

KWIKWETLEM FIRST NATION

FINANCIAL STATEMENTS
MARCH 31, 2014

KWIKWETLEM FIRST NATION

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Kwikwetlem First Nation

March 31, 2014

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Kwikwetlem First Nation for the year ended March 31, 2014 and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB). Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

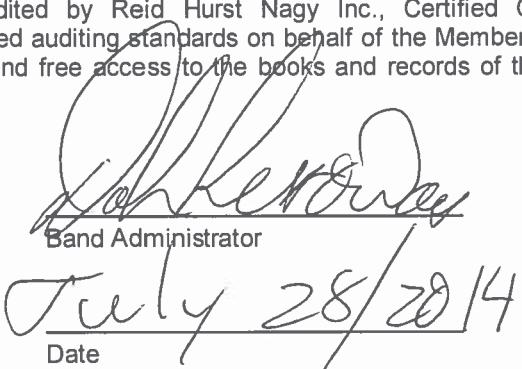
The Kwikwetlem First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Kwikwetlem First Nation's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

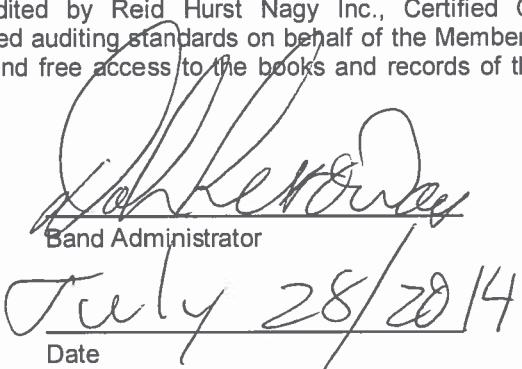
The Kwikwetlem First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The accompanying financial statements have been audited by Reid Hurst Nagy Inc., Certified General Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the Members. Reid Hurst Nagy Inc., Certified General Accountants have full and free access to the books and records of the First Nation.


Ron Sisler
Chief


John Kerec
Date


John Kerec
Band Administrator
Date

INDEPENDENT AUDITORS' REPORT

KWIKWETLEM FIRST NATION

Report on the financial statements

We have audited the accompanying summary financial statements of Kwikwetlem First Nation, which comprise the summary statement of financial position as at March 31, 2014, the summary statements of operations, 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 financial statements

Management is responsible for the preparation and fair presentation of these 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the 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 controls.

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 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 Kwikwetlem First Nation as at March 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



REID HURST NAGY INC.
CERTIFIED GENERAL ACCOUNTANTS

RICHMOND, BC
JULY 28, 2014

KWIKWETLEM FIRST NATION

SUMMARY STATEMENT OF FINANCIAL POSITION March 31, 2014

Statement 1

	2014	2013
	\$	\$
FINANCIAL ASSETS		
Cash	8,571,484	1,137,618
Long term investments (Note 3)	820,231	1,365,871
Restricted cash (Note 4)	69,047	162,720
Accounts receivable (Note 5)	562,879	522,752
Due from band members (Note 6)	72,125	71,490
Due from related parties (Note 7)	81,873	78,773
	10,177,639	3,339,224
LIABILITIES		
Accounts payable and accrued liabilities (Note 8)	245,539	237,069
Deferred revenue	34,562	8,835
Investments in First Nation Controlled Entities (Note 9)	68,042	63,018
Long-term debt (Note 10)	1,008,003	258,667
	1,356,146	567,589
NET FINANCIAL ASSETS	8,821,493	2,771,635
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 1c, 1d and 13)	2,184,303	873,880
Prepaid expenses	34,981	16,163
	2,219,284	890,043
MEMBERS' EQUITY (Note 14)	11,040,777	3,661,678

APPROVED ON BEHALF OF
THE KWIKWETLEM FIRST NATION

Tom Giesbrecht Chief

W. [Signature] Councilor

KWIKWETLEM FIRST NATION

SUMMARY STATEMENT OF OPERATIONS For the year ended March 31, 2014

Statement 2

	2014	2013
	\$	\$
REVENUE		
Aboriginal Affairs and Northern Development Canada	673,581	737,855
Administration fees	21,291	47,162
BC Hydro	298,232	265,824
Canada Mortgage and Housing Corporation	22,271	14,037
Capital fund	466,113	91,157
Deferred revenues	-	77,433
Enterprise fund	(5,024)	(3,883)
Fireworks	34,164	27,360
First Nation Education Steering Committee	72,786	60,004
First Nation Health Authority	72,491	48,252
Health Canada	23,387	55,828
Interest	15,704	17,110
Kiewit lease	77,000	82,000
Loan proceeds	265,328	-
Miscellaneous	1,051,162	23,230
Ottawa Trust fund	962	1,131
Province of BC	8,225,000	512,000
Province of BC - Gateway	-	10,000
Quantum Murray LP	1,255,664	638,393
Rent	39,003	18,970
Treaty 8 Tribal Association	20,000	43,530
	12,629,115	2,767,393
EXPENDITURES		
Band programs	1,345,187	1,054,407
Education	155,405	87,015
Health	177,686	154,700
Economic Development	2,207,055	720,965
Community services	64,276	44,326
Social services	93,382	104,647
Capital projects	778,140	214,652
Capital fund	327,458	55,216
Social Housing	101,427	37,601
	5,250,016	2,473,529
ANNUAL EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES	7,379,099	293,864

KWIKWETLEM FIRST NATION

SUMMARY STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the year ended March 31, 2014

Statement 3

	2014 \$	2013 \$
ANNUAL (SHORTFALL) EXCESS OF REVENUE OVER EXPENDITURES	7,379,099	293,864
Acquisition of tangible capital assets	(1,386,166)	(91,157)
Amortization of tangible capital assets	75,743	66,740
	6,068,676	269,447
Acquisition of prepaid asset	(34,981)	(16,163)
Use of prepaid asset	16,163	25,552
	(18,818)	9,389
NET CHANGE IN FINANCIAL ASSETS	6,049,858	278,836
NET FINANCIAL ASSETS, BEGINNING OF YEAR	2,771,635	2,492,799
NET FINANCIAL ASSETS, END OF YEAR	8,821,493	2,771,635

KWIKWETLEM FIRST NATION

SUMMARY STATEMENT OF CASH FLOWS March 31, 2014

Statement 4

	2014 \$	2013 \$
OPERATING ACTIVITIES		
Excess of revenue over expenditures	7,379,099	293,864
Non-cash items:		
Share of income (loss) in First Nation Controlled Entities	5,024	3,883
Amortization	75,743	66,740
Deferred revenue	-	(77,433)
Changes in non-cash operating net assets	(28,483)	(117,793)
	7,431,383	169,261
FINANCING ACTIVITIES		
Repayment of Social Housing, Capital, and Enterprise Funds long-term debt	749,336	(12,138)
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(1,386,166)	(91,157)
Redemption (purchase) of term deposits	545,640	(891,419)
CHANGES IN CASH DURING YEAR	7,340,193	(825,453)
CASH, BEGINNING OF YEAR	1,300,338	2,125,791
CASH, END OF YEAR	8,640,531	1,300,338
REPRESENTED BY:		
Cash	8,571,484	1,137,618
Restricted cash	69,047	162,720
	8,640,531	1,300,338

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

NOTE 1: OPERATIONS

The Kwikwetlem First Nation is located in the Province of British Columbia, and provides various services to its members. Kwikwetlem First Nation includes the Nation's members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

These Summary Financial Statements have been prepared in accordance with generally accepted accounting principles for government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

a) Fund Accounting

The Kwikwetlem First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the Summary Financial Statements. Details of the operations of each fund are set out in the supplementary schedules. The Kwikwetlem First Nation maintains the following funds:

- 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, together with their related financing.
- The Social Housing Fund which reports the social housing assets of the First Nation, together with 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 investments in related entities.

b) Reporting Entity and Principles of Financial Reporting

The Kwikwetlem First Nation reporting entity includes the Kwikwetlem First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation, except for First Nation business entities.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Kwikwetlem First Nation Operating Fund
- Kwikwetlem First Nation Social Housing Fund
- Kwikwetlem First Nation Capital Fund
- Kwikwetlem First Nation Trust Fund
- Kwikwetlem First Nation Enterprise Fund

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

The First Nation's business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method.

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Reporting Entity and Principles of Financial Reporting (continued)

Under the modified equity method, the equity method of accounting is modified only to extend that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of the post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Saskay Land Development Corporation
- Kwikwetlem's Colony Farm Bike Tours and Rental Ltd.
- Choxw Holdings Ltd.

c) Tangible Capital Assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for the producing goods and delivering services. Tangible capital assets are recorded at cost.

The acquisition costs of capital assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Capital Fund with a corresponding increase in Equity and Tangible Capital Assets.

Tangible capital assets acquired as part of the Social Housing Fund and Enterprise Fund are recorded as assets of those funds.

d) Amortization

Tangible capital assets are recorded and amortized annually with a corresponding reduction in Equity in Tangible Capital Assets. Amortization for tangible capital assets is provided annually at rates calculated to write off the asset over their estimated useful lives as follows, except in the year of acquisitions when one-half of the rate is used.

Trailers	5% declining balance
Office equipment	20% declining balance
General equipment	20% declining balance
Computer equipment	30% declining balance
Boat	20% declining balance
Canoes	20% declining balance
Canoe sheds	20% declining balance
Building improvements	50 years straight-line
Vehicles	30% declining balance
Infrastructure	50-100 years straight line
Watermains	50-100 years straight line
Roads	50-100 years straight line

Social Housing assets acquired under CMHC sponsored housing programs are amortized at a rate equal to the annual principal reduction in the related long-term debt, as required by CMHC reporting purposes.

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Revenue Recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Statement of Financial Position.

f) Short-term Investments

Short-term investments include guaranteed investment certificates and mutual funds. These investments are recorded at cost.

g) Asset Classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing operations and are not for resale. Non-financial assets include capital assets, prepaid expenses and inventories of supplies.

h) Net Financial Assets

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

i) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

j) Economic Dependence

Kwikwetlem First Nation receives a major portion of its revenue from Aboriginal Affairs and Northern Development Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

k) Measurement uncertainty

The preparation of the financial statement is in conformity with Canadian generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expense during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets and amortization rates. Actual results could differ from those reported.

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 3: LONG-TERM INVESTMENTS

	2014	2013
	\$	\$
GIC with interest at 1% maturing Apr 2013	-	1,161,500
GIC with interest at 1% maturing May 2013	-	51,655
GIC with interest at 1% maturing Oct 2013	-	23,871
GIC with interest at 1% maturing Feb 2014	-	3,434
GIC with interest at 1% maturing Sep 2013	-	3,400
GIC with interest at 1% maturing Dec 2013	-	2,200
GIC with interest at 0.8% maturing May 2014	51,604	-
GIC with interest at 0.8% maturing Oct 2014	23,883	-
GIC with interest at 1% maturing Apr 2014	663,065	-
GIC with interest at 0.8% maturing Feb 2015	3,462	-
GIC with interest at 0.8% maturing Sep 2015	3,434	-
GIC with interest at 0.8% maturing Dec 2014	2,218	-
GIC with interest at 1% maturing Jul 2014	11,660	-
GIC with interest at 0.8% maturing Jan 2015	22,293	-
GIC with interest at 0.8% maturing Feb 2015	14,798	-
MFABC Intermediate Funds	7,082	110,287
MFABC Money Market	16,732	9,524
	<hr/> 820,231	<hr/> 1,365,871

Short-term investments are carried at cost. The market value is the same as cost.

NOTE 4: RESTRICTED CASH

	2014	2013
	\$	\$
Replacement Reserve (CMHC)	20,983	27,857
Ottawa Trust Funds	27,985	27,023
Cash held in trust	20,079	107,840
	<hr/> 69,047	<hr/> 162,720

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 5: ACCOUNTS RECEIVABLE

	2014	2013
	\$	\$
Aboriginal Affairs and Northern Development Canada	-	18,983
Canada Mortgage and Housing Corporation	-	1,170
First Nation Education Steering Committee	22,738	14,679
First Nation Health Authority	32,947	5,000
Katzie Development Corporation	26,233	129,199
Kiewit/Flatiron	-	10,430
Leigh Hanson Materials Ltd.	-	3,750
Miscellaneous	11,121	29,554
New Relationship Trust	5,800	-
Quantum Murray LP	437,790	197,987
Province of BC	-	112,000
Province of BC - Ministry of Transportation	29,950	29,950
Transportation Investment Corporation	26,250	-
Less: allowance for doubtful accounts	(29,950)	(29,950)
	<hr/>	<hr/>
	562,879	522,752
	<hr/>	<hr/>

NOTE 6: DUE FROM BAND MEMBERS

Rents receivable consists of amounts owing from various Band members on the Social Housing Program:

	2014	2013
	\$	\$
Advances to employees	2,430	3,307
Loans to band members	69,695	68,183
	<hr/>	<hr/>
	72,125	71,490
	<hr/>	<hr/>

NOTE 7: DUE FROM RELATED PARTIES

	2014	2013
	\$	\$
Kwikwetlem's Colony Farm Bike Rental and Touring Ltd.		
Advances, unsecured, non-interest bearing, no stated terms of repayment	70,110	68,310
	<hr/>	<hr/>
Saskay Land Development Corporation		
Advances, unsecured, non-interest bearing, no stated terms of repayment	11,763	10,463
	<hr/>	<hr/>
	81,873	78,773
	<hr/>	<hr/>

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 8: ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2014	2013
	\$	\$
Trade payables	164,167	183,153
Accrued salaries and employee benefits payable	40,443	23,820
Prepaid rent and damage deposits	2,528	876
Other accrued liabilities	24,600	24,600
Due to government agencies	13,801	4,620
	<hr/>	<hr/>
	245,539	237,069
	<hr/>	<hr/>

NOTE 9: INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES

	2014	2013
	\$	\$
KWIKWETLEM'S COLONY FARM BIKE TOURS AND RENTAL LTD. (100%)		
Shares	10	10
Contributions	21,403	21,403
Accumulated equity in earnings	(84,392)	(80,764)
	<hr/>	<hr/>
	(62,979)	(59,351)
 SASKAY LAND DEVELOPMENT CORPORATION		
Shares	10	10
Accumulated equity in earnings	(5,073)	(3,677)
	<hr/>	<hr/>
	(5,063)	(3,667)
 CHOXW HOLDINGS CORP. (100%)		
Shares	-	-
	<hr/>	<hr/>
TOTAL	(68,042)	(63,018)
	<hr/>	<hr/>

Shares are held in trust by specified Band members under trust agreements.

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 9: INVESTMENT IN FIRST NATION CONTROLLED ENTITIES (Continued)

Financial information for each of the entities for their respective periods are as follows:

	ASSETS \$	LIABILITIES \$	REVENUE \$	NET INCOME (LOSS) \$
Year ended March 31, 2014 Kwikwetlem's Colony Farm Bike Tours & Rental Ltd.	7,130	70,110	-	(3,629)
Year ended March 31, 2014 Saskay Land Development Corporation	7,999	13,062	-	(1,396)

NOTE 10: LONG-TERM DEBT

	2014 \$	2013 \$
All Nations Trust Company loan, payments of \$1,550 per month including interest at 2.69% per annum, maturing August 1st, 2030, secured by a Ministerial Guarantee from Aboriginal Affairs and Northern Development Canada.	246,848	258,667
All Nations Trust Company loan, payments of \$2,308 per month including interest at 2.11% per annum, maturing December 1st, 2038, secured by a Ministerial Guarantee from Aboriginal Affairs and Northern Development Canada	536,593	-
RBC Royal Bank demand loan, payments of \$4,867 per month including interest at 3.84% per annum, maturing May 10th, 2018, secured by a modular building.	224,562	-
	1,008,003	258,667

FUTURE PRINCIPAL REPAYMENTS

The estimated principal payments for the next five years are as follows:

	\$
2015	79,364
2016	82,025
2017	84,781
2018	97,325
And beyond	664,508
	1,008,003

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

NOTE 11: TRUST FUNDS

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

In addition to the above, the First Nation also maintains funds held in trust from the Estate of Harry Robinson, which are to be used at the discretion of the band membership.

NOTE 12: SEGMENTED INFORMATION

The Kwikwetlem First Nation is a government institution that provides a range of programs and services to its members, including band programs, education, health, economic development, community services, social services, and capital projects. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide.

KWIKWETLEM FIRST NATION
 NOTES TO THE FINANCIAL STATEMENTS
 March 31, 2014

NOTE 12: SEGMENTED INFORMATION (Continued)

	Band Programs	Education	Health	Economic Dev't	Community Services	Social Services	Capital Projects	Other	Housing	Total 2014
REVENUE										
Aboriginal Affairs and Northern Development Canada	138,865	41,297	22,324	335,000	24,111	111,984	-	-	-	673,581
Administration fees	21,291	-	-	266,232	-	-	-	-	-	21,291
BC Hydro	2,000	30,000	-	-	-	-	-	-	-	298,232
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	-	-	-	22,271
Capital fund	-	-	-	-	-	-	-	-	-	466,113
Enterprise fund	-	-	-	-	-	-	-	-	-	(5,024)
Fireworks	34,164	-	-	-	-	-	-	-	-	34,164
First Nation Education Steering Committee	2,310	45,476	25,000	-	-	-	-	-	-	72,786
First Nation Health Authority	-	-	72,491	-	-	-	-	-	-	72,491
Health Canada	-	-	23,387	-	-	-	-	-	-	23,387
Interest	14,572	-	-	1,132	-	-	-	-	-	15,744
Kiewit lease	77,000	-	-	-	-	-	-	-	-	77,000
Miscellaneous	47,627	2,500	5,479	-	29,000	-	538,388	-	428,168	1,051,162
Loan proceeds	265,328	-	-	-	-	-	-	-	-	265,328
Ottawa Trust fund	-	-	-	-	8,225,000	-	-	-	-	8,225,000
Province of BC	-	-	-	-	1,255,664	-	-	-	-	1,255,664
Quantum Murray LP	-	-	-	-	-	-	-	-	-	39,003
Rent	10,000	-	-	-	-	-	-	-	-	20,000
Treaty 8 Tribal Association	20,000	-	-	-	-	-	-	-	-	-
	633,157	119,273	148,681	10,083,028	53,111	111,984	538,388	462,051	479,442	12,629,115

KWIKWETLEM FIRST NATION
 NOTES TO THE FINANCIAL STATEMENTS
 March 31, 2014

NOTE 12: SEGMENTED INFORMATION (Continued)

	Band Programs	Education	Health	Economic Dev't	Community Services	Social Services	Capital Projects	Other	Housing	Total 2014
EXPENSES										
Amortization	-	-	-	-	-	-	-	-	-	75,744
Bad debt	-	-	-	-	-	-	-	-	-	13,816
Capital expenditures	13,816	-	-	-	-	-	-	-	-	-
Consulting fees	409,040	-	-	-	-	-	-	-	-	409,040
Construction costs	118,561	150	4,219	627,024	-	-	19,875	-	-	769,829
Contracted services	-	-	-	-	-	-	728,319	-	-	728,319
Education	97,141	16,696	3,280	129,679	20,380	3,618	26,780	-	-	297,574
Equipment purchases	10,000	43,360	-	-	-	-	-	-	-	53,360
Honoraria	-	6,093	-	10,708	-	-	-	-	-	16,801
Insurance	300	-	-	-	3,583	-	-	-	-	300
Meals and entertainment	7,711	-	-	-	4,509	-	-	-	-	33,384
Meetings	24,134	3,756	1,546	58,843	1,082	(271)	-	-	-	12,220
Office	26,034	4,203	2,126	18,941	3,308	128	-	-	-	89,090
Other	17,969	-	4,544	12,379	-	30	2,955	265,328	22,829	54,740
Principal loan payments	40,766	-	-	-	-	-	-	-	-	326,034
Professional fees	56,602	-	-	66,265	-	-	-	-	-	40,766
Program expenses	43,351	12,541	39,850	3,597	5,982	11,505	-	-	-	125,517
Rent	4,820	6,800	2,400	6,359	-	-	-	-	-	116,826
Repairs and maintenance	14,417	68	500	8,464	-	-	-	-	-	20,379
Salaries and benefits	339,837	35,108	72,282	179,623	27,773	13,671	-	-	-	53,837
Social assistance payments	-	-	-	-	-	47,507	-	-	-	668,294
Special events	28,525	1,265	200	8,412	-	14,735	-	-	-	47,507
Staff bonuses	150	-	-	1,039,853	-	-	-	-	-	53,137
Supplies	13,124	8,845	12,893	4,189	1,076	1,958	-	-	-	1,040,003
Telephone	15,129	-	1,200	280	-	240	-	-	-	42,085
Training	1,643	8,233	763	-	4,117	-	-	-	-	16,849
Travel	19,395	8,287	5,498	18,380	113	72	-	-	-	14,756
Utilities	13	-	15,949	-	445	189	211	-	-	51,745
Vehicle	21,405	-	-	5,967	-	-	-	-	-	16,807
Waste collection	-	-	10,436	-	-	-	-	-	-	27,372
										10,436
	1,345,187	155,405	177,686	2,207,055	64,276	93,382	778,140	327,458	101,427	5,250,016
	(712,030)	(36,132)	(29,005)	7,875,973	(11,165)	18,602	(239,752)	134,593	378,015	7,379,099

KWIKWETLEM FIRST NATION
 NOTES TO THE FINANCIAL STATEMENTS
 March 31, 2014

NOTE 12: SEGMENTED INFORMATION (Continued)

	Band Programs	Education	Health	Economic Dev't	Community Services	Social Services	Capital Projects	Other	Housing	Total 2013
REVENUE										
Aboriginal Affairs and Northern Development Canada	262,705	39,079	20,308	105,000	100,155	129,332	81,276	-	-	737,855
Administration fees	47,162	-	-	232,074	-	-	-	-	-	47,162
BC Hydro	3,750	30,000	-	-	-	-	-	-	-	265,824
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	-	-	-	14,037
Capital fund	-	-	-	-	-	-	-	-	-	91,157
Deferred revenues	77,433	-	-	-	-	-	-	-	-	77,433
Enterprise fund	27,360	-	-	-	-	-	-	-	-	(3,883)
Fireworks	3,344	31,660	-	25,000	-	-	-	-	-	27,360
First Nation Education Steering Committee	-	-	48,252	-	-	-	-	-	-	60,004
First Nation Health Authority	-	-	55,828	-	-	-	-	-	-	48,252
Health Canada	-	-	-	37	-	-	-	-	-	55,828
Interest	17,073	-	-	-	-	-	-	-	-	17,110
Kiewit lease	82,000	-	-	-	-	-	-	-	-	82,000
Miscellaneous	11,475	-	-	-	3,750	4,000	-	-	-	23,230
Ottawa Trust fund	-	112,000	-	-	400,000	-	-	-	-	1,131
Province of BC - Ministry of Aboriginal Relations	-	-	-	-	10,000	-	-	-	-	512,000
Province of BC - Gateway	-	-	-	-	638,393	-	-	-	-	10,000
Quantum Murray LP	-	-	-	-	-	-	-	-	-	638,393
Rent	-	-	-	-	-	-	-	-	-	18,970
Treaty 8 Tribal Association	43,530	-	-	-	-	-	-	-	-	43,530
	575,832	212,739	149,388	1,389,254	104,155	129,332	81,276	88,405	37,012	2,767,393

KWIKWETLEM FIRST NATION
 NOTES TO THE FINANCIAL STATEMENTS
 March 31, 2014

NOTE 12: SEGMENTED INFORMATION (Continued)

	Band Programs	Education	Health	Economic Dev't	Community Services	Social Services	Capital Projects	Other	Housing	Total 2014
EXPENSES										
Amortization	-	-	-	-	-	-	-	-	-	66,740
Bad debt	7,985	-	-	-	(10,408)	-	-	-	-	(2,423)
Consulting fees	10,821	1,093	2,736	340,224	-	804	50,902	-	-	406,580
Construction costs	-	-	-	-	-	-	138,785	-	-	138,785
Contracted services	182,002	15,335	22,649	97,381	-	526	17,344	19,238	-	354,475
Education	-	30,693	-	-	-	-	-	-	-	30,693
Equipment purchases	4,252	13,084	300	-	-	-	-	-	-	17,636
Honoraria	5,659	-	-	15,911	-	-	-	-	-	21,570
Insurance	31,000	-	-	-	3,207	-	-	-	-	36,220
Meals and entertainment	13,786	-	-	3,467	3,412	-	1,548	-	-	16,993
Meetings	32,281	69	-	5,805	3,113	102	-	100	-	40,777
Office	31,827	5,260	-	4,277	4,827	16,513	182	1	-	46,207
Other	60,348	-	-	98,657	-	-	-	-	-	13,976
Professional fees	70,730	-	-	-	-	-	482	-	-	2,600
Program expenses	46,173	3,028	-	9,818	-	1,465	12,076	-	-	72,560
Rent	61,331	-	-	2,400	-	-	-	-	-	63,731
Repairs and maintenance	29,055	3,427	1,392	-	-	55	-	-	-	38,210
Salaries and benefits	301,583	2,381	65,576	102,427	23,086	-	2,241	-	-	497,294
Social assistance payments	-	-	-	-	-	-	53,977	-	-	53,977
Special events	12,375	-	2,825	4,519	-	-	15,211	-	-	34,930
Staff bonuses	-	-	-	46,250	-	-	-	-	-	46,250
Supplies	14,021	9,035	7,862	48	925	-	145	-	-	32,036
Telephone	24,466	-	1,200	1,260	-	-	4,616	-	-	31,542
Training	12,470	-	-	-	-	462	-	-	-	12,932
Travel	37,547	3,610	2,829	10,137	-	-	589	-	-	54,712
Utilities	666	-	11,219	-	1,192	-	528	-	-	13,605
Vehicle	64,029	-	450	-	-	530	-	-	-	65,009
Waste collection	-	-	9,895	-	-	-	-	-	-	9,895
	1,054,407	87,015	154,700	720,965	44,326	104,647	214,652	55,216	37,601	2,473,529
	(478,575)	125,724	(5,312)	668,289	59,829	24,685	(133,376)	33,189	(589)	293,864

KWIKWETLEM FIRST NATION
 NOTES TO THE FINANCIAL STATEMENTS
 March 31, 2014

NOTE 13: TANGIBLE CAPITAL ASSETS

	Modular Building and Trailers	Infrastructure	Office & Furniture	General Equipment	Computer Equipment	Boat	Canoes	Canoe Shed	Building Improvements	Vehicle	Social Housing	Total
March 31, 2014												
Cost												
Balance, beginning of year	339,131	409,040	41,866	66,938	16,782	89,180	77,121	4,388	12,492	111,708	413,766	1,173,372
Acquisitions	-	-	10,423	-	5,883	-	-	-	-	-	960,820	1,386,166
Balance, end of year	339,131	409,040	52,289	66,938	22,665	89,180	77,121	4,388	12,492	111,708	1,374,566	2,559,538
Accumulated amortization												
Balance, beginning of year	47,652	10,226	22,466	6,694	13,419	51,775	7,519	427	625	76,016	72,899	299,492
Amortization	4,525	4,922	12,049	3,614	11,221	3,480	198	1,187	10,707	13,614	-	75,743
Balance, end of year	52,177	10,226	27,388	18,743	17,033	62,996	10,999	625	1,812	86,723	86,513	375,235
Net Book Value of Tangible Capital Assets	286,954	398,814	48,901	48,195	5,632	26,184	66,122	3,763	10,680	24,985	1,288,073	2,184,303
March 31, 2013												
Cost												
Balance, beginning of year	339,131	-	36,866	66,938	10,055	89,180	77,121	4,388	12,492	111,708	413,766	1,082,215
Acquisitions	-	-	5,000	-	6,727	-	-	-	-	-	-	91,157
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	339,131	-	41,866	66,938	16,782	89,180	77,121	4,388	12,492	111,708	413,766	1,173,372
Accumulated amortization												
Balance, beginning of year	42,543	-	18,241	6,694	10,055	35,744	3,856	219	-	60,719	61,375	232,752
Amortization	5,109	-	4,225	-	3,364	16,031	3,663	208	625	15,297	11,524	66,740
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	47,652	-	22,466	6,694	13,419	51,775	7,519	427	625	76,016	72,899	299,492
Net Book Value of Tangible Capital Assets	291,479	-	19,400	60,244	3,363	37,405	69,602	3,961	11,867	35,692	340,867	873,880

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 14: MEMBERS' EQUITY

	2014	2013
	\$	\$
Restricted		
Social Housing Fund	485,835	107,820
Trust Funds - Ottawa	27,985	27,023
Enterprise Fund - Investment in Business Entities	(68,042)	(63,018)
	445,778	71,825
Unrestricted		
Operating Fund	9,923,331	3,056,840
Capital Fund	671,668	533,013
	10,594,999	3,589,853
TOTAL EQUITY	11,040,777	3,661,678

NOTE 15: REPLACEMENT RESERVE FUND

Under the terms of the agreement with Canada Mortgage & Housing Corporation (CMHC), the Replacement Reserve account is to be credited in the amount of \$5,680 annually in Schedule "B" of the Operating Agreement. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

As at year end date, the Replacement Reserve Fund is fully funded.

NOTE 16: OPERATING RESERVE FUND

Under the terms of the agreement with Canada Mortgage & Housing Corporation (CMHC), any annual operating surplus may be retained in an operating reserve account, to be drawn against in the event of any future deficits. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

As at year end date, the Operating Reserve Fund is fully funded.

NOTE 17: FINANCIAL INSTRUMENTS

The First Nation's financial instruments consist of cash, short term investments, accounts receivable, accounts payable and accrued liabilities and long term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

KWIKWETLEM FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS March 31, 2014

NOTE 18: MINISTERIAL GUARANTEE

A Government of Canada Ministerial Guarantee has been obtained for the following loan. If this loan defaults, the Minister may recover the outstanding amounts from the Kwikwetlem First Nation.

The Kwikwetlem First Nation has guaranteed loans to a certain band members in the amount of \$84,015 (2013 - \$87,988).

NOTE 19: RESTATEMENT OF COMPARATIVE FIGURES

Beginning April 1, 2009, generally accepted accounting principles for government entities required that the Band record the net value of tangible capital assets in its financial statements. During the current year the Band has applied these financial statement reporting standards. The Band has compiled a completed capital asset register reflecting the total cost of tangible capital assets owned by the Band and appropriate accumulated amortization and any impairment attributable to each of those assets. As a result, the following balances in the 2013 fiscal year have been adjusted.

	As Previously		
	Stated	Adjustment	As Restated
	\$	\$	\$
Tangible capital assets	582,401	291,479	873,880
Equity	3,370,199	291,479	3,661,678
Capital fund expenditure	50,107	164,545	214,652