

TSLEIL-WAUTUTH NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2018

TSLEIL-WAUTUTH NATION

CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

Page

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

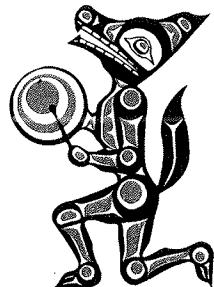
INDEPENDENT AUDITOR'S REPORT

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TSLEIL-WAUTUTH NATION

People of the Inlet



TSLEIL-WAUTUTH NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING MARCH 31, 2018

The accompanying consolidated financial statements of Tsleil-Waututh Nation and all the information in this annual report for the year ended March 31, 2018 are the responsibility of management and have been approved by the Chief and Council.

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

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

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

The Chief and Council review the Nation's financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report. (The Chief and Council take this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.)

The consolidated financial statements have been audited by Reid Hurst Nagy Inc. in accordance with Canadian generally accepted auditing standards on behalf of their members. Reid Hurst Nagy Inc. has full access to Chief and Council. Reid Hurst Nagy Inc. have full and free access to chief and council for information purposes.

Chief W. Peter Thomas
Chief
G. Lewis
Band Administrator

2018-07-26

Date

2018-07-26

Date

Independent Auditor's Report

To the Members of
Tsleil-Waututh Nation

We have audited the accompanying consolidated financial statements of Tsleil-Waututh Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, accumulated surplus, change 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.

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 First Nation'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 First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Tsleil-Waututh Nation as at March 31, 2018, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, B.C.
JULY 26, 2018

TSLEIL-WAUTUTH NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash	\$ 3,449,642	\$ 2,071,317
Restricted cash (Note 3)	408,299	439,759
Accounts receivable (Note 4)	3,928,305	1,461,870
Loans receivable (Note 5)	15,823,736	20,242,302
Rents receivable	317,250	242,586
Funds held in trust - Olympic Legacy Trust (Note 6)	25,020,702	24,717,957
Investments in First Nation controlled entities (Note 7)	83,710,315	76,408,664
Deferred Treaty Commission expenses	8,044,028	8,044,028
Trust funds	301,809	330,052
	141,004,086	133,958,535
LIABILITIES		
Accounts payable (Note 9)	3,672,217	1,896,104
Damage deposits	23,078	11,264
Trust liability to band members	301,809	330,052
Deferred revenue (Note 10)	127,190	22,459,241
Long-term debt (Note 11)	32,731,675	31,950,926
CMHC Mortgages (Note 12)	4,619,989	4,862,352
	41,475,958	61,509,939
NET FINANCIAL ASSETS	99,528,128	72,448,596
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	34,759,335	26,518,094
Prepaid expenses	163,048	60,468
	34,922,383	26,578,562
ACCUMULATED SURPLUS (Note 14)	\$ 134,450,511	\$ 99,027,158

APPROVED ON BEHALF OF THE TSLEIL-WAUTUTH NATION

 , Councillor
 , Councillor

TSLEIL-WAUTUTH NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
ANNUAL SURPLUS	\$ 35,423,350	\$ 15,380,363
Acquisition of tangible capital assets	(9,104,272)	(8,147,362)
Amortization of tangible capital assets	863,034	700,540
	(8,241,238)	(7,446,822)
Acquisition of prepaid asset	(163,048)	(60,468)
Use of prepaid asset	60,468	7,650
	(102,580)	(52,818)
Acquisition of inventory	-	(23,037)
Use of inventory	-	23,037
	-	-
(DECREASE) INCREASE IN NET FINANCIAL ASSETS	27,079,532	7,880,723
NET FINANCIAL ASSETS, BEGINNING OF YEAR	72,448,596	64,567,873
NET FINANCIAL ASSETS, END OF YEAR	\$ 99,528,128	\$ 72,448,596

TSLEIL-WAUTUTH NATION

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget	2018 Actual	2017 Actual
REVENUE			
Indigenous Services Canada	\$ 4,582,171	\$ 4,218,184	\$ 3,944,645
Administration fees	587,790	426,275	562,121
All Nations Trust	-	-	902,267
BC Hydro	115,500	97,752	89,302
BC Treaty Commission	-	-	100,650
Canada Mortgage and Housing Corporation	199,040	198,938	179,506
Capilano University	15,000	15,000	20,000
Department of Fisheries and Oceans	95,000	237,304	496,696
Interest	60,500	220,621	244,445
Investment revenue	-	703,392	2,346,752
First Nations Education Steering Committee	56,940	95,030	125,209
First Nations Goods and Services Tax	1,840,584	1,930,767	2,720,180
First Nations Health Authority	2,162,136	2,207,204	1,373,870
Other	10,339,922	8,309,489	3,714,655
Property tax assessed	2,550,000	3,401,198	2,413,338
Province of BC	1,398,000	22,932,157	11,724,615
Rental	343,600	347,859	387,622
Share of income (loss) from First Nation controlled entities	-	6,458,657	(454,496)
Vancouver Coastal Health	-	49,580	41,678
	24,346,183	51,849,407	30,933,055
EXPENSES			
Administration	5,812,984	5,930,713	4,869,851
Community Development - Education	2,459,470	2,329,241	1,903,481
Community Development - Health	588,136	713,039	804,280
Community Development - General	114,900	173,644	207,419
Community Development - Social Development	434,635	588,312	531,100
Treaty Lands and Resources	5,237,655	3,609,558	2,598,132
Public Works	15,740,875	10,495,639	9,520,260
Economic Development	1,645,207	578,587	902,503
Social Housing Fund	460,322	635,520	635,796
Capital Fund	-	629,367	482,393
Trust Funds	-	101,823	138,902
Enterprise Fund	-	260	8,322
Negotiation Support Agreement Fund	-	-	704,550
	32,494,184	25,785,703	23,306,989
ANNUAL SURPLUS BEFORE OTHER	(8,148,001)	26,063,702	7,626,066
OTHER			
Acquisition of Tangible Capital Assets	-	9,117,309	7,236,477
Principal reduction of long-term debt	-	242,339	215,869
Allocation to deferred negotiation expenses	-	-	301,950
	-	9,359,648	7,754,296
ANNUAL SURPLUS	\$ (8,148,001)	\$ 35,423,350	\$ 15,380,363

TSLEIL-WAUTUTH NATION

CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
FUND BALANCE, BEGINNING OF YEAR	\$ 99,027,161	\$ 83,646,798
ANNUAL SURPLUS	35,423,350	15,380,363
FUND BALANCE, END OF YEAR	\$ 134,450,511	\$ 99,027,161

TSLEIL-WAUTUTH NATION

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
OPERATING ACTIVITIES		
ANNUAL SURPLUS	\$ 35,423,350	\$ 15,380,363
Items not affecting cash		
Amortization, net of disposal	863,034	700,540
Share of income (loss) of First Nation controlled entities - Enterprise Fund	(6,458,657)	454,496
	29,827,727	16,535,399
Change in non-cash items on statement of financial position	(18,769,234)	14,797,537
	11,058,493	31,332,936
FINANCING ACTIVITIES		
Loan proceeds received	780,749	12,171,019
Repayment of Social Housing long-term debt	(242,363)	(215,869)
	538,386	11,955,150
INVESTING ACTIVITIES		
Net investment in Enterprise Fund investments	(842,994)	(33,153,968)
Purchase of tangible capital assets in the Capital Fund	(9,104,275)	(7,236,477)
	(9,947,269)	(40,390,445)
INCREASE IN CASH AND CASH EQUIVALENTS	1,649,610	2,897,641
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	27,229,033	24,331,392
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 28,878,643	\$ 27,229,033
CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:		
Cash	\$ 3,449,643	\$ 2,071,317
Restricted cash	408,298	439,759
Funds held in trust - Olympic Legacy Trust	25,020,702	24,717,957
	\$ 28,878,643	\$ 27,229,033

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

1. 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 the CPA Canada.

(a) Reporting Entity

The Tsleil-Waututh Nation reporting entity includes the Tsleil-Waututh Nation government and all related entities that are controlled by the First Nation.

(b) Fund Accounting

The Tsleil-Waututh Nation maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the tangible capital assets of the First Nation not included in other funds, together with their related activities.
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.
- Tsleil-Waututh Nation Negotiation Support/Agreement Fund which reports the First Nation's treaty negotiation and support activities.

(c) 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 fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(d) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

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

(e) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprises, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances are eliminated upon consolidation.

Under the modified equity method of accounting, only Tsleil-Waututh Nation's investment in the government business enterprises and the enterprises' net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprises that are different from those of Tsleil-Waututh Nation.

Organizations consolidated in Tsleil-Waututh Nation's financial statements include:

1. Tsleil-Waututh Nation Operating Fund
2. Tsleil-Waututh Nation Social Housing Fund
3. Tsleil-Waututh Nation Capital Fund
4. Tsleil-Waututh Nation Trust Funds
5. Tsleil-Waututh Nation Enterprise Fund
6. Tsleil-Waututh Nation Negotiation Support/Agreement Fund

Organizations accounted for on a modified equity basis include:

7. Blue Eagle Limited Partnership (99.9%)
8. Blue Eagle GP Ltd. (100%)
9. Inlailawatash Limited Partnership (99.9%)
10. Inlailawatash GP Ltd. (100%)
11. Inlailawatash Holding Company Ltd. (100%)
12. MST Development Corporation Ltd (33.33%)
13. Qwi:quelstom Development GP Corporation (100%)
14. Qwi:quelstom Development Limited Partnership (99.9%)
15. Red Eagle Limited Partnership (99.9%)
16. Red Eagle GP Corporation Ltd. (100%)
17. SPAL General Constructors Corporation (owned 100% by Tsleil-Waututh Nation Development Company Ltd.)
18. SPAL General Constructors Limited Partnership (99.9%)
19. Spirit Drum GP Ltd. (100%)
20. Spirit Drum Limited Partnership (99%)
21. Takaya Developments Ltd. (owned 60% by Wolf Clan Development Company Ltd.)
22. Takaya Developments Limited Partnership (60%)
23. Takaya Developments (2007) Ltd. (100% owned by Wolf Clan Development Company Ltd.)
24. Takaya Developments (2007) Limited Partnership (99.9%)
25. Takaya Developments (Destiny) Ltd. (100% owned by Wolf Clan Development Company Ltd.)
26. Takaya Developments (Destiny) Limited Partnership (99.9%)
27. Takaya Holdings Ltd. (100%) (Bare trustee for Takaya Developments)
28. Takaya Tours Inc. (100%)
29. Takaya Ventures Ltd. (100%)
30. Tsleil-Waututh Land Corp (100%)
31. Tsleil-Waututh Land Limited Partnership (99.9%)
32. Tsleil-Waututh Nation Development Company Ltd. (100%)
33. TWN Renewable Energy Holdings Ltd. (100%)
34. TWN Wind Power Inc. (owned 100% by TWN Renewable Energy Holdings Ltd.)
35. Urban Eagle Limited Partnership (99.9%)
36. Urban Eagle GP Ltd. (100%)
37. Wolf Clan Development Company Ltd. (100%)
38. 0931702 B.C. Ltd. (100%)
39. White Eagle Limited Partnership (99%)
40. White Eagle GP Ltd. (100%)
41. TWN Community Society (100%)

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

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

(f) Cash

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

(g) Loans Receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

(h) Long-term Debt

Proceeds from long-term debt are recorded as program revenue. Payments of principal and interest are treated as program expenditures. Long-term debt is recorded as a liability on the Statement of Financial Position. Reductions of long-term debt are offset with an increase to Equity in Tangible Capital Assets.

(i) 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 Tsleil-Waututh Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Automotive equipment	4-10 years Straight line
Buildings*	20-40 years Straight line
Enterprise	4-10 years Straight line
Equipment	4-10 years Straight line
Infrastructure	25 years Straight line
Roads	20-80 years Straight line

*Social Housing assets acquired under C.M.H.C. sponsored housing programs are being depreciated at a rate equal to the principal reduction on the mortgage of the assets.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Tsleil-Waututh Nation'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 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 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.

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

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

(j) Replacement Reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

(k) Budget

The budget reported in the financial statements was provided by management and is unaudited.

(l) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

(m) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

2. ECONOMIC DEPENDENCE

Tsleil-Waututh Nation receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by Tsleil-Waututh Nation and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The First Nation also receives major funding pursuant to an arrangement with the First Nations Health Authority and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

3. RESTRICTED CASH

Replacement Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

Operating Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

Ottawa Trust Funds:

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2018	2017
Replacement Reserve Fund - restricted cash	\$ 237,636	\$ 264,508
Operating Reserve Fund - restricted cash	60,463	65,051
Ottawa Trust Funds - restricted cash	110,200	110,200
	\$ 408,299	\$ 439,759

4. ACCOUNTS RECEIVABLE

	2018	2017
Accounts receivable - general	\$ 1,066,178	\$ 617,900
Indigenous Services Canada	1,414,433	68,299
CMHC	17,295	16,573
GST/HST receivable	1,342,647	703,764
Property taxes	201,372	177,202
	4,041,925	1,583,738
Allowance for doubtful accounts	(113,620)	(121,868)
	\$ 3,928,305	\$ 1,461,870

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

5. LOANS RECEIVABLE

	2018	2017
Due from Blue Eagle GP Ltd.	\$ 4,879	\$ 4,172
Due from Blue Eagle Limited Partnership	4,311	(2,050)
Due from Inlailawatash Holding Company Ltd.	387,367	238,565
Due from other controlled entities	104,530	91,336
Due from Red Eagle Limited Partnership	199,951	193,577
Due from Salish Seas Limited Partnership	(33)	(33)
Due from Qwi:qwelstom Developments Limited Partnership	425,287	286,505
Due from MST Development Corporation	998,316	971,845
Due from Spal General Constructors Limited Partnership	2,000	-
Due from Takaya Developments (Destiny 2) Limited Partnership	-	12,275,000
Due from (to) Takaya Tours Inc.	(67,298)	(67,067)
Due from TWN Development Company	11,670	10,500
Due from TWN Renewable Energy Ltd.	5,746,564	5,560,393
Due from TWN Wind Power Inc.	-	674,812
Due from Wolf Clan Development Company Ltd.	6,192	4,746
Due from 2420 Dollarton (Darwin/TWN) Limited Partnership*	8,000,000	-
	<hr/> \$ 15,823,736	<hr/> \$ 20,242,301

Loans have no specific terms of repayment and bear no interest.

*This loan bears interest at 9% per annum compounded semi-annually with interest payable monthly on the first business day of each month commencing on March 1, 2018. The principal amount and any accrued interest shall be fully repayable on January 31, 2020 unless extended by both parties. The amount is secured by a second mortgage on the 2420 Land.

6. OLYMPIC LEGACY TRUST AGREEMENT

Per the Release Agreement dated July 2, 2008, the Government of Canada agreed to release contributions in the amount of \$17,000,000 to Tsleil-Waututh First Nation for the purpose of establishing the Tsleil-Waututh Olympic Legacy Trust.

Article 3 of the Agreement specifies the purpose under which the funds are to be utilized: no more than \$15,000,000 for the purpose of purchasing land; and no more than \$2,000,000 for the purpose of band development. Additional authorized purposes include purchases of investments and other authorized expenses as identified in Article 3.2 (d).

The funds have been invested through RBC Dominion Securities and TD WaterHouse brokerages and are invested in various financial investments as agreed to between the trustees and the investment advisors.

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

7. INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES

	2018	2017
Investment in First Nation controlled partnerships		
Qwi:quelstom Development Limited Partnership	\$ 12,894,961	\$ 13,268,001
Inlailawatash Limited Partnership	1,424,902	1,310,966
Spal General Constructors Limited Partnership	384,605	271,655
Takaya Developments (2007) Limited Partnership	222,015	181,215
Takaya Developments (Destiny) Limited Partnership	270,168	272,556
Tsleil-Waututh Land Limited Partnership	27,531,525	28,691,695
Spirit Drum Limited Partnership	1,996,324	722,017
Red Eagle Limited Partnership	387,743	366,648
Blue Eagle Limited Partnership	6,519,610	5,602,523
Urban Eagle Limited Partnership	33,132,074	27,361,950
White Eagle Limited Partnership	(386,597)	-
	84,377,330	78,049,226
Investment in Entities subject to significant influence		
Salish Seas Fisheries Limited Partnership	844,490	330,806
MST Development Corporation	114	(6,695)
	844,604	324,111
Investment in First Nation controlled corporate entities		
Inlailawatash GP Ltd.	(11,482)	(10,457)
Inlailawatash Holding Company Ltd.	760,718	910,025
Qwi:quelstom Development GP Ltd.	(3,256)	(2,352)
TWN Development Company Ltd.	(21,547)	(20,068)
Takaya Holdings Ltd.	(44)	(500)
Takaya Ventures Ltd.	(927)	(622)
Takaya Tours Inc.	298,317	271,071
TWN Renewable Energy Ltd.	(2,700,462)	(3,334,345)
Wolf Clan Development Company Ltd.	(12,791)	(13,211)
0931702 B.C. Ltd.	(3,123)	(1,112)
Spirit Drum Ltd.	(3,283)	(3,299)
Tsleil-Waututh Land Corporation Ltd.	(2,324)	(1,314)
Red Eagle GP Ltd.	(4,526)	(2,286)
TWN Community Society	202,952	246,001
Urban Eagle GP Ltd.	(2,151)	(2,205)
Blue Eagle GP Ltd.	(5,781)	-
White Eagle GP Ltd.	(1,910)	-
	(1,511,620)	(1,964,673)
	\$ 83,710,315	\$ 76,408,664

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

8. GOVERNMENT BUSINESS ENTERPRISES

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of CPA Canada. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

Condensed financial information for the First Nation's government business enterprises and government business partnerships is as follows:

	Real Estate Development	Energy and Natural Resources	2018 Total	2017 Total
Cash	\$ 3,837,287	\$ 1,467,975	\$ 5,305,262	\$ 3,606,368
Accounts receivable	28,596,842	1,038,788	29,635,630	1,325,900
Inventory	-	30,193	30,193	48,589
Prepaid	2,806	44,526	47,332	43,159
Tangible capital assets	4,176	2,499,976	2,504,152	2,094,182
Due from related parties	46,251	1,037,015	1,083,266	58,392
Investments	51,830,737	2,100,995	53,931,732	76,131,726
Intangible and other assets	-	1,905,408	1,905,408	140,000
Total assets	\$ 84,318,099	\$ 10,124,876	\$ 94,442,975	\$ 83,448,316
Accounts payable	\$ 116,394	\$ 651,725	\$ 768,119	\$ 920,614
Long-term debt	1,386,150	421,185	1,807,335	1,057,463
Due to related parties	99,610	6,365,969	6,465,579	5,478,419
Total liabilities	1,602,154	7,438,879	9,041,033	7,456,496
Accumulated surplus (deficit)	82,715,945	2,685,997	85,401,942	75,971,820
Total equity	82,715,945	2,685,997	85,401,942	75,971,820
Total liabilities and equity	\$ 84,318,099	\$ 10,124,876	\$ 94,442,975	\$ 83,428,316
	Real Estate Development	Energy and Natural Resources	2018 Total	2017 Total
Revenue	\$ 12,889,711	\$ 7,217,882	\$ 20,107,593	\$ 5,105,167
Expenses	1,557,010	4,943,728	6,500,738	5,804,204
Net income	\$ 11,332,701	\$ 2,274,154	\$ 13,606,855	\$ (699,037)

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

9. ACCOUNTS PAYABLE

	2018	2017
Accounts payable - general	\$ 3,502,765	\$ 1,747,819
Indigenous and Northern Affairs Canada	-	32,245
Wages payable	169,452	116,040
	<hr/>	<hr/>
	\$ 3,672,217	\$ 1,896,104
	<hr/>	<hr/>

10. DEFERRED REVENUE

	March 31, 2017	Funding received, 2018	Revenue recognized, 2018	March 31, 2018
Federal government				
Province of British Columbia	\$ 22,391,111	\$ -	\$ (22,391,111)	\$ -
Property tax prepayment	68,130	67,190	(68,130)	67,190
Grant Participation	-	60,000	-	60,000
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 22,459,241	\$ 127,190	\$ (22,459,241)	\$ 127,190
	<hr/>	<hr/>	<hr/>	<hr/>

11. LONG-TERM DEBT

	2018	2017
Native Claims Loan Agreement - signed promissory notes representing advances made by Canada for claims. Repayment provisions outlined in Native Claims Loan Agreement. Repayment is due and payable at the later of March 31, 2018 or a date on which the claim is settled.	\$ 106,300	\$ 106,300
Negotiation Support Fund - signed promissory notes and First Nation Negotiation Support Agreements, representing advances made by Canada for negotiations. Repayment provisions are outlined in Section 13.0 and 14.0 of the First Nation Support Agreement. Repayment is due and payable at the later of the date a treaty signed by the parties takes effect or the expiry of the agreement per the agreement dated October 6, 2016.	7,868,607	7,868,607
Bank of Montreal bankers acceptance, repayable April 17, 2018, inclusive of interest at 1.66%.	4,700,000	4,700,000
Bank of Montreal bankers acceptance, inclusive of interest at 3.45%.	1,400,000	2,000,000
Royal Bank banker's acceptance, repayable May 9, 2017, inclusive of interest at 1.55%. Funds were lent to Takaya Developments (Destiny 2) Limited Partnership for real estate development activities in that entity. Spirit Drum Limited Partnership is the limited partner of Takaya Developments (Destiny 2) Limited Partnership.	-	12,275,001
BMO credit facility bearing interest at 3.45%. Callable by the issuer.	10,614,803	5,001,019

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

11. LONG-TERM DEBT, continued

	2018 \$	2017 \$
CMHC loan to be forgiven over 5 years at the rate of \$807.03 monthly including interest at 3.3750% per annum; on the condition that the Nation continue to own and occupy the 3073 Dollarton Highway Property during this period.	41,965	-
<u>BMO credit facility bearing interest at 3.45%. Callable by the issuer.</u>	<u>8,000,000</u>	-
Callable portion	32,731,675	31,950,926
	<u>24,723,196</u>	23,976,019
Long-term portion	\$ 8,008,479	\$ 7,974,907

12. CMHC MORTGAGES

	Phase number	Maturity date	Interest rate	Monthly payment	2018	2017
15-469-042	6	6/1/2018	1.67	\$ 3,031	\$ 9,070	\$ 44,962
22-501-670	1	9/1/2035	0.94	5,890	1,140,306	1,199,987
22-501-670	5	7/1/2036	1.14	2,464	489,169	513,031
22-501-670	3	1/1/2037	1.48	4,744	935,474	978,253
22-501-670	4	7/1/2037	1.50	2,661	535,811	559,621
22-501-670	5	11/1/2039	1.77	2,963	639,872	663,913
22-501-670	6	11/4/2041	1.03	3,449	870,287	902,585
					<u>\$ 4,619,989</u>	<u>\$ 4,862,352</u>

The mortgages are secured by a Ministerial Guarantee and are guaranteed by the First Nation.

Principal portion of CMHC mortgages due within the next five years:

2019	217,868
2020	211,427
2021	214,089
2022	216,788
2023 and thereafter	3,759,817
	<u>4,619,989</u>

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

13. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization				2018 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	
Buildings	\$ 14,078,881	\$ 138,984	\$ -	\$ 14,217,865	\$ 9,382,553	\$ 450,843	\$ -	\$ 4,384,469
Automotive equipment	261,637	-	(7,000)	254,637	178,768	30,695	-	45,174
Enterprise	6,035	-	(6,035)	-	5,526	-	(5,526)	-
Furniture and equipment	1,079,535	-	-	1,079,535	873,346	74,219	-	131,970
Roads	3,631,875	-	-	3,631,875	1,302,427	70,463	-	2,258,985
Social Housing	6,891,434	-	-	6,891,434	1,213,019	242,339	-	5,436,076
Assets under construction	13,524,336	8,978,325	-	22,502,661	-	-	-	22,502,661
	\$ 39,473,733	\$ 9,117,309	\$ (13,035)	\$ 48,578,007	\$ 12,955,639	\$ 868,559	\$ (5,526)	\$ 34,759,335

	Cost			Accumulated amortization				2017 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	
Buildings	\$ 12,284,845	\$ -	\$ 1,794,036	\$ 14,078,881	\$ 7,263,492	\$ 325,025	\$ 1,794,036	\$ 4,696,328
Automotive equipment	247,000	14,637	-	261,637	149,693	29,075	-	82,869
Enterprise	6,035	-	-	6,035	5,399	127	-	509
Furniture and equipment	1,073,837	5,698	-	1,079,535	811,330	62,016	-	206,189
Roads	3,631,875	-	-	3,631,875	1,233,998	68,429	-	2,329,448
Social Housing	5,823,495	1,067,939	-	6,891,434	997,150	215,869	-	5,678,415
Assets under construction	6,465,248	7,059,088	-	13,524,336	-	-	-	13,524,336
	\$ 29,532,335	\$ 8,147,362	\$ 1,794,036	\$ 39,473,733	\$ 10,461,062	\$ 700,541	\$ 1,794,036	\$ 12,955,639
								\$ 26,518,094

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

14. ACCUMULATED SURPLUS

	2018	2017
Restricted		
Social Housing Fund	\$ (870,083)	\$ (925,271)
Trust Funds	25,130,903	24,828,158
Enterprise Fund	79,010,315	71,661,977
	<hr/> 103,271,135	<hr/> 95,564,864
Unrestricted - Operating Fund		
Administration	16,674,701	13,194,548
Community Development - Education	128,575	(475,863)
Community Development - Health	(18,370)	(298,219)
Community Development - General	(15,443)	(63,808)
Community Development - Social Development	10,292	(114,777)
Treaty Lands and Resources	68,786	52,749
Public Works	(14,777,351)	(7,436,411)
Economic Development	(215,073)	(22,231,239)
	<hr/> 1,856,117	<hr/> (17,373,020)
Unrestricted - Capital Fund		
Capital Fund	29,323,259	20,835,317
	<hr/> \$ 134,450,511	<hr/> \$ 99,027,161

15. COMPARATIVE AMOUNTS

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

16. CONTINGENT LIABILITIES

a) Indigenous Services Canada

Under the terms of the contribution agreements with Indigenous Services Canada and other governmental departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the First Nation.

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. SEGMENTED INFORMATION

As indicated in note 1 (e) the First Nation conducts its business through reportable segments as follows:

Administration:

The Administration department provides operational and program support to the First Nation. It also manages the Nation's financial records to ensure that the government's operations are fiscally responsible and accurate financial results of government programming are being reported.

Public Works:

The Public Works department oversees the operation and maintenance of community lands and infrastructure. It is responsible for the care of the First Nation's reserve lands, resources and environment, which include the operation and maintenance of the Nation's buildings, grounds and infrastructure as well as the provision of safe affordable housing and facilities and other ongoing public works projects.

Treaty, Lands and Resources:

The Treaty, Lands and Resources department is to advance the interests of the First Nation with respect to the treaty process as well as to the lands and natural resources that come as part and parcel of the traditional territory. The department's projects range from treaty negotiations, aboriginal rights and title issues to forest and marine stewardship programs, Nation to Nation cooperation and collaboration, and capacity building.

Community Development:

The Community Development department supports the members in their efforts to enhance their self-awareness, health and wellness, education and employment. Various programs are being offered in this department.

Education:

It offers aboriginal employment and training programs to assist members to attain employment, provides kindergarten to grade 12 courses, and provides post secondary education support.

Health:

It provides holistic healthcare that incorporates both traditional and modern medicine and practice.

Social Development:

It provides assistance to community members unable to provide for themselves and their dependents. The services include, but are not limited to, income assistance, child and family services, and assisted living.

Economic Development:

The Economic Development department is responsible for creating and sustaining businesses and partnerships that provide economic growth and stability for the First Nation. It is responsible for fiscal policy-making and reporting, making applications for government grants and applications, developing and managing initiatives for the community and maintaining annual budgets.

Social Housing:

Social Housing is responsible for the administration and management of Social Housing units.

Other operations include the Capital Fund, Enterprise Fund, Trust Funds and Negotiation Support Agreement Fund.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. SEGMENTED INFORMATION, continued

	2018 Budget	Administration 2018 Actual	2017 Actual	Community 2018 Budget	Development - 2018 Actual	Education 2017 Actual	Community 2018 Budget	Development - 2018 Actual	Health 2017 Actual
Revenues									
Indigenous Services Canada	\$ 654,300	\$ 548,692	\$ 534,954	\$ 499,981	\$ 587,808	\$ 601,339	-	\$ -	\$ 5,900
Administration fee	300,000	194,300	311,100	11,000	-	3,470	-	-	-
First Nations Goods and Services	1,840,584	1,930,767	2,720,180	-	-	-	-	-	-
Tax									
First Nations Health Authority	-	-	-	81,000	69,671	74,139	588,136	765,851	413,838
Government of Canada	-	-	4,250	-	10,010	-	-	-	-
Property tax assessed	2,550,000	3,401,198	2,413,338	-	-	-	-	-	-
Province of BC	-	-	-	250,000	280,151	207,002	-	-	-
Other revenue	169,500	369,507	431,306	884,910	810,679	611,503	-	25,940	14,835
Total revenue	5,514,384	6,444,464	6,415,128	1,726,891	1,758,319	1,497,453	588,136	791,791	434,573
Expenses									
Administration fees	37,500	16,084	17,933	33,000	1,440	99,988	103	-	655
Contracted services and consultants	98,500	101,344	189,052	6,600	34,177	43,555	17,470	143,216	57,616
Honoraria	196,600	270,481	225,545	1,000	7,241	16,346	6,600	610	2,280
Loan payments	-	138,985	-	-	-	-	-	-	-
Materials and supplies	159,100	196,554	134,719	37,658	101,787	73,899	5,086	14,648	23,334
Professional fees	212,500	204,485	261,659	-	400	8,000	-	-	-
Travel	66,050	82,673	175,653	19,200	45,877	31,830	8,764	16,307	30,420
Wages and benefits	1,288,034	1,197,048	936,859	1,333,186	1,231,561	1,068,915	432,526	410,329	436,250
Other expenses	3,754,700	3,723,059	2,928,434	1,028,826	906,758	560,951	117,587	127,929	253,725
Total expenses	5,812,984	5,930,713	4,869,854	2,459,470	2,329,241	1,903,484	588,136	713,039	804,280
Annual surplus (deficit)	\$ (298,600)	\$ 513,751	\$ 1,545,274	\$ (732,579)	\$ (570,922)	\$ (406,031)	-	\$ 78,752	\$ (369,707)

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. SEGMENTED INFORMATION, continued

	Community Development - General			Community Development - Social Development			Treaty Lands and Resources		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ 9,413	\$ 441,910	\$ 580,026	\$ 509,280	\$ 125,000	\$ 1,429,367	\$ 218,694
First Nations Health Authority	95,000	-	-	-	-	-	-	-	-
Government of Canada	-	-	-	-	-	-	200,000	-	-
Province of BC	-	-	-	-	-	-	112,000	260,895	180,057
Rental	-	-	-	-	-	-	15,000	15,000	15,000
Other revenue	20,000	109,010	81,481	-	8,350	(22,637)	4,139,900	1,213,387	1,777,165
Total revenue	115,000	109,010	90,894	441,910	588,376	486,643	4,591,900	2,918,649	2,190,916
Expenses									
Administration fees	-	-	4,000	-	-	-	100,000	-	102,714
Contracted services and consultants	18,400	20,962	36,462	-	8,793	10,408	3,224,700	1,635,568	819,581
Honoraria	2,552	3,300	3,725	-	600	-	7,300	6,287	9,341
Materials and supplies	1,512	5,202	11,189	-	-	-	29,550	33,789	31,996
Professional fees	-	-	-	-	-	-	235,950	258,111	351,978
Travel	4,805	34,361	24,267	-	63	790	136,700	119,472	144,505
Wages and benefits	68,147	79,058	75,425	82,267	86,614	88,680	1,199,732	1,236,537	890,762
Other expenses	19,484	30,761	52,351	352,368	492,242	431,222	303,723	319,794	247,254
Total expenses	114,900	173,644	207,419	434,635	588,312	531,100	5,237,655	3,609,558	2,598,131
Annual surplus (deficit)	\$ 100	\$ (64,634)	\$ (116,525)	\$ 7,275	\$ 64	\$ (44,457)	\$ (645,755)	\$ (690,909)	\$ (407,215)

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. SEGMENTED INFORMATION, continued

	Public Works		Economic Development			Social Housing Fund			
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Indigenous Services Canada	\$ 2,835,000	\$ 1,045,725	\$ 1,536,830	\$ 25,980	\$ 26,566	\$ 226,285	-	\$ -	\$ -
Administration fee	-	46,550	105,353	276,790	185,425	142,198	-	-	-
First Nations Health Authority	1,398,000	1,371,682	885,893	-	-	-	-	-	-
Government of Canada	100,000	-	-	-	-	-	-	-	-
Province of BC	-	-	-	1,036,000	22,391,111	11,337,556	-	-	-
Rental	10,000	18,109	80,672	-	-	-	318,600	314,750	291,950
Other revenue	202,000	425,759	2,605,655	4,966,552	6,050,958	123,475	199,040	198,938	184,439
Total revenue	4,545,000	2,907,825	5,214,403	6,305,322	28,654,060	11,829,514	517,640	513,688	476,389
Expenses									
Administration fees	108,732	-	101,600	45,000	-	10,920	66,906	-	54,272
Contracted services and consultants	855,000	2,236,211	1,853,752	55,985	18,276	280,711	-	-	-
Honoraria	15,000	12,659	17,405	-	-	-	-	-	-
Loan payments	-	-	-	-	-	-	304,200	302,111	275,717
Materials and supplies	29,504	69,971	63,070	351	11,170	2,939	-	-	-
Professional fees	80,000	5,837	9,058	240,710	26,325	60,645	6,866	6,908	5,734
Travel	5,625	6,881	6,902	9,960	5,150	5,991	-	-	-
Wages and benefits	709,652	606,761	595,163	457,862	477,987	459,565	-	-	-
Other expenses	13,937,362	7,557,319	6,873,309	835,339	39,679	81,732	82,350	326,501	300,073
Total expenses	15,740,875	10,495,639	9,520,259	1,645,207	578,587	902,503	460,322	635,520	635,796
Other Income	(11,195,875)	(7,587,814)	(4,305,856)	4,660,115	28,075,473	10,927,011	57,318	(121,832)	(159,408)
Annual surplus (deficit)	\$ (11,195,875)	\$ (7,587,814)	\$ (4,349,874)	\$ 4,660,115	\$ 28,075,473	\$ 10,927,011	\$ 57,318	\$ 120,507	\$ 258,034

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. SEGMENTED INFORMATION, continued

	Capital Fund		Trust Funds		Enterprise Fund				
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ 704,568	\$ 2,349,040	\$ -	\$ 6,458,657	\$ (454,496)
Total revenue	-	-	-	-	704,568	2,349,040	-	6,458,657	(454,496)
Expenses									
Administration fees	-	629,367	629,621	-	87,400	124,700	-	-	-
Honoraria	-	-	-	-	8,100	6,900	-	-	-
Professional fees	-	-	-	-	5,145	5,014	-	-	1,661
Other expenses	-	-	(147,228)	-	1,178	2,288	-	260	6,662
Total expenses	-	629,367	482,393	-	101,823	138,902	-	260	8,323
Other Income	-	(629,367)	(482,393)	-	602,745	2,210,138	-	6,458,397	(462,819)
Annual surplus (deficit)	\$ -	\$ 8,487,942	\$ 6,596,529	\$ -	\$ 602,745	\$ 2,210,138	\$ -	\$ 6,458,397	\$ (462,819)

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. SEGMENTED INFORMATION, continued

	Negotiation Support Agreement Fund			Consolidated totals		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues						
Indigenous Services Canada	\$ -	\$ -	\$ 301,950	\$ 4,582,171	\$ 4,218,184	\$ 3,944,645
Administration fee	-	-	-	587,790	426,275	562,121
First Nations Goods and Services Tax	-	-	-	1,840,584	1,930,767	2,720,180
First Nations Health Authority	-	-	-	2,162,136	2,207,204	1,373,870
Government of Canada	-	-	-	300,000	10,010	4,250
Property tax assessed	-	-	-	2,550,000	3,401,198	2,413,338
Province of BC	-	-	-	1,398,000	22,932,157	11,724,615
Rental	-	-	-	343,600	347,859	387,622
Other revenue	-	-	100,650	10,581,902	16,375,753	7,802,416
Total revenue	-	-	402,600	24,346,183	51,849,407	30,933,055
Expenses						
Administration fees	-	-	-	391,241	734,291	1,146,403
Contracted services and consultants	-	-	19,200	4,276,655	4,198,547	3,310,337
Honoraria	-	-	30,000	229,052	309,278	311,542
Loan payments	-	-	301,950	304,200	441,096	577,667
Materials and supplies	-	-	-	262,761	433,121	341,146
Professional fees	-	-	3,600	776,026	507,211	707,349
Travel	-	-	3,600	251,104	310,784	423,958
Wages and benefits	-	-	293,504	5,571,406	5,325,895	4,845,123
Other expenses	-	-	52,696	20,431,739	13,525,480	11,643,465
Total expenses	-	-	704,550	32,494,184	25,785,703	23,306,989
Other Income	-	-	(301,950)	(8,148,001)	26,063,702	7,626,066
Annual surplus (deficit)	\$ -	\$ -	\$ -	\$ (8,148,001)	\$ 35,423,350	\$ 15,380,363

TSLEIL-WAUTUTH NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

18. SUBSEQUENT EVENT

Subsequent to the year end, Tsleil-Waututh Nation settled a claim regarding the expropriation of land and timber and was awarded \$22,666,615 from the Government of Canada. The Native Claim Loan in the amount of \$106,300 was also forgiven subsequent to the year end.

19. RELATED PARTY TRANSACTIONS

The Fist Nation is related to TWN Renewable Energy Holdings Ltd. and Takaya Holdings Ltd. because of their ability to control or significantly influence the entities. Transactions with these related parties include management fees of \$75,300 to TWN Renewable Energy Holdings Ltd. and \$3,300 to Takaya Holdings Ltd. in 2018 (\$113,000 to TWN Renewable Energy Holdings Ltd. and \$4,000 to Takaya Holdings Ltd. in 2017).

These transactions are in the normal course of operations and have been valued at the exchange amount which is the amount of consideration established and agreed to by the related parties.