

INDIGENOUS AND  
NORTHWESTERN CANADA

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WHITEHORSE, YUKON

**WHITE RIVER FIRST NATION**  
**Consolidated Financial Statements**  
**Year Ended March 31, 2017**

**WHITE RIVER FIRST NATION**  
**Index to Consolidated Financial Statements**  
**Year Ended March 31, 2017**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The consolidated financial statements of WHITE RIVER FIRST NATION have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of WHITE RIVER FIRST NATION's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by Council and meets periodically with management auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by Council, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by ANTON, BRYSON & SCHINDLER CHARTERED PROFESSIONAL ACCOUNTANTS LLP, in accordance with Canadian generally accepted auditing standards.

  
Chief

  
Councillor

Beaver Creek, YT  
August 14, 2017

## INDEPENDENT AUDITOR'S REPORT

To the Members of WHITE RIVER FIRST NATION

We have audited the accompanying consolidated financial statements of WHITE RIVER FIRST NATION, which comprise the consolidated statement of financial position as at March 31, 2017 and the consolidated statements of revenues and expenditures, changes in net financial assets 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.

### Auditor's Responsibility

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

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

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

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**Independent Auditor's Report to the Members of WHITE RIVER FIRST NATION (continued)**

**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of WHITE RIVER FIRST NATION as at March 31, 2017 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.



Nanaimo, British Columbia  
August 14, 2017

**CHARTERED PROFESSIONAL ACCOUNTANTS LLP**

**WHITE RIVER FIRST NATION**  
**Consolidated Statement of Financial Position**  
**March 31, 2017**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,213,533	\$ 440,730
Restricted cash	33,967	33,967
Goods and services tax payable (recoverable)	23,657	26,949
Accounts receivable (Note 2.)	234,460	361,260
Trade accounts receivable from related parties	96,316	96,316
Long term investments (Note 3.)	163,598	163,598
	<u>1,765,531</u>	<u>1,122,820</u>
<b>LIABILITIES</b>		
Accounts payable	336,984	196,357
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>1,428,547</u>	<u>926,463</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	1,407	-
Tangible Capital Assets (Notes 4, 5)	4,585,674	4,695,402
	<u>4,587,081</u>	<u>4,695,402</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 6,015,628</u>	<u>\$ 5,621,865</u>

**ON BEHALF OF THE COUNCIL**

Chief Angela Dornit Chief

Daniel J. Hays Councillor

**WHITE RIVER FIRST NATION**  
**Consolidated Statement of Revenues and Expenditures**  
**Year Ended March 31, 2017**

	Budget	2017	2016
<b>REVENUE</b>			
INAC	\$ 827,840	\$ 1,216,706	\$ 1,249,237
Yukon Government	-	1,394,540	369,538
Council of Yukon First Nations	-	106,211	81,833
Miscellaneous	-	63,126	56,160
Rental income	7,500	2,400	3,935
Administration fees	84,000	13,873	32,774
Health Canada	328,400	449,937	403,362
Heritage Canada	83,300	68,513	-
Investment income	-	9,600	27,685
K2 Gold Corp	-	68,946	-
CanNor	-	74,266	-
Surplus recoveries	-	(186,791)	(47,386)
Goldcorp Inc	-	499,636	170,000
	<u>1,331,040</u>	<u>3,780,963</u>	<u>2,347,138</u>
<b>EXPENSES</b>			
Administration fees	24,400	13,873	32,774
Amortization	-	264,381	261,890
Bad debts	-	-	435
Contractual services	-	414,846	167,629
Education	64,470	42,062	19,860
Honoraria	34,900	21,661	76,573
Insurance	19,500	21,754	19,139
Interest and bank charges	-	12,506	10,614
Materials and supplies	103,791	516,182	301,560
Meetings	9,000	13,406	12,537
Office and miscellaneous	13,000	295	1,187
Professional fees	75,000	767,539	514,198
Program activities	7,500	53,995	67,649
Rent	18,275	17,288	1,985
Social development	81,000	148,180	129,479
Telephone and fax	33,000	46,622	42,180
Training and workshops	80,800	74,432	107,194
Travel	78,550	167,135	156,593
Utilities	92,946	114,142	89,803
Wages, honoraria and benefits	518,608	676,902	513,208
	<u>1,254,740</u>	<u>3,387,201</u>	<u>2,526,487</u>
<b>EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUE</b>	<u>\$ 76,300</u>	<u>\$ 393,762</u>	<u>\$ (179,349)</u>

**WHITE RIVER FIRST NATION**  
**Consolidated Statement of Changes In Net Financial Assets**  
**Year Ended March 31, 2017**

	Budget 2017	2017	2016
<b>ANNUAL SURPLUS</b>	\$ 76,300	\$ 393,762	\$ (179,349)
Amortization	-	264,381	261,890
Prepaid expenses	-	(1,405)	-
Purchase of capital assets	-	(154,654)	(51,418)
		108,322	210,472
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	76,300	502,084	31,123
Net financial assets, beginning of year	926,463	926,463	895,340
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ 1,002,763	\$ 1,428,547	\$ 926,463



**WHITE RIVER FIRST NATION**  
**Consolidated Statement of Cash Flow**  
**Year Ended March 31, 2017**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ 393,762	\$ (179,349)
Item not affecting cash:		
Amortization of property, plant and equipment	264,381	261,890
	<u>658,143</u>	<u>82,541</u>
Changes in non-cash working capital:		
Accounts receivable	126,800	20,001
Trade accounts receivable from related parties	-	(1,643)
Accounts payable	140,628	(103,935)
Prepaid expenses	(1,407)	-
Goods and services tax payable	3,292	10,568
	<u>269,313</u>	<u>(75,009)</u>
Cash flow from operating activities	<u>927,456</u>	<u>7,532</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	<u>(154,653)</u>	<u>(51,418)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<u>772,803</u>	<u>(43,886)</u>
Cash - beginning of year	<u>474,697</u>	<u>518,583</u>
<b>CASH - END OF YEAR</b>	<u>\$ 1,247,500</u>	<u>\$ 474,697</u>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 1,213,533	\$ 440,730
Restricted cash	<u>33,967</u>	<u>33,967</u>
	<u>\$ 1,247,500</u>	<u>\$ 474,697</u>

**WHITE RIVER FIRST NATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2017**

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These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for government entities, as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants, which encompasses the following principles:

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Fund accounting

The Nation records accounting transactions using the fund accounting method generally in use for governments. A fund is determined for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Each fund has its own statement of operations which presents the results of operations for the fund. The consolidated statement of financial position of the Nation includes the assets, liabilities and equity of all funds presented in the consolidated financial statements.

The various funds, being the operating fund which accounts for the operations of the Nation and the equity in capital assets fund which accounts for the tangible capital assets of the Nation, have been amalgamated for the purpose of presentation in the consolidated financial statements. Details of the operations of each fund are set out in the segmented information.

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

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives as follows:

Buildings	10-50 years	straight-line method
Water and waste water systems	20 years	straight-line method
Machinery and equipment	3-15 years	straight-line method
Motor vehicles	7 years	straight-line method

Revenue recognition

The Nation follows the deferral method of accounting for contributions. Accordingly, amounts received under funding arrangements which relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position.

Financial Instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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**WHITE RIVER FIRST NATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

**2. ACCOUNTS RECEIVABLE**

	2017	2016
Grants receivable	\$ 175,221	\$ 332,147
Accountable advances	59,239	29,113
	<u>\$ 234,460</u>	<u>\$ 361,260</u>

**3. INVESTMENTS**

	2017	2016
<b>Shares and advances at cost</b>		
Investment-RAB Energy	\$ 25,970	\$ 25,970
Investment in YIDC	66,000	66,000
Advances to YIDC without interest or stated terms of repayment	71,628	71,628
	<u>\$ 163,598</u>	<u>\$ 163,598</u>

**4. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Buildings	\$ 4,086,655	\$ 2,107,545	\$ 1,979,110	\$ 2,074,057
Equipment	338,462	151,086	187,376	110,348
Construction in progress	164,830	-	164,830	326,808
Infrastructure	3,278,803	1,105,508	2,173,295	2,149,711
Motor vehicles	367,524	286,461	81,063	34,478
	<u>\$ 8,236,274</u>	<u>\$ 3,650,600</u>	<u>\$ 4,585,674</u>	<u>\$ 4,695,402</u>

**WHITE RIVER FIRST NATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2017**

**5. CHANGES IN TANGIBLE CAPITAL ASSETS**

	Beginning of year	Additions	Disposals	2017	2016
<b>Cost</b>					
Buildings	\$ 4,086,655	\$ -	\$ -	\$ 4,086,655	\$ 4,086,655
Infrastructure	3,278,803	-	-	3,278,803	3,278,803
Equipment	241,537	96,925	-	338,462	241,537
Motor vehicles	309,796	57,728	-	367,524	309,796
Construction in progress	164,830	-	-	164,830	164,830
<b>Total</b>	<b>8,081,621</b>	<b>154,653</b>	<b>-</b>	<b>8,236,274</b>	<b>8,081,621</b>
<b>Accumulated depreciation</b>					
Buildings	2,012,598	94,947	-	2,107,545	2,012,598
Infrastructure	967,114	138,394	-	1,105,508	967,114
Equipment	131,189	19,897	-	151,086	131,189
Motor vehicles	275,318	11,143	-	286,461	275,318
<b>Total</b>	<b>3,386,219</b>	<b>264,381</b>	<b>-</b>	<b>3,650,600</b>	<b>3,386,219</b>
	<b>\$ 4,695,402</b>	<b>\$ (109,728)</b>	<b>\$ -</b>	<b>\$ 4,585,674</b>	<b>\$ 4,695,402</b>

**6. FINANCIAL INSTRUMENTS**

**Fair value**

The Nation's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Nation manages exposure through its normal operating and financing activities. The Nation is exposed to interest rate risk primarily through its cash.

**WHITE RIVER FIRST NATION**  
**Segmented Information**  
**Year Ended March 31, 2017**

	Governance	Education	Health & Social Development	Economic Development	Capital Maintenance	Lands & Resources	Other	2017
<b>REVENUE</b>								
INAC	\$ 492,901	\$ 84,539	\$ 168,308	\$ -	\$ 344,034	\$ 126,924	\$ -	\$ 1,210,708
Yukon Government	65,962	-	15,019	820,371	340,688	152,500	-	1,394,540
Council of Yukon First Nations	-	84,288	21,923	-	-	-	-	106,211
Miscellaneous	4,002	3,500	-	19,100	-	36,524	-	63,126
Rental income	2,400	-	-	-	-	-	-	2,400
Administration fees	13,873	-	-	-	-	-	-	13,873
Health Canada	-	-	448,937	-	-	-	-	448,937
Heritage Canada	-	68,513	-	-	-	-	-	68,513
CanNor	-	-	-	31,291	42,975	-	-	74,266
Surplus recoveries	-	-	(188,791)	-	-	-	-	(188,791)
K2 Gold Corp	-	-	-	68,946	-	-	-	68,946
Goldcorp Inc	-	-	-	499,636	-	-	-	499,636
Investment income	9,600	-	-	-	-	-	-	9,600
	588,738	240,840	468,396	1,439,344	727,687	315,948	-	3,780,963
<b>EXPENSES</b>								
Administration fees								
Amortization	264,381	-	-	-	-	13,873	-	13,873
Contractual services	42,712	-	-	-	372,134	-	-	264,381
Education	-	42,062	-	-	-	-	-	414,846
Honoraria	14,061	-	3,125	4,475	-	-	-	42,062
Insurance	21,754	-	-	-	-	-	-	21,661
Interest and bank charges	10,464	-	2,042	-	-	-	-	21,754
Materials and supplies	38,427	7,460	144,855	55,723	190,488	81,229	-	12,566
Meetings	13,406	-	-	-	-	-	-	518,182
Office and miscellaneous	295	-	-	-	-	-	-	13,406
Professional fees	33,422	-	-	621,222	-	112,895	-	285
Program activities	-	-	53,995	-	-	-	-	767,539
Rent	-	-	-	-	-	-	(1)	53,995
Social development	-	-	148,180	-	-	17,288	-	17,287
Telephone and fax	42,765	-	2,923	-	-	-	-	148,180
Training and workshops	-	45,170	29,263	-	-	934	-	46,622
Travel	37,897	2,980	98,274	17,080	428	10,477	(1)	74,432
Utilities	112,033	-	-	-	-	2,109	(1)	167,135
Wages, honoraria and benefits	226,429	69,894	197,820	26,289	18,538	137,932	-	114,142
								676,802

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See notes to financial statements  
Anton, Bryson & Schindler Chartered Professional Accountants LLP

**WHITE RIVER FIRST NATION**  
**Segmented Information (continued)**  
**Year Ended March 31, 2017**

	Governance	Education	Health & Social Development	Economic Development	Capital Maintenance	Lands & Resources	Other	2017
	856,046	167,565	680,477	724,789	581,588	376,737	(3)	3,387,200
	(267,308)	73,274	(212,081)	714,555	146,109	(60,788)	3	393,763
	(225,659)	(67,166)	32,750	429,962	548,559	(34,288)		5,821,865
	91,296	62,020	142,261	(549,211)	146,397	107,237		-
	264,391	-	-	-	-	-	(284,381)	-
	-	-	-	-	(154,853)	-	154,853	-
	130,018	(5,146)	175,011	(119,249)	540,303	72,951		5,821,865
<b>SURPLUS (DEFICIT) END OF YEAR</b>	<b>\$ (137,280)</b>	<b>\$ 68,128</b>	<b>\$ (37,070)</b>	<b>\$ 595,306</b>	<b>\$ 696,412</b>	<b>\$ 12,162</b>	<b>\$ 4,827,980</b>	<b>\$ 8,015,828</b>

**SURPLUS (DEFICIT) BEGINNING OF YEAR**  
**Transfers**  
 Transfer depreciation  
 Transfer capital acquisition

See notes to financial statements  
 Anton, Bryson & Schindler Chartered Professional Accountants LLP