
SHXWHÁ:Y VILLAGE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2018



SHXWHÁ:Y VILLAGE
44680 Schwayey 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:

Robert Gladstone

Name: Robert Gladstone
Title: Chief
Date: 4-4-19

Michelle Roberts

Name: Michelle Roberts
Title: Councillor
Date: 4-4-19

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, 2018, 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 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, 2018 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
March 12, 2019

SHXWHÁ:Y VILLAGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 503,893	\$ 721,583
Restricted cash (Note 2)	159,774	172,519
Investments (Note 3)	2,372,177	3,953,656
Accounts receivable (Note 4)	613,370	221,234
Trust funds held by Federal Government (Note 5)	428,862	428,471
Investment in government business enterprises (Note 6)	3,967,075	3,654,248
	<hr/> \$ 8,045,151	<hr/> \$ 9,151,711
LIABILITIES		
Accounts payable and accrued liabilities (Note 8)	\$ 847,959	\$ 613,066
Long-term debt (Note 9)	3,435,630	3,611,175
	<hr/> 4,283,589	<hr/> 4,224,241
NET FINANCIAL ASSETS	<hr/> 3,761,562	<hr/> 4,927,470
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	5,345,717	5,489,930
ACCUMULATED SURPLUS	<hr/> \$ 9,107,279	<hr/> \$ 10,417,400

Approved by the Council:

Shawn Marshall

Shawn Marshall
Bonnie Russell



SHXWHÁ:Y VILLAGE
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2018

	2018	Budget	2017
REVENUE			
Indigenous Services Canada	\$ 938,529	\$ 731,814	\$ 731,814
Billboard rental	14,151	14,151	14,151
C.M.H.C. subsidy	14,365	14,623	14,623
First Nations Education Steering Committee	3,936	3,596	3,596
Human Resources and Social Development	59,401	13,684	13,684
Income from government business enterprises (Note 6)	240,502	-	471,962
Interest income	93,312	94,647	94,740
Land lease	39,738	39,000	39,000
Other	440,709	268,309	544,420
Property tax revenue (Note 11)	66,561	64,561	71,955
Rental revenue	121,000	123,400	123,400
Royalty income	1,384,863	978,554	978,555
Sto:lo Nation	4,457	5,500	5,274
White Feather	-	-	19
	3,421,524	2,351,839	3,107,193
EXPENSES			
Administration	1,042,307	933,230	996,251
BC Capacity Initiative	-	106,880	106,880
Band housing	119,071	72,600	98,846
Band revenue	1,354,459	1,396,550	1,576,961
CMHC HIFNY	32,319	-	-
Community maintenance, projects and services	821,253	460,100	769,907
Economic development	166,619	24,472	24,472
Education	227,018	257,776	257,775
FNIP CCP	24,646	-	-
Family and youth	-	129,812	129,812
Land code	267,435	166,096	165,413
Land fill	41,111	151,350	150,504
P&D INAC	39,514	-	-
Property taxation (Note 11)	40,812	64,561	82,748
Replacement reserve	-	-	1,850
Social housing	38,574	13,200	14,420
Summer students	29,488	14,830	14,830
Targeted wage subsidies	82,329	-	-
White Feather	236,506	-	170,747
Youth programs	115,874	-	-
	4,679,335	3,791,457	4,561,416
EXCESS OF EXPENSES OVER REVENUE	(1,257,811)	(1,439,618)	(1,454,223)
UNREALIZED LOSS ON INVESTMENTS	(52,310)	-	(36,993)
ANNUAL DEFICIT FOR THE YEAR	\$ (1,310,121)	\$ (1,439,618)	\$ (1,491,216)



SHXWHÁ:Y VILLAGE
CONSOLIDATED STATEMENT OF OPERATIONS (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2018

	2018	Budget	2017
ANNUAL DEFICIT FOR THE YEAR	\$ (1,310,121)	\$ (1,439,618)	\$ (1,491,216)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	10,417,400	10,417,400	11,908,616
ACCUMULATED SURPLUS, END OF YEAR	\$ 9,107,279	\$ 8,977,782	\$ 10,417,400



SHXWHÁ:Y VILLAGE

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

	2018	2017
<u>ANNUAL DEFICIT FOR THE YEAR</u>	\$ (1,310,121)	\$ (1,491,216)
Acquisition of tangible capital assets	-	(259,068)
Amortization	144,213	60,674
	144,213	(198,394)
<u>CHANGES IN NET FINANCIAL ASSETS</u>	(1,165,908)	(1,689,610)
<u>NET FINANCIAL ASSET, BEGINNING OF YEAR</u>	4,927,470	6,617,080
<u>NET FINANCIAL ASSET, END OF YEAR</u>	\$ 3,761,562	\$ 4,927,470



SHXWHÁ:Y VILLAGE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Annual deficit for the year	\$ (1,310,121)	\$ (1,491,216)
Items not involving cash:		
Amortization	144,213	60,674
Increase in investment in government business enterprises	(312,827)	(139,668)
	(1,478,735)	(1,570,210)
Change in non-cash working capital items:		
Accounts receivable	(392,136)	(62,230)
Accounts payable and employee obligations	234,893	(5,706)
	(1,635,978)	(1,638,146)
FINANCING TRANSACTIONS		
Repayment of long-term debt	(175,545)	(130,596)
CAPITAL AND INVESTING TRANSACTIONS		
Acquisition of tangible capital assets	-	(259,068)
Decrease (increase) in portfolio investments	1,581,479	(45,841)
Increase in Ottawa Trust Funds	(391)	(224)
	1,581,088	(305,133)
DECREASE IN CASH AND EQUIVALENTS DURING THE YEAR	(230,435)	(2,073,875)
CASH AND EQUIVALENTS, BEGINNING OF YEAR	894,102	2,967,977
CASH AND EQUIVALENTS, END OF YEAR	\$ 663,667	\$ 894,102
Cash and equivalents consist of the following:		
Cash and cash equivalents	\$ 458,578	\$ 721,583
Restricted cash	205,089	172,519
	\$ 663,667	\$ 894,102



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

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-Ihl-Kway-Uhk Forest Limited Partnership
- Ch-Ihl-Kway-Uhk Tribe Society
- Ts'elxweyeqw Tribe Limited Partnership
- Ts'elxweyeqw Tribe Management Ltd.
- 1057635 Holdings Limited Partnership
- 1057635 B.C. Ltd.



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

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%
Canoe shed	4%
Community hall	4%
Community hall furnishings	20%
Computer equipment	30%
Office equipment	20%
Playground equipment	10%
Smoke house	4%
Tractor and attachments	30%
White Feather building	4%



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

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, 2018

2. CASH AND CASH EQUIVALENTS

	2018	2017
Cash is comprised of the following:		
Externally restricted		
C.M.H.C. Operating Reserve	\$ 45,315	\$ 224,333
C.M.H.C. Replacement Reserve	159,774	172,519
Total Externally Restricted	205,089	396,852
Unrestricted		
Operating	458,578	497,250
Total cash and cash equivalents	\$ 663,667	\$ 894,102

3. INVESTMENTS

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

	2018	2017		
	Number of Units	Market Value	Book Value	Book Value
MFABC Intermediate	243,654	\$ 2,371,797	\$ 2,435,123	\$ 3,990,273
MFABC Money Market	38	380	380	376
\$ 2,372,177			\$ 2,435,503	\$ 3,990,649

The 2017 market value of these investments was \$3,953,656.

4. ACCOUNTS RECEIVABLE

	2018	2017
Accounts receivable consists of the following:		
Due from members:		
Social housing rent receivable (Projects II - V)	\$ 7,257	\$ 5,357
Social housing rent receivable (Projects VI)	5,716	3,778
Band housing rent receivable	82,619	92,087
Other receivables from members	48,444	36,567
Home repair receivable	5,396	5,896
Total due from members:	149,432	143,685
Due from others:		
Government of Canada and other parties	23,770	7,304
Royalties receivable	440,168	70,245
Total accounts receivable	\$ 613,370	\$ 221,234



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

5. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2017	Additions	Withdrawals	2018
Revenue	\$ 4,456	\$ 10,308	\$ 9,917	\$ 4,847
Capital	424,015	-	-	424,015
Total	\$ 428,471	\$ 10,308	\$ 9,917	\$ 428,862

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, 2018

6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

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

	2018	2017
Skway Development Corporation	\$ 711,615	\$ 639,290
Centre Creek Limited Partnership	179,453	180,303
Ch-Ihl-Kway-Uhk Forestry Limited Partnership	91,865	43,699
Ch-Ihl-Kway-Uhk Tribe Society	60,790	57,110
Ts'elxwyeqw Tribe Limited Partnership	2,314,351	2,124,845
Ts'elxwyeqw Tribe Management Ltd.	1	1
1057635 Holdings Limited Partnership	608,999	608,999
1057635 B.C. Ltd.	1	1
	<hr/>	<hr/>
	\$ 3,967,075	\$ 3,654,248

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'elxwyeqw 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'elxwyeqw Tribe Limited Partnership.

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

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, 2018

6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (Continued)

	Skway Development Corporation	Centre Creek Limited Partnership	Uhk Forestry Limited Partnership	Ch-ihi-Kway-Uhk Tribe Society	Ch-ihi-Kway-Subtotal
Cash	\$ 409,327	\$ 11,623	\$ 121,338	\$ 443,521	\$ 985,809
Accounts receivable	-	1,512	732,881	2,092	736,485
Inventory	-	-	32,793	-	32,793
Advances to related parties	-	-	-	128,897	128,897
Investments	-	-	-	-	-
Property and equipment	1,342,115	2,388,915	-	103	3,731,133
Other assets	-	8,699	4,303	2,973	15,975
Total assets	1,751,442	2,410,749	891,315	577,586	5,631,092
Accounts payable	12,438	7,628	104,207	5,552	129,825
Security deposits and deferred revenue	10,881	8,700	-	24,927	44,508
Advances from related parties	851,821	530,704	-	-	1,382,525
Long-term debt	1,016,508	309,269	-	-	1,325,777
Total liabilities	1,891,648	856,301	104,207	30,479	2,882,635
Equity (deficit)	(140,206)	1,554,448	787,108	547,107	2,748,457
Total liabilities and equity \$	1,751,442 \$	2,410,749 \$	891,315 \$	577,586 \$	5,631,092
Revenue	\$ 146,771	\$ 104,400	\$ 1,084,326	\$ 70,094	\$ 1,405,591
Other expenses	146,771	112,119	694,630	36,977	990,497
Net income (loss)	\$ -	\$ (7,719)	\$ 389,696	\$ 33,117	\$ 415,094
Band's share of income (loss)	\$ -	\$ (850)	\$ 48,166	\$ 3,680	\$ 50,996



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (Continued)

	Ts'elxweye w Tribe Limited	Ts'elxweye w Tribe Management	1057635 Holdings Limited	Partnership	Ltd.	Partnership	2018	2017
Cash	\$ 10,232,702	\$ 84,478	\$ -	\$ 11,302,989	\$ 10,182,300			
Accounts receivable	93,726	393,373	-	1,223,584	449,215			
Inventory	-	-	-	32,793	44,706			
Advances to related parties	1,842,877	88,254	1,000	2,061,028	2,059,853			
Investments	3,799,027	3,377	-	3,802,404	4,342,806			
Property and equipment	886	11,356	619,180	4,362,555	4,440,698			
Other assets	1,300	15,393	-	32,668	54,382			
Total assets	15,970,518	596,231	620,180	22,818,021	21,573,960			
Accounts payable	68,895	93,131	10,181	302,032	792,196			
Security deposits and deferred revenue	103,796	-	-	148,304	10,881			
Advances from related parties	-	759,788	-	2,142,313	2,070,429			
Long-term debt	-	-	-	1,325,777	1,427,960			
Total liabilities	172,691	852,919	10,181	3,918,426	4,301,466			
Equity (deficit)	15,797,827	(256,688)	609,999	18,899,595	17,272,494			
Total liabilities and equity	\$ 15,970,518	\$ 596,231	\$ 620,180	\$ 22,818,021	\$ 21,573,960			
Revenue	\$ 2,031,220	\$ 562,550	\$ -	\$ 3,999,361	\$ 5,087,455			
Other expenses	703,347	678,408	-	2,372,252	1,558,006			
Net income (loss)	\$ 1,327,873	\$ (115,858)	\$ -	\$ 1,627,109	\$ 3,529,449			
Band's share of income	\$ 189,506	\$ -	\$ -	\$ 240,502	\$ 498,075			

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, 2018, the total amount drawn on the credit facility agreement is \$Nil (2017 - \$Nil).



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Trade accounts payable	\$ 100,092	\$ 171,944
Accrued liabilities	191,176	35,300
Distributions payable	477,544	367,188
Road claim payable	79,147	38,634
	<hr/>	<hr/>
	\$ 847,959	\$ 613,066

Subsequent to year end a legal claim against the Band was settled. The amount of the settlement has been included in accrued liabilities and Band revenue.

9. LONG-TERM DEBT

	2018	2017
All Nations Trust Company mortgage, blended monthly payments of \$832 at 1.14% per annum, maturing April 2030	\$ 112,622	\$ 121,268
All Nations Trust Company mortgage, blended monthly payments of \$1,575 at 1.85% per annum, maturing July 2019	24,879	43,141
First Nations Finance Authority White Feather Building, interest calculated daily and compounded monthly at 2.60%	3,491,424	3,633,666
First Nations Finance Authority Debt Reserve Fund	(193,295)	(186,900)
Total long-term debt	<hr/>	<hr/>
	\$ 3,435,630	\$ 3,611,175

The loans are secured by a Ministerial Guarantee of the Minister of Indigenous Services Canada as well as a general security agreement.

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

2019	\$ 166,485
2020	162,675
2021	160,955
2022	165,618
2023	2,779,897
	<hr/>
	\$ 3,435,630



SHXWHÁ:Y VILLAGE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

10. TANGIBLE CAPITAL ASSETS

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

	<i>Opening Accumulated Amortization</i>	<i>2018 Amortization</i>	<i>Disposals</i>	<i>Ending Accumulated Amortization</i>	<i>2018 Net Book Value</i>	<i>2017 Net Book Value</i>
SOCIAL HOUSING FUND						
Housing projects	\$ 1,226,391	\$ 26,908	\$ -	\$ 1,253,299	\$ 658,955	\$ 685,863
CAPITAL FUND						
Band housing	161,612	6,086	-	167,698	146,057	152,143
Buildings under construction	-	-	-	-	-	4,253,790
Canoe shed	2,217	4,344	-	6,561	104,290	108,635
Community hall	191,395	7,370	-	198,765	176,877	184,247
Community hall furnishings	63,915	1,758	-	65,673	7,035	8,793
Computer equipment	46,450	2,291	-	48,741	5,346	7,637
Infrastructure	-	-	-	-	18	18
Office equipment	76,064	7,273	-	83,337	29,091	36,364
Playground equipment	15,967	340	-	16,307	3,058	3,398
Smoke house	28,887	1,838	-	30,725	44,110	45,948
Tractor and attachments	43,005	928	-	43,933	2,166	3,094
White Feather building	-	85,076	-	85,076	4,168,714	-
	\$ 1,855,903	\$ 144,212	\$ -	\$ 2,000,115	\$ 5,345,717	\$ 5,489,930



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

11. PROPERTY TAX REVENUE

The First Nations Fiscal Management Act ("the Act") allows the Band to implement a property taxation regime. The Band is required under subsection 14(1) of the Act to account for, and report on, their local revenues, separately from other revenue sources of the Band. The following note disclosure is intended to report on the local revenues and expenditures that are directly attributable to property taxation and amounts that are allocated on a reasonable basis. The accounting policies used are consistent with those followed in the preparation of these financial statements.

Statement of local revenues and expenditures

	2018	Budget	2017
Part 1: Revenues			
Property tax revenue	\$ 66,561	\$ 64,561	\$ 71,955
Part 2: Expenditures			
General Government (Administration)	10,625	10,000	11,449
Community Development	22,240	40,000	-
Consulting	-	-	42,144
Honorariums and travel	-	-	4,500
Meetings	-	-	77
Other Services	5,000	10,000	-
Repairs and Maintenance	-	-	2,200
Supplies and Materials	-	-	1,029
Transportation	2,947	2,947	-
Utilities	-	-	11,349
Wages	-	-	10,000
Contingency	-	1,614	-
	40,812	64,561	82,748
Excess (deficiency) of revenues over expenditures	\$ 25,749	\$ -	\$ (10,793)



SHXWHÁ:Y VILLAGE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

12. REPLACEMENT RESERVE

Under the terms of the agreement with C.M.H.C., the replacement reserve account is to be credited annually. In 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, 2018.

13. SUBSEQUENT EVENT

Subsequent to year end, on August 31, 2018, the Band reached an agreement with Tervita Corporation ("Tervita") to terminate Tervita's license to operate a landfill located on the Band's lands. Under the terms of this agreement, Tervita has transferred landfill operations and some equipment to the Band for \$Nil consideration. Accordingly, the Band has released and discharged Tervita from all financial, environmental and legal liabilities that may arise from the landfill after August 31, 2018.

14. BUDGETED FIGURES

The unaudited budgets for the year April 1, 2017 to March 31, 2018 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, 2018

15. EXPENSES BY OBJECT

	2018	2017
Administration costs	\$ 298,037	\$ 458,826
Advertising and promotion	230	-
Amortization	144,213	60,674
Capital purchases	10,018	32,191
Computer equipment	14,892	11,393
Consulting fees	82,187	126,569
Cultural activities	119,605	41,437
Distributions to members	387,761	327,279
Donations	27,300	-
Education	218,986	139,722
Equipment rental	22,072	26,714
Funerals and emergencies	334,733	360,192
Garbage removal	18,875	15,436
Honoraria	175,880	183,929
Insurance	23,157	28,993
Interest and bank charges	7,880	5,988
Interest on distributions	34,843	1,943
Interest on long term debt	110,379	99,647
Janitorial	24,159	22,993
Lunch program	1,190	1,245
Meetings	17,747	14,943
Membership fees	3,129	2,965
Merchandise	10,363	19,552
Office and miscellaneous	74,941	159,994
Professional fees	89,268	312,642
Repairs and maintenance	28,531	28,600
Replacement reserves	9,304	9,304
Security	13,035	12,480
Supplies and materials	97,034	99,263
Telephone	35,367	32,825
Travel and training	608,059	575,000
Utilities	57,630	66,265
Wages and benefits	1,552,777	1,256,274
Youth programs	25,753	26,138
	<hr/>	<hr/>
	\$ 4,679,335	\$ 4,561,416

