



8:19 am, Jul 30, 2015

**Squiala First Nation  
Financial Statements**

**March 31, 2015**



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# **Squiala First Nation**

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**For the year ended March 31, 2015**

**Management's Responsibility for Financial Reporting**  
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### **SUMMARY FINANCIAL STATEMENTS**

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**Squiala First Nation**  
**MARCH 31, 2015**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying summary financial statements of Squiala First Nation are the responsibility of management and have been approved by Chief and Council

The summary financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgments of management.

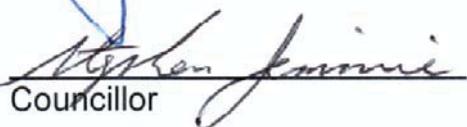
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

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

The external auditors, Ribeyre Chang Haylock conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Squiala First Nation and meet when required.

  
\_\_\_\_\_  
Chief David Jimmie

  
\_\_\_\_\_  
Councillor

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## INDEPENDENT AUDITOR'S REPORT

To: The Members of Squiala First Nation

### **Squiala First Nation**

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

We have audited the accompanying summary financial statements of **Squiala First Nation**, which comprise the summary statement of financial position as at March 31, 2015, and the summary statement of operations, summary statement of change in net assets, summary statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 financial statements.

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

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Squiala First Nation** as at March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Port Coquitlam, B.C.  
July 29, 2015

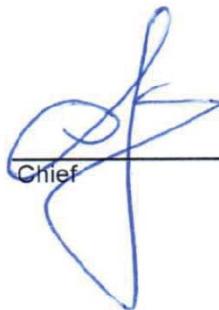
*Rileyne Chang Haylock*  
Chartered Accountants

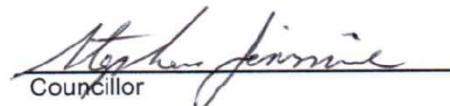
**Squiala First Nation**  
**SUMMARY STATEMENT OF FINANCIAL POSITION**

As at March 31, 2015	Statement 1	
	2015	2014
<b>Financial assets</b>		
Cash - note 3	\$ 1,193,717	\$ 502,507
Restricted cash - note 3	920,219	748,790
Accounts receivable - note 4	401,214	394,798
Temporary investments - note 5	4,223,971	4,157,307
Investments - note 6	19,937,179	19,794,313
Due from related party - note 7	10,843,769	10,979,976
Trust moneys - note 8	12,105	12,617
	<b>37,532,174</b>	36,590,308
<b>Liabilities</b>		
Accounts payable and accrued liabilities	4,073,705	3,930,902
Deferred revenue - note 9	16,106,799	16,277,178
Long-term debt - note 10	2,850,769	3,016,339
	<b>23,031,273</b>	23,224,419
<b>Net financial assets</b>	<b>14,500,901</b>	13,365,889
<b>Non-financial assets</b>		
Prepaid expenses	47,146	21,970
Tangible capital assets - note 11	9,316,243	9,593,122
<b>Total non-financial assets</b>	<b>9,363,389</b>	9,615,092
<b>Accumulated surplus - note 12</b>	<b>\$ 23,864,290</b>	\$ 22,980,981

See accompanying notes

On behalf of Chief and Council:

  
 Chief

  
 Councillor

# Squiala First Nation

## SUMMARY STATEMENT OF OPERATIONS

As at March 31, 2015

Statement 2

	Budget	2015	2014
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	\$ 1,122,587	\$ 1,341,557	\$ 1,438,618
Seabird Island First Nation	37,132	57,456	52,087
Sto:lo First Nation	64,396	11,542	64,396
Property taxes	1,600,000	1,638,074	1,459,928
First Nation Education Steering Committee	7,808	64,708	37,754
Other revenue	793,148	204,356	253,777
Canada Mortgage and Housing Corporation	-	30,595	30,997
Rental revenue	65,000	451,359	305,840
Investment Fund revenues	15,000	13,544	15,000
Ottawa Trust revenues	-	769	800
Interest income	71,703	73,617	67,521
	<b>3,776,774</b>	<b>3,887,577</b>	<b>3,726,718</b>
<b>Expenses</b>			
Band government	399,336	344,074	386,868
Community infrastructure	313,180	287,423	317,731
Capital programs	393,648	569,745	774,618
Economic development	882,790	955,498	899,435
Education and training	575,888	906,322	605,218
Housing	-	122,806	107,809
Investments	-	201,426	179,107
Social development	-	134,294	-
Social programs	363,726	375,591	424,017
	<b>2,928,568</b>	<b>3,897,179</b>	<b>3,694,803</b>
<b>Annual (deficit) surplus</b>		<b>(9,602)</b>	<b>31,915</b>
<b>Accumulated surplus, beginning of year</b>		<b>22,980,981</b>	<b>22,821,437</b>
<b>Equity increase in investments</b>		<b>906,659</b>	<b>127,629</b>
<b>Recoveries</b>		<b>(13,748)</b>	<b>-</b>
<b>Accumulated surplus, end of year</b>		<b>\$ 23,864,290</b>	<b>\$ 22,980,981</b>

See accompanying notes

**Squiala First Nation**  
**SUMMARY STATEMENT OF CHANGE IN NET ASSETS**

For the year ended March 31, 2015

Statement 3

	2015	2014
<b>Annual (deficit) surplus</b>	<b>\$ (9,602)</b>	\$ 31,915
<b>Recoveries in the year</b>	<b>(13,748)</b>	-
	<b>(23,350)</b>	31,915
<b>Changes in tangible capital assets</b>		
Acquisition of tangible capital assets	(44,764)	(64,414)
Amortization of tangible capital assets	321,643	502,803
	<b>276,879</b>	438,389
<b>Changes in other non-financial assets</b>		
Equity contributions to investments	906,659	127,629
Prepaid expenses and deposits	(25,176)	(6,633)
	<b>881,483</b>	120,996
<b>Increase in net financial assets</b>	<b>1,135,012</b>	591,300
<b>Net financial assets at beginning of year</b>	<b>13,365,889</b>	12,774,589
<b>Net financial assets at end of year</b>	<b>\$ 14,500,901</b>	\$ 13,365,889

*See accompanying notes*

**Squiala First Nation**  
**SUMMARY STATEMENT OF CASH FLOWS**

For the year ended March 31, 2015

Statement 4

	2015	2014
<b>OPERATING ACTIVITIES</b>		
Revenue received	\$ 4,573,556	\$ 3,860,465
Expenses paid	(3,457,909)	(3,137,710)
<b>Cash provided by operating activities</b>	<b>1,115,647</b>	722,755
<b>INVESTING ACTIVITIES</b>		
Investment in temporary investments	(66,664)	(35,793)
Purchases of investments - net	(112,729)	(201,886)
Advance to Squiala Holdings Limited Partnership	136,207	58,384
Net change in Ottawa Trust Funds	512	(43)
Purchase and construction of capital assets	(44,764)	(64,414)
<b>Cash used in investing activities</b>	<b>(87,438)</b>	(243,752)
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(165,570)	(160,489)
<b>Cash used in financing activities</b>	<b>(165,570)</b>	(160,489)
<b>Increase in cash during the year</b>	<b>862,639</b>	318,514
Cash, beginning of year	1,251,297	932,783
<b>Cash, end of year</b>	<b>\$ 2,113,936</b>	\$ 1,251,297
<b>Represented by</b>		
Cash	\$ 1,193,717	\$ 502,507
Restricted cash	920,219	748,790
	<b>\$ 2,113,936</b>	\$ 1,251,297

See accompanying notes

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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March 31, 2015

See Auditor's Report

### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

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

#### **a) Fund accounting**

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

- The Operating Fund which reports the general activities of the First Nation administration.
- The Investment Fund which reports the investment activities of the First Nation.
- The Social Housing Fund which reports the social housing assets of the First Nation, together with related activities.
- The Trust Fund which reports on trust funds owned by the First Nation and held by a third party.

#### **b) Reporting entity and principles of financial reporting**

The Squiala First Nation reporting entity includes the Squiala First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation except those which qualify as government business enterprises.

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

- Squiala First Nation Operating Fund
- Squiala First Nation Investment Fund
- Squiala First Nation Social Housing Fund
- Squiala First Nation Trust Fund

Investments in government business enterprises and government business partnerships are included in the summary financial statements using the modified equity method. They have been reported as financial assets under Public Sector Accounting standard PS1000.40(f).

These include:

- Squiala Holdings Limited Partnership (100% interest)
- Squiala Holdings GP Ltd. (100% interest)
- Ch-ihl-kway-uhk Forestry Limited Partnership (12.4% interest)
- Ch-ihl-kway-uhk Tribe Society (11.1% interest)
- Ts'elxweweyeqw Tribe Management Ltd. (14.3% interest)
- Ts'elxweweyeqw Tribe Limited Partnership (14.3% interest)
- Centre Creek Limited Partnership (11% interest)

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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March 31, 2015

See Auditor's Report

### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **b) Reporting entity and principles of financial reporting (continued)**

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

#### **c) Fixed assets**

Fixed assets are valued at either cost or estimated cost and either recorded in the Operating or the Social Housing Fund.

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

Fixed assets acquired as part of the Social Housing Fund are recorded as assets of that fund.

#### **d) Depreciation**

Fixed assets are recorded and depreciated with a corresponding reduction in Equity in Fixed Assets. Fixed assets are depreciated over their expected useful life using the straight line method at the following rates:

Buildings and infrastructure	40 years, straight line
Equipment	5 years, straight line
Automotive	10 years, straight line

Social Housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are depreciated at a rate equivalent to the annual principal reduction in the related long-term debt, as required for Canada Mortgage and Housing Corporation reporting purposes. To be consistent, housing assets in the Operating Fund are also depreciated at a rate equivalent to the annual principal reduction in the related long-term debt.

#### **e) Revenue Recognition**

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

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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**March 31, 2015**

**See Auditor's Report**

### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **f) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reported period. Actual results could differ from the estimates.

#### **g) Financial assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not consumed in the normal course of operations. The indicator of net financial assets is determined by deducting the financial assets of the Squiala First Nation from its liabilities. Financial assets are primarily measured at historical cost.

#### **h) Non-financial assets**

Fixed assets and other non-financial assets are accounted for as assets by the Squiala First Nation because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Squiala First Nation unless they are sold.

### **2. ECONOMIC DEPENDENCE**

The Squiala First Nation receives a major portion of its revenue pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada.

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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March 31, 2015

See Auditor's Report

### 3. CASH AND RESTRICTED CASH

Cash is comprised of the following:

	2015	2014
Operating Fund	\$ 1,155,225	\$ 428,028
Social Housing Fund	38,492	74,479
	<b>\$ 1,193,717</b>	<b>\$ 502,507</b>

Restricted cash is comprised of the following:

	2015	2014
Operating Fund	\$ 593,050	\$ 499,840
Social Housing Fund	327,169	248,950
	<b>\$ 920,219</b>	<b>\$ 748,790</b>

### 4. ACCOUNTS RECEIVABLE

	2015	2014
Accounts receivable consists of the following:		
Trade	\$ 398,664	\$ 392,255
Canadian Mortgage and Housing Corporation	2,550	2,543
	<b>\$ 401,214</b>	<b>\$ 394,798</b>

### 5. TEMPORARY INVESTMENTS

Temporary investments consist of the following:

- Guaranteed investment certificates bearing interest between 1.15% and 1.90% with maturities between April, 2015 and May, 2016
- Deposits in money market mutual fund units.

Temporary investments in the amount of \$2,165,546 (2014 - \$2,128,574) are pledged as collateral for a mortgage as described in Note 10.

# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

March 31, 2015

See Auditor's Report

### 6. INVESTMENTS

	2015	2014
Squiala Holdings Limited Partnership (100% owned)		
Accumulated net earnings	<b>\$ 18,701,564</b>	\$ 18,701,564
Chi-ihl-kway-uhk Forestry Limited Partnership (12.4% partner)		
Accumulated net earnings	<b>42,797</b>	18,399
Chi-ihl-kway-uhk Tribe Society (11.1% partner)		
Accumulated net earnings	<b>51,507</b>	45,768
Squiala Holdings GP Limited (100% owned)		
Shares	<b>100</b>	100
Ts'elxwyeqw Tribe Management Ltd. (14.3% owned)		
Shares	<b>1</b>	1
Ts'elxwyeqw Tribe Limited Partnership (14.3% partner)		
Accumulated net earnings	<b>960,783</b>	848,839
Centre Creek Limited Partnership (11% partner)		
Accumulated net earnings	<b>180,427</b>	179,642
	<b>\$ 19,937,179</b>	\$ 19,794,313

### 7. DUE FROM RELATED PARTY

The balance due from related party represents a net advance to Squiala Holdings Limited Partnership to support its net capital investment in Eagle Landing Developments Limited Partnership for an equal value.

In prior periods, Eagle Landing Development Limited Partnership (ELDLP) reported its operations under accounting standards for private enterprises (ASPE). In 2014, as a result of an acquisition of control, ELDLP adopted International Financial Reporting Standards (IFRS). As a result of the adoption, the value of the net capital investment in the partnership has changed as follows:

	2015	2014
Opening equity, as previously reported	<b>\$ 10,979,976</b>	\$ 11,038,360
Changes to equity due to IFSR conversion	<b>700,552</b>	-
Opening equity, under IFRS	<b>11,680,528</b>	11,038,360
Equity increase reported for the year	<b>63,241</b>	(58,384)
Repayments from related party	<b>(900,000)</b>	-
	<b>\$ 10,843,769</b>	\$ 10,979,976

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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**March 31, 2015**

**See Auditor's Report**

### 8. TRUST MONEYS

	March 31, 2014	Additions	Withdrawals	March 31, 2015
Revenue	\$ 639	\$ 769	\$ (1,281)	\$ 127
Capital	11,978	-	-	11,978
	<b>\$ 12,617</b>	<b>\$ 769</b>	<b>\$ (1,281)</b>	<b>\$ 12,105</b>

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

### 9. DEFERRED REVENUE

	2015	2014
Operating Fund		
Capital surplus account - CPMS # 7846	\$ 171,760	\$ 171,760
Hall rental security deposits	3,614	5,164
Social Housing Fund		
Rent deposits	350	-
Investment Fund		
Eagle Landing Development Limited Partnership lease	<b>15,931,075</b>	16,100,254
	<b>\$ 16,106,799</b>	<b>\$ 16,277,178</b>

The lease to Eagle Landing Development Limited Partnership has an amortization period of 99 years at an expected rate of \$169,180 per year and expires on September 18, 2108.

**Squiala First Nation**  
**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2015**

**See Auditor's Report**

**10. LONG-TERM DEBT**

	<b>2015</b>	<b>2014</b>
Mortgage payable maturing December 1, 2016 with monthly payments of \$1,425 including interest at 1.64%. Secured by real property and a ministerial guarantee.	\$ 39,108	\$ 55,418
Mortgage payable maturing April 1, 2017 with monthly payments of \$1,790 including interest at 1.67%. Secured by real property and a ministerial guarantee.	140,232	159,205
Mortgage payable maturing January 1, 2019 with monthly payments of \$1,616 including interest at 2.11%. Secured by real property and a ministerial guarantee.	154,825	170,776
Mortgage payable maturing April 1, 2019 with monthly payments of \$1,189 including interest at 1.92%. Secured by real property and a ministerial guarantee.	118,856	130,730
Mortgage payable maturing October 31, 2017 with monthly payments of \$15,630 including interest at 3.47%. Secured by real property, a ministerial guarantee and temporary investments.	<u>2,397,748</u>	2,500,210
	2,850,769	3,016,339
Less: current portion	<u>(170,287)</u>	(166,165)
	<u><u>\$ 2,680,482</u></u>	<u><u>\$ 2,850,174</u></u>

Principal payments expected over the next five years are as follows:

2016	\$ 170,287
2017	180,883
2018	2,312,826
2019	117,719
2020	<u>69,054</u>
	<u><u>\$ 2,850,769</u></u>

**Squiala First Nation**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2015

See Auditor's Report

**11. TANGIBLE CAPITAL ASSETS**

	2015								2014		
	Beginning			Beginning			Ending			Net Book Value	Net Book Value
	Cost	Additions	Disposal	Cost	Depreciation	Depreciation	Disposal	Depreciation	Net Book Value		
<b>Operating Fund</b>											
Office Furniture and equipment	\$ 188,268	\$ -	\$ -	\$ 188,268	\$ 97,383	\$ 34,390	\$ -	\$ 131,773	\$ 56,495	\$ 90,885	
Infrastructure assets	2,675,229	33,300	-	2,708,529	768,588	67,297	-	835,885	1,872,644	1,906,641	
Computer equipment	79,059	-	-	79,059	27,474	13,847	-	41,321	37,738	51,585	
Automotive equipment	113,167	-	-	113,167	34,535	10,967	-	45,502	67,665	78,632	
Equipment - other	193,156	-	-	193,156	105,962	34,318	-	140,280	52,876	87,194	
Buildings	7,230,992	11,464	-	7,242,456	924,262	97,716	-	1,021,978	6,220,478	6,306,730	
	<b>10,479,871</b>	<b>44,764</b>	-	<b>10,524,635</b>	<b>1,958,204</b>	<b>258,535</b>	-	<b>2,216,739</b>	<b>8,307,896</b>	<b>8,521,667</b>	
<b>Social Housing Fund</b>											
Residential buildings	1,752,667	-	-	1,752,667	681,212	63,108	-	744,320	1,008,347	1,071,455	
	<b>\$ 12,232,538</b>	<b>\$ 44,764</b>	<b>\$ -</b>	<b>\$ 12,277,302</b>	<b>\$ 2,639,416</b>	<b>\$ 321,643</b>	<b>\$ -</b>	<b>\$ 2,961,059</b>	<b>\$ 9,316,243</b>	<b>\$ 9,593,122</b>	

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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March 31, 2015

See Auditor's Report

### 12. ACCUMULATED SURPLUS

	2015	2014
Accumulated surplus is comprised of the following:		
Restricted surpluses		
Operating fund	\$ 3,967	\$ -
Trust fund	12,105	12,617
CMHC replacement reserve	287,343	252,501
Equity in tangible capital assets	6,465,474	6,576,783
Unrestricted surplus	<u>17,095,401</u>	16,139,080
	<u><u>\$ 23,864,290</u></u>	<u><u>\$ 22,980,981</u></u>

### 13. REPLACEMENT RESERVE FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, Squiala First Nation Social Housing must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets.

These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

As at March 31, 2015 the reserve was fully funded (2014 - fully funded).

### 14. CONTINGENT LIABILITIES

In the normal course of operations, the First Nation has become contingently liable for indebtedness of its members.

The First Nation has guaranteed two loan amounts owed by members to a Canadian bank. At March 31, 2015 the aggregate guaranteed balances under these loans is \$256,640 (2014 - \$277,654).

### 15. BUDGET INFORMATION

The budget information disclosed has been approved by the Squiala First Nation Chief and Council. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determinable.

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# Squiala First Nation

## NOTES TO FINANCIAL STATEMENTS

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March 31, 2015

See Auditor's Report

### 16. FINANCIAL INSTRUMENTS

Squiala First Nation is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2015.

#### *Credit risk*

The carrying value of the First Nation's main financial assets represents the maximum credit risk to which the nation is exposed.

Squiala First Nation's credit risk is due mainly to its accounts receivable. The balance sheet amounts are presented net of the allowance for impaired accounts, which management estimates based on past experience and its assessment of current economic conditions.

#### *Liquidity risk*

Squiala First Nation considers that it has sufficient credit facilities to ensure that funds are available to meet its current and long-term financial needs, at a reasonable cost.

#### *Market risk*

Squiala First Nation is exposed to interest rate risk on its fixed-interest and variable-interest financial instruments. Fixed-interest instruments subject the band to a fair value risk while the variable-interest instruments subject it to a cash flow risk.

The following table summarizes the contractual maturities of the financial liabilities as at March 31, 2015.

	Carrying amount	Contractual cash flows	0 to 1 year	2 to 4 years	Over 5 years
Accounts payable and accrued expenses	\$ 4,073,705	\$ 4,073,705	\$ 4,073,705	\$ -	\$ -
Long-term debt	2,850,769	2,850,769	170,287	2,680,482	-
	<b>\$ 6,924,474</b>	<b>\$ 6,924,474</b>	<b>\$ 4,243,992</b>	<b>\$ 2,680,482</b>	<b>\$ -</b>