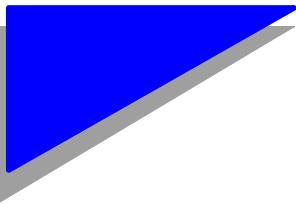


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**NEW WESTMINSTER INDIAN BAND**  
**Financial Statements**  
**Year Ended March 31, 2020**



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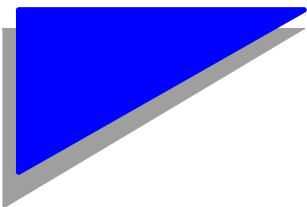
**NEW WESTMINSTER INDIAN BAND**

**Index to Financial Statements**

**Year Ended March 31, 2020**

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	Page
INDEPENDENT AUDITOR'S REPORT	1 - 3
FINANCIAL STATEMENTS	
Statement of Operations and Accumulated Surplus	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 12
Government Funding ( <i>Schedule 1</i> )	13
Program Revenue and Expenditures Schedules ( <i>Schedule 2</i> )	14
Schedule of Federal Government Funding ( <i>Schedule 3</i> )	15



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of New Westminster Indian Band

*Report on the Financial Statements*

*Opinion*

We have audited the financial statements of New Westminster Indian Band (the Band), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Band as at March 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

*Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Band in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Emphasis of Matter*

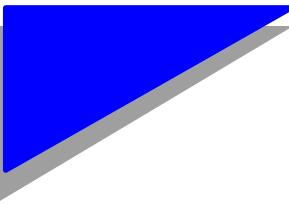
We draw attention to Note 6 to the financial statements, which describes subsequent events related to the global COVID-19 pandemic declared by the World Health Organization. Our opinion is not modified in respect of this matter.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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.

In preparing the financial statements, management is responsible for assessing the Band's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Band or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Band's financial reporting process.



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## INDEPENDENT AUDITOR'S REPORT

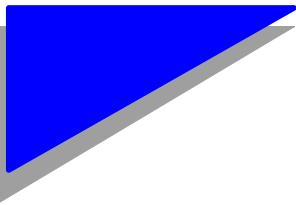
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### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- | Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- | Obtain an understanding of internal control relevant to the audit 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 Band's internal control.
- | Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- | Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Band's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Band to cease to continue as a going concern.
- | Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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## **INDEPENDENT AUDITOR'S REPORT**

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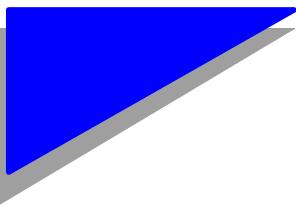
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Report on Other Legal and Regulatory Requirements*

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.

Vancouver, BC  
August 13, 2020

*Vohora LLP*  
Chartered Professional Accountants



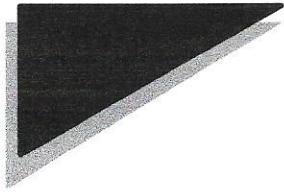
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**NEW WESTMINSTER INDIAN BAND**

**Statement of Operations and Accumulated Surplus**

**Year Ended March 31, 2020**

	<b>2020</b>	<b>2019</b>
<b>REVENUE</b>		
Contributions	\$ 195,017	\$ 26,309
BC Aboriginal Child Care Society	15,000	-
Government assistance - COVID19	5,000	-
Vancouver Fraser Port Authority	4,500	-
Miscellaneous	650	250
New Relationship Trust	-	6,250
	<b>220,167</b>	32,809
<b>EXPENSES</b>		
Band member supplements	5,000	-
Meetings and ceremonial	3,086	-
Office	845	515
Professional fees	153,558	12,700
Wages and honoraria	28,650	18,000
	<b>191,139</b>	31,215
<b>SURPLUS FROM OPERATIONS</b>	<b>29,028</b>	1,594
<b>OTHER INCOME</b>		
Interest income	<b>238</b>	43
<b>ANNUAL SURPLUS</b>	<b>29,266</b>	1,637
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b>	<b>15,318</b>	13,681
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	<b>\$ 44,584</b>	\$ 15,318



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*CPAs & Business Advisors*

## NEW WESTMINSTER INDIAN BAND

### **Statement of Financial Position**

**March 31, 2020**

	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash	\$ 280,758	\$ 20,738
Accounts receivable	5,000	-
Interest receivable	1,581	1,581
Investment in BC First Nations Gaming Revenue Sharing Limited Partnership	110	-
	<b>287,449</b>	22,319
<b>LIABILITIES</b>		
Accounts payable & accrued liabilities	9,501	7,001
Deferred contributions ( <i>Note 4</i> )	233,364	-
	<b>242,865</b>	7,001
<b>NET FINANCIAL ASSETS AND ACCUMULATED SURPLUS</b>	<b>\$ 44,584</b>	\$ 15,318

#### CONTINGENT LIABILITY (Note 3)

#### SUBSEQUENT EVENTS (Note 6)

APPROVED BY

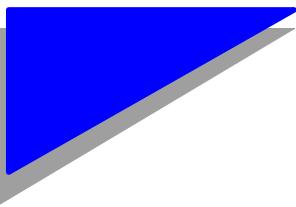
K. Farabee

Chief

Councillor

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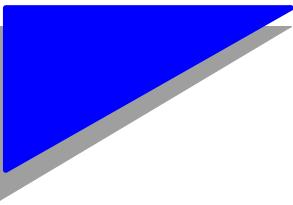
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**NEW WESTMINSTER INDIAN BAND**

**Statement of Cash Flows**

**Year Ended March 31, 2020**

	<b>2020</b>	<b>2019</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	\$ 448,531	\$ 31,560
Cash paid to suppliers and employees	(188,639)	(30,215)
Interest received	238	43
 Cash flow from operating activities	 <b>260,130</b>	 1,388
<b>INVESTING ACTIVITY</b>		
Investment in BC First Nations Gaming Revenue Sharing Limited Partnership	(110)	-
 Cash flow from (used by) investing activity	 <b>(110)</b>	 -
<b>INCREASE IN CASH FLOW</b>	<b>260,020</b>	1,388
Cash - beginning of year	20,738	19,350
<b>CASH - END OF YEAR</b>	<b>\$ 280,758</b>	\$ 20,738



**Vohora LLP**  
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**NEW WESTMINSTER INDIAN BAND**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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**1. AUTHORITY AND PURPOSE**

The New Westminster Indian Band (the "Band"), also known as the Qayqayt First Nation, was originally formed in 1879. The Band now only consists of twelve members, which makes it one of the smallest First Nation Bands in Canada and the only one registered without a land base. The Band and its members are recognized as part of the Canadian Indian Act. As such, the Band receives Funding from the Government of Canada that is exempt from income taxes under the Income Tax Act.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

These financial statements have been prepared using guidelines issued by Indigenous and Northern Affairs Canada which include compliance with Canadian public sector accounting standards as issued by the Chartered Professional Accountants of Canada.

Cash and cash equivalents

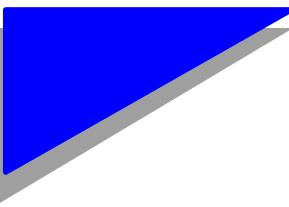
Cash includes cash and cash equivalents. Cash equivalents are investments in term deposits that are valued at cost plus accrued interest and have a term to maturity of three months or less at the date of purchase.

Revenue recognition

The Band recognizes revenue and contributions in the period which the transactions or events that give rise to the revenue occur. Funding from external parties is reported as per the terms of the funding agreement. Other revenue is recognized when earned.

*(continues)*

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**NEW WESTMINSTER INDIAN BAND**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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

Financial instruments policy

*Measurement of financial instruments*

The Band initially measures its financial assets and liabilities at fair value.

The Band subsequently measures all its financial assets and financial liabilities at amortized cost, except for any investments in equity instruments that are quoted in an active market that the Band may hold, which are measured at fair value. Changes in fair value are recognized in annual surplus.

Financial assets measured at fair value include cash.

Financial assets measured at amortized cost include accounts receivable and accrued interest receivable

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

*Impairment*

Financial assets measured at amortized cost are measured for impairment when there are indicators of impairment. The amount of the write-down is recognized in annual surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in annual surplus.

*Transaction costs*

The Band recognizes its transaction costs in annual surplus in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Long Term Investments

Investment in BC Gaming Partnership has been recorded at cost.

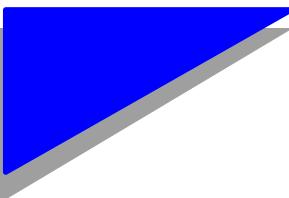
The Band tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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.

*(continues)*

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**NEW WESTMINSTER INDIAN BAND**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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

Budget figures

Budget figures have not been provided and therefore are not presented in the financial statements.

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3. FINANCIAL INSTRUMENTS

The Band's financial instruments consist of cash, accounts receivable, accrued interest receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is the Chief's opinion that the Band is not exposed to significant interest, currency, credit or other price risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

	<b>2020</b>	<b>2019</b>
<b>(a) Financial assets recorded at fair value and amortized cost are comprised of the following:</b>		
Cash	\$ 280,758	\$ 20,738
Accounts receivable	5,000	-
Accrued interest receivable	<u>1,581</u>	<u>1,581</u>
	<b>\$ 287,339</b>	<b>\$ 22,319</b>

The fair value of cash and cash equivalents approximate their carrying values, unless otherwise noted.

**(b) Financial liabilities recorded at cost / amortized cost are comprised of the following:**

Accounts payable & accrued liabilities	<u>\$ 9,500</u>	<u>\$ 7,000</u>
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4. DEFERRED CONTRIBUTIONS

Deferred contributions is comprised of funds received in relation to BC First Nation Gaming Revenue Sharing Limited Partnership (BC Gaming) as these funds have not yet been used for the approved purposes outlined by the letter provided by BC Gaming.

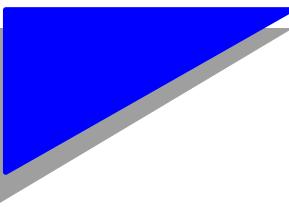
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5. CONTINGENT LIABILITY

The Band may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of business. In the event that any such claims or litigation are resolved against the Band, such outcomes or resolutions could have a material effect on the business, financial condition, or results of operations of the Band. At March 31, 2020, the Band has no claims or possible claims against them that are outstanding.

*(continues)*

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**NEW WESTMINSTER INDIAN BAND**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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**5. CONTINGENT LIABILITY (continued)**

The Band has sought legal representation with respect to claims against the Government of Canada. The result of these claims is not determinable as at March 31, 2020. As the claim process can take time and the costs can accumulate for the Band, the Band has negotiated and secured the terms of an exclusive insurance product from a third party (the "Insurer") that will allow the band to secure low-cost financing by way of a bank loan to cover legal fees, disbursements, expert reports, insurance premiums and, if necessary, litigation costs. The insurance policy is essentially a "no win, no pay" arrangement that if the Band was not successful with the claims, all of the outstanding amounts owing on the loan at the conclusion of the process would be paid in full by the Insurer, not the Band. Conversely, in the event that the Band is successful with the claims, the amounts owing on the loan would be paid for out of the settlement proceeds or an award of compensation paid by Canada.

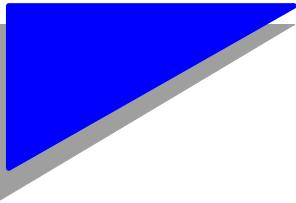
Although the accumulating loan balance relating to these claims is significant and continues to grow as the legal process unfolds, since the Band will not be liable to repay the debt as it will either be covered under the insurance policy or it will be repaid with the eventual and future settlement proceeds, no contingent liability has been recorded in the financial statements to date.

As at March 31, 2020, the Band has an outstanding work in progress balance for legal fees of \$82,398 which have yet to be charged to the loan facility.

A summary of the liabilities related to this claim as of March 31, 2020 that have been paid for using the loan facility have been summarized below:

	<b>2020</b>	<b>2019</b>
<b><u>Current liabilities incurred</u></b>		
CIBC loan principal beginning balance	\$ 2,213,020	\$ 1,546,271
Maurice Law legal fees paid	384,145	468,619
Maurice Law funds held in trust	12,543	-
Insurance premiums paid	178,818	198,130
CIBC loan principal balance	<u>2,788,526</u>	2,213,020
CIBC loan interest beginning balance	158,474	70,494
Loan interest accrued	<u>117,126</u>	87,980
Total CIBC loan balance	<u><u>\$ 3,064,126</u></u>	\$ 2,371,494
<b><u>Total liabilities incurred</u></b>		
Maurice Law legal fees	\$ 1,690,384	
Insurance premiums paid	925,865	
Surety bond	172,276	
CIBC loan principal balance	<u>2,788,525</u>	
Loan interest accrued	<u>275,601</u>	
Total CIBC loan balance	<u><u>\$ 3,064,126</u></u>	

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**NEW WESTMINSTER INDIAN BAND**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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**6. SUBSEQUENT EVENTS**

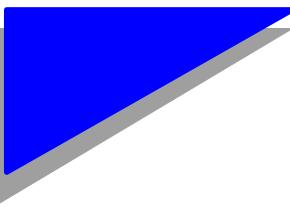
In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

As at July 31, 2020, the Band is aware of changes in its operations as a result of the COVID-19 crisis. During the year end, the Band received government assistance funding from the Department of Indian Affairs for \$5,000. Subsequent to year end, the Band received an additional \$50,000 of government assistance.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the Band's operations as at the date of these financial statements.

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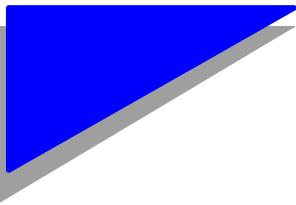


**NEW WESTMINSTER INDIAN BAND**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**7. SEGMENT DISCLOSURES**

The presentation by segment is based on the same accounting policies as described in Note 2, summary of significant accounting policies. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results for the year are as follows:

	General & Administrative	Research & Negotiations	Other Specific Projects	2020	2019
<b>Revenues</b>					
INAC -Band Support Funding	\$ 66,309	\$ -	\$ -	\$ <b>66,309</b>	\$ 26,309
INAC -Specific & Special Claims	-	128,708	-	<b>128,708</b>	-
Other - New Relationship Trust	-	-	-	-	6,250
Other -Vancouver Fraser Port Authority	-	-	4,500	<b>4,500</b>	-
Other -Donations	15,000	-	-	<b>15,000</b>	250
Other - Department of Indian Affairs - COVID19 support	5,000	-	-	<b>5,000</b>	-
Other -Interest Income	238	-	-	<b>238</b>	43
Other - Honorarium	650	-	-	<b>650</b>	-
	<b>87,197</b>	<b>128,708</b>	<b>4,500</b>	<b>220,405</b>	<b>32,852</b>
<b>Expenditures</b>					
Band support supplement	\$ 5,000	\$ -	\$ -	\$ <b>5,000</b>	\$ -
General and administrative	846	-	-	<b>845</b>	515
Meetings and ceremonial	3,086	-	-	<b>3,086</b>	-
Professional fees	24,850	128,708	-	<b>153,558</b>	12,700
Wages and honoraria	28,650	-	-	<b>28,650</b>	18,000
	<b>62,432</b>	<b>128,708</b>	<b>-</b>	<b>191,139</b>	<b>31,215</b>
	<b>\$ 24,765</b>	<b>\$ -</b>	<b>\$ 4,500</b>	<b>\$ 29,266</b>	<b>\$ 1,637</b>



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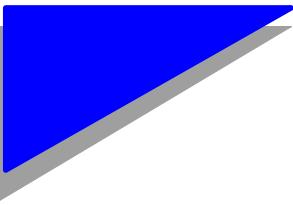
**NEW WESTMINSTER INDIAN BAND**

**Government Funding**

*(Schedule 1)*

**Year Ended March 31, 2020**

	Band Support Funding 2020	Research & Negotiations 2020	Total 2020	Total 2019
<b>INAC</b> Contributions	\$ 66,309	\$ 128,708	\$ 195,017	\$ 26,309



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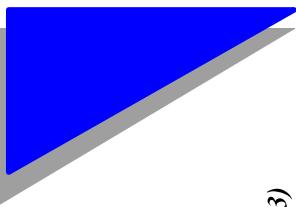
**NEW WESTMINSTER INDIAN BAND**

**Program Revenue and Expenditures Schedules**

*(Schedule 2)*

**Year Ended March 31, 2020**

	<b>2020</b>	<b>2019</b>
<b>REVENUES</b>		
Indigenous and Northern Affairs Canada		
Band Support Funding	\$ 66,309	\$ 26,309
Land Claims Lawsuit - Railway	128,708	-
Other		
New Relationship Trust	-	6,250
Donations	-	250
BC Aboriginal Child Care Society	15,000	-
Government assistance funding	5,000	-
Vancouver Fraser Port Authority	4,500	-
Honorarium	650	-
	<hr/> <b>220,167</b>	<hr/> 32,809
<b>EXPENDITURES</b>		
Band member supplements	5,000	-
Meetings and ceremonial	3,086	-
Office	845	514
Professional fees	153,558	12,700
Salaries - employees	28,650	18,000
	<hr/> <b>191,139</b>	<hr/> 31,214
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<hr/> <b>\$ 29,028</b>	<hr/> \$ 1,595



**Vohora LLP**  
CPAs & Business Advisors

(Schedule 3)

**NEW WESTMINSTER INDIAN BAND**  
**Schedule of Federal Government Funding**  
**Year Ended March 31, 2020**

	Federal Funding Received A	Unexpected Federal Funding, Beginning of Year B	Adjustments / Transfers C	Total Federal Funding Available A+B+C=D	Federal Funding Expended E	Unexpected Federal Funding, End of Year D-E-F
<b>Indigenous and Northern Affairs Canada</b>						
Band Support Funding	\$ 66,309	\$ -	\$ -	\$ 66,309	\$ 66,309	\$ -
Land Claims Lawsuit - Railway	128,708	-	-	128,708	128,708	-
<b>Indigenous and Northern Affairs Canada total</b>	<b>\$ 195,017</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 195,017</b>	<b>\$ 195,017</b>	<b>\$ -</b>