revenue deferred in prior year	54,868	54,868
Revenue deferred to subsequent year	(348,049)	(54,868)
	1,948,738	1,781,376
Expenses		
Amortization	1,556	1,556
Bank charges	-	2
Community events	68,797	54,310
Contracted services	77,188	33,700
Insurance	40,043	30,492
Other	4,629	-
Repairs and maintenance	38,118	35,415
Salaries and benefits	1,191,688	1,025,601
Supplies	82,902	55,223
Telephone	10,015	12,822
Training	123,778	149,835
Travel and transportation	134,747	134,637
Utilities	30,690	20,210
	1,804,151	1,553,803
Surplus	144,587	227,573

Hollow Water First Nation
Social Assistance
Schedule 8 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Indigenous Services Canada	881,301	892,010
Revenue deferred in prior year	28,957	-
Revenue deferred to subsequent year	-	(28,957)
Recoveries by federal funding agency	-	(7,816)
	910,258	855,237
Expenses		
Salaries and benefits	63,951	69,712
Social assistance	861,604	794,378
Supplies	8,582	9,034
Telephone	1,775	893
Travel and transportation	951	1,246
	936,863	875,263
Deficit	(26,605)	(20,026)

Hollow Water First Nation
Subsidized Housing
Schedule 9 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Canada Mortgage and Housing Corporation	138,745	144,451
Expenses		
Amortization	180,709	136,981
Insurance	40,868	38,979
Interest on long-term debt	30,946	43,395
Professional fees	9,450	9,650
	261,973	229,005
Deficit	(123,228)	(84,554)

Hollow Water First Nation
Governance
Schedule 10 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Indigenous Services Canada	715,618	605,801
Southeast Resource Development Council Corp.	260,503	134,942
Province of Manitoba	160,604	137,402
Government of Canada - Department of Justice	120,000	120,000
Other	98,233	71,768
Revenue deferred in prior year	68,619	-
Revenue deferred to subsequent year	(109,564)	(68,619)
	1,314,013	1,001,294
Expenses		
Contracted services	54,975	-
Insurance	9,710	9,264
Interest on long-term debt	19,076	38,754
Professional fees	63,907	68,168
Repairs and maintenance	21,772	12,901
Salaries and benefits	821,686	818,651
Supplies	30,274	66,413
Telephone	8,594	11,119
Training	30,220	9,630
Travel and transportation	74,479	72,262
	1,134,693	1,107,162
Surplus (deficit)	179,320	(105,868)

Hollow Water First Nation
Community Infrastructure
Schedule 11 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Indigenous Services Canada	823,944	1,121,697
Other	35,724	-
Revenue deferred in prior year	64,800	-
Revenue deferred to subsequent year	-	(64,800)
	924,468	1,056,897
Expenses		
Amortization	694,953	611,771
Contracted services	178,674	104,448
Insurance	31,870	55,723
Interest on long-term debt	95,421	-
Professional fees	6,077	-
Repairs and maintenance	445,169	363,940
Salaries and benefits	252,452	184,478
Supplies	73,402	68,962
Telephone	1,425	777
Training	45,140	117,412
Travel and transportation	12,851	32,893
Utilities	55,929	16,604
	1,893,363	1,557,008
Deficit before other items	(968,895)	(500,111)
Other items		
Indigenous Services Canada - Water Treatment Plant and Lagoon	12,523,127	6,000,000
Revenue deferred in prior year	2,608,605	-
Revenue deferred to subsequent year	(2,504,548)	(2,608,605)
	12,627,184	3,391,395
Surplus	11,658,289	2,891,284

Hollow Water First Nation
Hollow Water - WERI Construction Ltd.
Schedule 12 - Consolidated Schedule of Operations
For the year ended March 31, 2018

	2018	2017
Revenue		
Other	1,533,532	462,403
Expenses		
Amortization	11,569	-
Community events	6,063	27,895
Contracted services	1,145,630	202,005
Insurance	9,205	127
Interest on long-term debt	2,080	99
Member disbursements	71,400	-
Professional fees	29,149	15,300
Rent	80,078	1,224
Repairs and maintenance	1,967	-
Salaries and benefits	20,967	28,255
Supplies	7,213	622
Travel and transportation	310,387	49,404
Utilities	-	383
	1,695,708	325,314
Surplus (deficit)	(162,176)	137,089