

---

**SHXWHÁ:Y VILLAGE  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
MARCH 31, 2017**

---



SHXWHÁ:Y VILLAGE  
44680 Schweyey Road  
Chilliwack, BC V2R 5M5

**MANAGEMENT'S REPORT**

**Management's Responsibility for the Financial Statements**

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Council. The Council reviews internal financial statements on a monthly basis and external audited financial statements yearly. The Council also discusses any significant financial reporting or internal control matters prior to its approval of the financial statements.

The external auditors, Manning Elliott LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to the financial management of the Shxwhá:y Village and we meet when required. The accompanying Independent Auditors' Report re-iterates management's responsibility for the financial statements, outlines the auditors' responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of the Shxwhá:y Village:



Name: Anthony Aure

Title: Interim CEO

Date:

Name:

Title:

Date:

---

## INDEPENDENT AUDITORS' REPORT

---

To the Members of:  
Shxwhá:y Village

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Shxwhá:y Village which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations, net financial assets and cash flows for the year then ended, and the related notes comprising 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 our 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, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



---

## INDEPENDENT AUDITORS' REPORT

---

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Shxwhá:y Village as at March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Manning Elliott LLP*

Chartered Professional Accountants

Abbotsford, British Columbia

August 23, 2017

**SHXWHÁ:Y VILLAGE****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT MARCH 31, 2017**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 2)	\$ 721,583	\$ 2,796,757
Restricted cash (Note 2)	172,519	171,220
Investments (Note 3)	3,953,656	3,907,815
Accounts receivable (Note 4)	221,234	159,004
Trust funds held by Federal Government (Note 5)	428,471	428,247
Investment in government business enterprises (Note 6)	3,654,248	3,514,580
	<b>\$ 9,151,711</b>	<b>\$ 10,977,623</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 613,066	\$ 618,772
Long-term debt (Note 9)	3,611,175	3,741,771
	<b>4,224,241</b>	<b>4,360,543</b>
<b>NET FINANCIAL ASSETS</b>	<b>4,927,470</b>	<b>6,617,080</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 10)	5,489,930	5,291,536
<b>ACCUMULATED SURPLUS</b>	<b>\$ 10,417,400</b>	<b>\$ 11,908,616</b>

Approved by the Council:

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SHXWHÁ:Y VILLAGE****CONSOLIDATED STATEMENT OF OPERATIONS****FOR THE YEAR ENDED MARCH 31, 2017**

	2017	Budget	2016
<b>REVENUE</b>			
Aboriginal Affairs and Northern Development Canada	\$ 731,814	\$ 731,814	\$ 696,879
Billboard rental	14,151	14,151	14,037
CMHC subsidy	14,623	14,623	25,105
First Nations Education Steering Committee	3,596	3,596	3,545
Human Resources and Social Development	13,684	13,684	16,177
Income from government business enterprises	471,962	-	1,044,876
Interest income	94,740	94,647	43,486
Land lease	39,000	39,000	29,500
Other	544,420	268,309	405,071
Ottawa Trust Funds	-	-	9,616
Property tax revenue	71,955	71,955	27,343
Rental revenue	123,400	123,400	126,600
Royalty income	978,555	978,554	1,877,762
Land settlement agreement	-	-	608,999
Sto:lo Nation	5,274	5,500	9,539
White Feather	19	-	4,320
	<b>3,107,193</b>	<b>2,359,233</b>	<b>4,942,855</b>
<b>EXPENSES</b>			
INAC - education	257,775	257,776	262,737
Administration	996,251	933,230	732,776
Band housing	98,846	72,600	90,774
Band revenue	1,576,961	1,396,550	708,198
BC Capacity Initiative	106,880	106,880	-
Community projects	308,611	-	-
Community maintenance	461,296	460,100	452,200
Economic development	24,472	24,472	-
Interest on long term debt	-	-	11,118
FNIP CCP	-	-	75,500
Family and youth	129,812	129,812	70,852
Land code	165,413	166,096	221,688
Land fill	150,504	151,350	227,278
P&D INAC	-	-	19,677
Property taxation	82,748	82,748	20,224
Replacement reserve	1,850	-	-
Social housing	14,420	13,200	93,875
Summer students	14,830	14,830	16,240
White Feather	170,747	-	159,956
	<b>4,561,416</b>	<b>3,809,644</b>	<b>3,163,093</b>
<b>EXCESS OF EXPENSES OVER REVENUE FROM OPERATIONS</b>	<b>(1,454,223)</b>	<b>(1,450,411)</b>	<b>1,779,762</b>
<b>OTHER INCOME (LOSS)</b>			
Unrealized loss on investments	(36,993)	-	-
<b>ANNUAL (DEFICIT) SURPLUS FOR THE YEAR</b>	<b>\$ (1,491,216)</b>	<b>\$ (1,450,411)</b>	<b>\$ 1,779,762</b>



---

**SHXWHÁ:Y VILLAGE****CONSOLIDATED STATEMENT OF OPERATIONS (CONTINUED)****FOR THE YEAR ENDED MARCH 31, 2017**

---

	<b>2017</b>	<b>Budget</b>	<b>2016</b>
ANNUAL (DEFICIT) SURPLUS FOR THE YEAR	\$ (1,491,216)	\$ (1,450,411)	\$ 1,779,762
ACCUMULATED SURPLUS, BEGINNING OF YEAR	11,908,616	11,908,616	10,128,854
ACCUMULATED SURPLUS, END OF YEAR	\$ 10,417,400	\$ 10,458,205	\$ 11,908,616

---



---

**SHXWHÁ:Y VILLAGE****CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS****FOR THE YEAR ENDED MARCH 31, 2017**

---

	<b>2017</b>	<b>2016</b>
ANNUAL (DEFICIT) SURPLUS FOR THE YEAR	\$ (1,491,216)	\$ 1,779,762
Acquisition of tangible capital assets	(259,068)	(3,766,603)
Amortization	60,674	95,615
	(198,394)	(3,670,988)
CHANGES IN NET FINANCIAL ASSETS	(1,689,610)	(1,891,226)
NET FINANCIAL ASSET, BEGINNING OF YEAR	6,617,080	8,508,306
NET FINANCIAL ASSET, END OF YEAR	\$ 4,927,470	\$ 6,617,080

---





**SHXWHÁ:Y VILLAGE****CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2017**

	2017	2016
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Annual (deficit) surplus for the year	\$ (1,491,216)	\$ 1,779,762
Items not involving cash:		
Amortization	60,674	95,616
Increase in investment in government business enterprises	(139,668)	(1,648,115)
	(1,570,210)	227,263
Change in non-cash working capital items:		
Accounts receivable	(62,230)	230,072
Accounts payable and employee obligations	(5,705)	(161,259)
	(1,638,145)	296,076
FINANCING TRANSACTIONS		
Proceeds from long-term debt	-	3,738,000
Repayment of long-term debt	(130,596)	(244,820)
	(130,596)	3,493,180
CAPITAL AND INVESTING TRANSACTIONS		
Acquisition of tangible capital assets	(259,069)	(3,766,604)
Increase in portfolio investments	(45,841)	(39,242)
Decrease (increase) in Ottawa Trust Funds	(224)	268
	(305,134)	(3,805,578)
DECREASE IN CASH AND EQUIVALENTS DURING THE YEAR	(2,073,875)	(16,322)
CASH AND EQUIVALENTS, BEGINNING OF YEAR	2,967,977	2,984,299
CASH AND EQUIVALENTS, END OF YEAR	\$ 894,102	\$ 2,967,977
Cash and equivalents consist of the following:		
Cash and cash equivalents	\$ 721,583	\$ 2,796,757
Restricted cash	172,519	171,220
	\$ 894,102	\$ 2,967,977



---

## SHXWHÁ:Y VILLAGE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

---

#### NATURE OF OPERATIONS

The Shxwhá:y Village (the "Band") is a band government of the Sto:lo people located in the City of Chilliwack in the Province of British Columbia. The Band provides various services to its members including the Band's members, government and all related entities that are accountable to the Band and are either owned or controlled by the Band.

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Chartered Professional Accountants. Significant aspects of the accounting policies adopted by the Band are as follows:

a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, committees and departments accountable for the administration of their financial affairs and resources to the Band and which are owned or controlled by the Band.

b) 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 enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

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

Organizations consolidated in the Band's financial statements include:

- Shxwhá:y Village Capital Fund
- Shxwhá:y Village Ottawa Trust Fund
- Shxwhá:y Village Operations Fund

Organizations accounted for on a modified equity basis include:

- Skway Development Corporation
- Centre Creek Limited Partnership
- Ch-lhl-Kway-Uhk Forest Limited Partnership
- Ch-lhl-Kway-Uhk Tribe Society
- Ts'elxweyew Tribe Limited Partnership
- Ts'elxweyew Tribe Management Ltd.
- 1057635 Holdings Limited Partnership
- 1057635 B.C. Ltd.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****c) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

Restricted cash includes cash held under the terms of the agreement with Canada Mortgage and Housing Corporation (C.M.H.C.) for purposes of the replacement reserve.

**d) Investments**

Investments, held long-term, are recorded at cost at the date of acquisition. Subsequently, investments in debt securities, such as treasury bills and government bonds, are recorded at amortized costs. Investments in publicly traded equity securities are recorded at fair value based on quoted market prices. Unrealized gains or losses are recognized in the statement of operations. Transaction costs, such as commissions, arising from investments in publicly traded equity securities are expensed when incurred.

Investments in government business enterprises are recorded using the modified equity method.

**e) 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. The cost, less residual value, of the tangible capital asset was recognized at a nominal value. Infrastructure assets acquired prior to 2005 are the only assets where nominal values were assigned.

Certain assets which have historical or cultural values, 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 for productive use.

Social housing assets acquired under C.M.H.C. sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long-term debt.

Amortization is provided for on a declining balance basis, with half the amortization in the year of acquisition, over their estimated useful lives as follows:

Band housing	4%
Community hall	4%
Community hall furnishings	20%
Computer equipment	30%
Office equipment	20%
Playground equipment	10%
Smoke house	4%
Tractor and attachments	30%



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

**f) 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.

Investment and interest income earned are recognized in the period when the income is earned.

Contracting and grant revenues are recognized as they become receivable under the terms of applicable agreements.

Revenues received which relate to a subsequent fiscal period are reflected as deferred revenue in the year of receipt and classified as such in the statement of financial position.

**g) Use of estimates**

In preparing the consolidated financial statements in conformity with Public Sector Accounting Board standards management is required to make estimates and assumptions that affect the reported amounts, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the period in which they become known.

**h) Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or financial future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, prepaid expenses and inventories of supplies.

**i) Net financial assets**

The Band's financial statements are presented to highlight net financial assets as the measurement of financial position. The net financial assets of the Band is determined by its financial assets less its liabilities. Accumulated surplus is comprised of two components, net financial assets and non-financial assets.



**SHXWHÁ:Y VILLAGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Recent accounting pronouncements

Financial instruments

In June 2011, the Public Sector Accounting Board issued PS 3450 *Financial instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2016 though early adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption, therefore, financial statements of prior periods, including comparative information, are not restated.

Related party transactions

In March 2015, the Public Sector Accounting Board issued PS 2200 *Related party disclosures* to define a related party and establish the disclosure required for a related party transaction. Disclosure of information about related party transactions and their relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements. PS 2200 is effective for fiscal years beginning on or after April 1, 2017 though early adoption is permitted.

Assets

In June 2015, the Public Sector Accounting Board issued PS 3210 *Assets* which provides guidance for applying the definition of assets and establishes general disclosure standards for assets. Disclosure of major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, the reason for this should be disclosed. As a result of the issuance of PS 3210, there have been numerous consequential amendments made to other Sections. PS 3210 is effective for fiscal years beginning on or after April 1, 2017 though early adoption is permitted.

The Band has not yet determined the effect of these new standards on its financial statements.

2. CASH AND CASH EQUIVALENTS

	2017	2016
Cash is comprised of the following:		
<b>Externally restricted</b>		
C.M.H.C. operating	\$ 224,333	\$ 227,133
<b>Internally restricted</b>		
Replacement reserves	172,519	171,220
<b>Unrestricted</b>		
Operating	497,250	2,569,624
<b>Total cash and cash equivalents</b>	<b>\$ 894,102</b>	<b>\$ 2,967,977</b>



---

**SHXWHÁ:Y VILLAGE****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED MARCH 31, 2017**

---

**3. INVESTMENTS**

The Band has investments with the Municipal Finance Authority of British Columbia. The investment account consists of the following investments:

			<b>2017</b>	<b>2016</b>
	Number of Units	Market Value	Book Value	Book Value
MFABC Intermediate	399,063	\$ 3,953,280	\$ 3,990,273	\$ 3,907,442
MFABC Money Market	37	376	376	373
		<b>\$ 3,953,656</b>	<b>\$ 3,990,649</b>	<b>\$ 3,907,815</b>

**4. ACCOUNTS RECEIVABLE**

Accounts receivable consists of the following:

**Due from members:**

Social housing rent receivable (Projects II - V)	\$ 5,357	\$ 16,064
Social housing rent receivable (Projects VI)	3,778	1,053
Band housing rent receivable	92,087	26,905
Other receivables from members	36,567	24,532
Home repair receivable	5,896	5,896

Total due from members:	143,685	74,450
-------------------------	---------	--------

**Due from others:**

Aboriginal Affairs and Northern Development Canada	-	3,600
Government of Canada	7,304	-
Royalties receivable	70,245	80,954

Total accounts receivable	\$ 221,234	\$ 159,004
---------------------------	------------	------------

**5. TRUST FUNDS HELD BY FEDERAL GOVERNMENT**

	<b>2016</b>	<b>Additions</b>	<b>Withdrawals</b>	<b>2017</b>
Revenue	\$ 4,232	\$ 9,006	\$ 8,782	\$ 4,456
Capital	424,015	-	-	424,015
Total	\$ 428,247	\$ 9,006	\$ 8,782	\$ 428,471

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.



---

**SHXWHÁ:Y VILLAGE****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

---

**6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES**

The Band holds an investment in the following government business enterprises:

	<b>2017</b>	<b>2016</b>
Skway Development Corporation	\$ 639,290	\$ 572,633
Centre Creek Limited Partnership	180,303	179,395
Ch-Ihl-Kway-Uhk Forestry Limited Partnership	43,699	48,346
Ch-Ihl-Kway-Uhk Tribe Society	57,110	54,116
Ts'elxweyeqw Tribe Limited Partnership	2,124,845	2,011,725
Ts'elxweyeqw Tribe Management Ltd.	1	1
Four Corners Tribal Business Corporation	-	39,364
1057635 Holdings Limited Partnership	608,999	608,999
1057635 B.C. Ltd.	1	1
	<b>\$ 3,654,248</b>	<b>\$ 3,514,580</b>

Skway Development Corporation is a society formed to provide an enterprise that can carry out economic development for the members of the Band. Skway Development Corporation currently holds a commercial rental property and earns a management fee from this economic activity. All of these assets are held in trust for the members of the Band.

Centre Creek Limited Partnership is in the business of property rental and management within the Chilliwack River Valley. The Band owns 11 of the 100 partnership units in Centre Creek Limited Partnership.

Ch-Ihl-Kway-Uhk Forestry Limited Partnership is in the business of developing, operating and participating in various forestry activities. The Band owns 11 of the 89 partnership units in Ch-Ihl-Kway-Uhk Forestry Limited Partnership.

Ch-Ihl-Kway-Uhk Tribe Society is a society in the business of property rental and management activities. The Band is a member of the society along with eight other first nations groups.

Ts'elxweyeqw Tribe Limited Partnership is in the business of accommodating business ventures of first nations groups in the Fraser Valley. The Band owns 10 of the 71 partnership units in the Ts'elxweyeqw Tribe Limited Partnership.

Ts'elxweyeqw Tribe Management Ltd. is the general partner of the Ts'elxweyeqw Tribe Limited Partnership. The Band owns one of the seven shares in the Ts'elxweyeqw Tribe Management Ltd.

Four Corners Tribal Business Corporation is in the business of assisting in the implementation of business and economic strategies for First Nations. The Band owns 67,500 of the 270,000 shares of Four Corners Tribal Business Corporation. Partnership was disbanded during 2016.

1057635 Holdings Limited Partnership is in the business of constructing and operating a tissue factory. The band owns 999 of 1,000 partnership units and is the Limited Partner.

1057635 B.C. Ltd. is the general partner of the 1057635 Holdings Limited Partnership. The sole share in 1057635 B.C. Ltd. is held in trust for the members of the Band.



**SHXWHÁ:Y VILLAGE**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED MARCH 31, 2017**
**6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (Continued)**

	<b>Skway Development Corporation</b>		<b>Centre Creek Limited Partnership</b>		<b>Ch-ihl-Kway-Uhk Forestry Limited Partnership</b>		<b>Ch-ihl-Kway-Uhk Tribe Society</b>		<b>Subtotal</b>
Cash	\$	357,226	\$	39,175	\$	497,739	\$	394,741	\$ 1,288,881
Accounts receivable		-		748		3,284		5,697	9,729
Inventory		-		-		44,706		-	44,706
Advances to related parties		-		-		-		128,897	128,897
Investments		-		-		-		-	-
Property and equipment		1,378,662		2,424,286		-		135	3,803,083
Other assets		-		6,936		4,386		2,973	14,295
<b>Total assets</b>		<b>1,735,888</b>		<b>2,471,145</b>		<b>550,115</b>		<b>532,443</b>	<b>5,289,591</b>
Accounts payable		10,172		25,852		152,703		18,453	207,180
Security deposits		10,881		-		-		-	10,881
Advances from related parties		779,497		530,704		-		-	1,310,201
Long-term debt		1,075,544		352,416		-		-	1,427,960
<b>Total liabilities</b>		<b>1,876,094</b>		<b>908,972</b>		<b>152,703</b>		<b>18,453</b>	<b>2,956,222</b>
Equity		(140,206)		1,562,173		397,412		513,990	2,333,369
<b>Total liabilities and equity</b>	<b>\$</b>	<b>1,735,888</b>	<b>\$</b>	<b>2,471,145</b>	<b>\$</b>	<b>550,115</b>	<b>\$</b>	<b>532,443</b>	<b>\$ 5,289,591</b>
Revenue	\$	25,765	\$	104,400	\$	27,154	\$	68,234	\$ 225,553
Management fee payable to the Band		-		-		-		-	-
Other expenses		25,765		96,150		64,753		41,284	227,952
Net income (loss)	\$	-	\$	8,250	\$	(37,599)	\$	26,950	\$ (2,399)
Band's share of income (loss)	\$	-	\$	908	\$	(4,647)	\$	2,994	\$ 745





# SHXWHÁ:Y VILLAGE

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (Continued)

	<b>Ts'elxweyeqw Tribe Limited Partnership</b>	<b>Ts'elxweyeqw Tribe Management Ltd.</b>	<b>1057635 Holdings Limited Partnership</b>	<b>2017</b>	<b>2016</b>
Cash	\$ 8,736,332	\$ 157,087	\$ -	\$ 10,182,300	\$ 9,883,143
Accounts receivable	19,928	419,558	-	449,215	469,188
Inventory	-	-	-	44,706	-
Advances to related parties	1,843,267	86,689	1,000	2,059,853	2,049,649
Investments	4,340,287	2,519	-	4,342,806	3,653,118
Property and equipment	1,120	17,315	619,180	4,440,698	4,520,577
Other assets	25,320	14,767	-	54,382	54,253
<b>Total assets</b>	<b>14,966,254</b>	<b>697,935</b>	<b>620,180</b>	<b>21,573,960</b>	<b>20,629,928</b>
Accounts payable	496,297	78,538	10,181	792,196	547,590
Security deposits	-	-	-	10,881	10,881
Advances from related parties	-	760,228	-	2,070,429	2,005,661
Long-term debt	-	-	-	1,427,960	1,527,294
<b>Total liabilities</b>	<b>496,297</b>	<b>838,766</b>	<b>10,181</b>	<b>4,301,466</b>	<b>4,091,426</b>
Equity	14,469,957	(140,831)	609,999	17,272,494	16,538,502
<b>Total liabilities and equity</b>	<b>\$ 14,966,254</b>	<b>\$ 697,935</b>	<b>\$ 620,180</b>	<b>\$ 21,573,960</b>	<b>\$ 20,629,928</b>
Revenue	\$ 4,292,560	\$ 569,342	\$ -	\$ 5,087,455	\$ 9,395,741
Management fee payable to the Band	-	-	-	-	-
Other Expenses	704,473	625,581	-	1,558,006	2,100,195
<b>Net income (loss)</b>	<b>\$ 3,588,087</b>	<b>\$ (56,239)</b>	<b>\$ -</b>	<b>\$ 3,529,449</b>	<b>\$ 7,295,546</b>
Band's share of income	\$ 512,071	(8,034)	-	498,075	1,038,890

### 7. BANK INDEBTEDNESS

The Band has an operating line of credit with the Royal Bank of Canada, authorized to a maximum of \$250,000 bearing interest at the bank's prime rate plus 0.50% per annum by way of a revolving demand facility and secured by a general security agreement providing a first ranking security interest in all personal property of the Band. As at March 31, 2017, the total amount drawn on the credit facility agreement is \$Nil.



---

**SHXWHÁ:Y VILLAGE****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

---

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2017</b>	<b>2016</b>
Trade accounts payable	\$ 171,944	\$ 112,094
Accrued liabilities	35,300	49,663
Distributions payable	367,188	360,197
Road claim payable	38,634	91,459
Government remittances payable	-	5,359
	<hr/> \$ 613,066	<hr/> \$ 618,772

**9. LONG-TERM DEBT**

	<b>2017</b>	<b>2016</b>
All Nations Trust Company mortgage, blended monthly payments of \$832 at 1.14% per annum, maturing April 2030	\$ 121,268	\$ 129,598
All Nations Trust Company mortgage, blended monthly payments of \$1,575 at 1.85% per annum, maturing July 2019	43,141	61,073
First Nations Finance Authority White Feather Building, interest calculated daily and compounded monthly at 2.60%	3,633,666	3,738,000
First Nations Finance Authority Debt Reserve Fund	(186,900)	(186,900)
Total long-term debt	<hr/> \$ 3,611,175	<hr/> \$ 3,741,771

The loans are secured by a Ministerial Guarantee of the Minister of Aboriginal Affairs and Northern Development Canada as well as a general security agreement.

Anticipated annual principal repayments over the next five years and thereafter are as follows:

2018	\$ 165,271
2019	169,994
2020	162,185
2021	160,556
2022	2,953,169
	<hr/> \$ 3,611,175



**SHXWHÁ:Y VILLAGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

**10. TANGIBLE CAPITAL ASSETS**

	<i>Opening Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Closing Cost</i>
<b>SOCIAL HOUSING FUND</b>				
Housing projects	\$ 1,912,254	\$ -	\$ -	\$ 1,912,254
<b>CAPITAL FUND</b>				
Band housing	313,755	-	-	313,755
Buildings under construction	4,105,590	148,200	-	4,253,790
Community hall	375,642	-	-	375,642
Community hall furnishings	72,708	-	-	72,708
Smoke house	74,835	-	-	74,835
Office equipment	112,428	-	-	112,428
Computer equipment	54,087	-	-	54,087
Playground equipment	19,365	-	-	19,365
Tractor and attachments	46,099	-	-	46,099
Canoe Shed	-	110,851	-	110,851
Infrastructure	-	18	-	18
	\$ 7,086,763	\$ 259,069	\$ -	\$ 7,345,832

	<i>Opening Accumulated Amortization</i>	<i>Amortization</i>	<i>Disposals</i>	<i>Ending Accumulated Amortization</i>	<i>2017 Net Book Value</i>	<i>2016 Net Book Value</i>
<b>SOCIAL HOUSING FUND</b>						
Housing projects	\$ 1,200,130	\$ 26,261	\$ -	\$ 1,226,391	\$ 685,863	\$ 712,124
<b>CAPITAL FUND</b>						
Band housing	155,272	6,340	-	161,612	152,143	158,483
Buildings under construction	-	-	-	-	4,253,790	4,105,590
Community hall	183,718	7,677	-	191,395	184,247	191,924
Community hall furnishings	61,717	2,198	-	63,915	8,793	10,991
Smoke house	26,972	1,915	-	28,887	45,948	47,863
Office equipment	66,973	9,091	-	76,064	36,364	45,455
Computer equipment	43,177	3,273	-	46,450	7,637	10,910
Playground equipment	15,589	378	-	15,967	3,398	3,776
Tractor and attachments	41,679	1,326	-	43,005	3,094	4,420
Canoe Shed	-	2,216	-	2,216	108,635	-
Infrastructure	-	-	-	-	18	-
	\$ 1,795,227	\$ 60,676	\$ -	\$ 1,855,903	\$5,489,930	\$ 5,291,536

**11. REPLACEMENT RESERVE**

Under the terms of the agreement with C.M.H.C., the replacement reserve account is to be credited annually. In the future years, the annual credit to the replacement reserve will be \$7,879. 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 C.M.H.C. from time to time. Withdrawals are credited to interest first and then principal. The replacement reserve is fully funded at March 31, 2017.

**12. BUDGETED FIGURES**

The unaudited budgets for the year April 1, 2016 to March 31, 2017 were approved by the Chief and Council. The operating budget is based on projected operating expenses to be incurred during the year on a program-by-program basis.



---

**SHXWHÁ:Y VILLAGE****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED MARCH 31, 2017**

---

**13. EXPENSES BY OBJECT**

	<b>2017</b>	<b>2016</b>
Administration costs	\$ 458,826	\$ 360,323
Advertising and promotion	-	342
Amortization	60,675	95,616
Capital purchases	32,191	4,826
Computer equipment	11,393	40
Consulting fees	126,569	162,365
Cultural activities	41,437	13,583
Distributions to members	327,279	14,404
Donations	-	3,042
Education	139,722	157,159
Equipment rental	26,714	29,867
Interest on long term debt	99,647	50,963
Funerals and emergencies	360,192	135,002
Garbage removal	15,436	16,263
Honoraria	183,929	97,938
Insurance	28,993	26,651
Interest and bank charges	5,988	6,643
Interest on distributions	1,943	10,865
Janitorial	22,993	15,428
Lunch program	1,245	136
Meetings	14,943	19,787
Membership fees	2,965	2,580
Merchandise	19,552	26,255
Office and miscellaneous	159,994	105,500
Professional fees	312,642	88,773
Repairs and maintenance	28,600	28,942
Replacement reserves	9,304	5,050
Security	12,480	2,795
Supplies and materials	99,262	100,655
Telephone	32,825	22,495
Travel and training	575,000	607,837
Utilities	66,265	73,816
Wages and benefits	1,256,274	858,429
Youth programs	26,138	18,723
	<b>\$ 4,561,416</b>	<b>\$ 3,163,093</b>

---

