

Akisqnuuk First Nation

Financial Statements

March 31, 2016

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Independent Auditor’s Report

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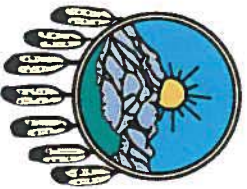
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AKISQNUK FIRST NATION

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Management's Responsibility for the Financial Statements

The accompanying financial statements of **Akisqnuq First Nation** are the responsibility of management and have been approved by the Chief and Council and Senior Financial Officer.

The 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 CPA Canada 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.

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

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

The external auditors, BDO Canada LLP, Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Akisqnuq First Nation and meet when required.

On behalf of Akisqnuq First Nation:

Lorne Shovar, Chief
Windermere, BC
May 27, 2016

Lorna Pollock, Senior Financial Officer
Windermere, BC
May 27, 2016



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BDO Canada LLP
35 10th Avenue South
Cranbrook BC V1C 2M9 Canada

Independent Auditor's Report

To the Members of Akisqnuq First Nation

We have audited the accompanying financial statements of the Akisqnuq First Nation, which comprise the statement of financial position as at March 31, 2016, and the statements of financial activities, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 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 the Akisqnuq First Nation as at March 31, 2016 and its financial activities, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants

Cranbrook, BC

May 27, 2016

AKISQNUK FIRST NATION
STATEMENT OF FINANCIAL POSITION

March 31	2016	2015
Financial Assets		
Cash and short-term investments (Note 1)	\$ 6,183,679	\$ 3,013,168
Restricted cash (Note 1)	4,855,377	4,362,456
Accounts receivable (Note 2)	323,004	366,497
Long-term investments (Note 3)	39,097	39,097
Investment in Business Partnership and Enterprises (Note 4)	99,154	66,551
Due from related parties	652,053	699,565
	12,152,363	8,547,334
Financial Liabilities		
Damage deposits	51,200	18,000
Accounts payable and accrued liabilities (Note 5)	448,837	482,604
Due to related parties	-	11,283
Deferred revenue (Note 6)	608,220	629,531
Due to members (Note 7)	20,400	26,400
	1,128,657	1,167,818
Net Financial Assets	11,023,707	7,379,516
Non-Financial Assets		
Tangible capital assets (Note 8)	4,851,388	5,155,758
Prepaid expenses	52,811	33,200
	4,904,199	5,188,958
Accumulated Surplus (Note 9)	\$ 15,927,906	\$ 12,568,474

On behalf of the Council:





AKISQNUK FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES

	For the year ended March 31		
	2016	2016	2015
	Budget	Actual	Actual
			(Note 14)
Revenues			
AANDC	\$	937,097	\$ 1,189,129
First Nation Tax Commission		-	5,000
First Nations Education Steering Committee		-	9,042
First Nations Emergency Services Society		-	55,000
First Nations Goods and Services Tax		422,000	428,094
First Nations Health Authority		310,685	309,771
First Nations Land Mgmt Resource Centre		75,000	18,750
Housing tenants - rent		55,800	52,200
IMBA Contributions and Other Income		166,235	2,806,553
Interest		121,500	147,576
Ktunaxa Nation Council (Note 12)		269,634	363,858
Leases and rentals		899,510	842,377
Property Taxation		335,000	340,327
		3,592,461	6,567,677
			3,521,677
Expenses (Note 16)			
Amortization		354,804	339,865
Administration		261,984	198,864
Business and Development		70,830	38,795
Campground		396,131	335,272
Community Facility and Maintenance		258,743	152,111
Culture and Language		69,704	60,465
Economic Development		63,385	60,439
Education		356,154	406,769
First Nation Goods and Service Tax		66,100	70,667
Governance		237,250	225,476
Health Programs		338,361	309,344
Housing		178,442	152,674
Indian Registration and Estates		2,823	2,719
Land and Resource Management		372,484	334,764
Rights and Title		10,500	29,623
Social Development		132,779	134,814
Taxation		165,594	150,866
Water management		119,737	204,718
		3,455,804	3,208,245
		136,657	3,359,432
Annual surplus for the year			3,063,303
			458,374
Net assets			
Accumulated surplus, beginning of year		12,568,474	12,568,474
			12,110,100
Accumulated surplus, end of year	\$	12,705,131	\$ 15,927,906
			\$ 12,568,474

The accompanying summary of significant accounting policies and notes form an integral part of these financial statements

AKISQNUK FIRST NATION
STATEMENT OF FINANCIAL POSITION

	For the year ended March 31		
	2016	2016	2015
	Budget	Actual	Actual
Annual surplus	\$ 136,657	\$ 3,359,432	\$ 458,374
Acquisition of tangible capital assets	(255,400)	(35,494)	(226,208)
Amortization of tangible capital assets	354,804	339,865	383,386
Change in prepaid expenses	-	(19,611)	2,180
Net change in net financial assets	236,061	3,644,191	617,732
Net financial assets, beginning of year	7,379,516	7,379,516	6,761,785
Net financial assets, end of year	\$ 7,851,638	\$ 11,023,707	\$ 7,379,516

AKISQNUK FIRST NATION
STATEMENT OF CASH FLOWS

For the year ended March 31	2016	2015
Cash flows from operating activities		
Annual surplus for the year	\$ 3,359,432	\$ 458,374
Adjustment for		
(Gain) Loss on investments	(32,603)	10,089
Amortization	339,865	383,386
	<u>3,666,694</u>	<u>851,849</u>
Change in non-cash working capital items		
Accounts receivable	43,493	31,376
Accounts payable and accrued liabilities	(567)	194,159
Deferred revenue	(21,311)	13,258
Due to members	(6,000)	(800)
Prepaid expenses	(19,611)	2,180
	<u>(3,996)</u>	<u>240,172</u>
Cash flows from investing activities		
Purchase of capital assets	(35,494)	(226,208)
	<u>(35,494)</u>	<u>(226,208)</u>
Cash flows from financing activities		
Repayment of long-term debt	-	(56,987)
Repayments from (advances to) related parties	36,228	(57,492)
	<u>36,228</u>	<u>(114,479)</u>
Increase in cash and short-term investments	3,663,432	751,335
Cash and short-term investments, beginning of year	<u>7,375,624</u>	<u>6,624,289</u>
Cash and short-term investments, end of year	\$ 11,039,056	\$ 7,375,624
Represented by:		
Cash and short-term investments	\$ 6,183,679	\$ 3,013,168
Restricted cash	<u>4,855,377</u>	<u>4,362,456</u>
	\$ 11,039,056	\$ 7,375,624

The accompanying summary of significant accounting policies and notes form an integral part of these financial statements

AKISQNUK FIRST NATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR YEAR ENDED MARCH 31ST 2016

These financial statements are prepared in accordance with Canadian Public sector accounting standards. The significant policies are detailed as follows:

(a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for government entities, as defined by the *Public Sector Accounting Board of CPA Canada*. As such these financial statements are in accordance with the Year End Reporting Handbook for Department of Aboriginal Affairs and Northern Development Canada Funding Arrangements.

(b) Principles of Financial Reporting/Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenses, changes in net financial assets and cash flows of the reporting entity. The reporting entity is comprised of all of the organizations that are owned or controlled by Akisqnuk First Nation and are, therefore, accountable to the Band for the administration of their financial affairs and resources.

First Nation business partnership and enterprises, which are owned or controlled either directly or indirectly by the First Nation, are included in the financial statements using the modified equity method. These include:

Eva Joseph Learning and Cultural Society
Akisqnuk Natural Resources Corporation
0910003 B.C. Ltd.
Ktunaxa Holdings Limited Partnership

(c) Government Business Partnership and Enterprises

Long term investments in entities in which the Akisqnuk First Nation holds a significant influence are recorded using the modified equity method, meaning the Band would record its share of the government business entity's net income each year on the Band's statement of operations. Long term investments in entities in which the Akisqnuk First Nation does not hold a significant influence are recorded at cost. If there has been permanent decline in the value of these investments, it is written down to its net realizable value.

(d) Tangible Capital Assets

Purchased or constructed tangible capital assets are recorded at cost less accumulated amortization. The cost of a tangible capital asset includes the purchase price and other

AKISQNUK FIRST NATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR YEAR ENDED MARCH 31ST 2016

acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight chargers, transportation, insurance costs and duties. Tangible capital assets donated are recorded at fair value at the date of the contribution with a corresponding amount recorded in revenue. Gains or losses relating to the disposal of capital assets are recorded in operations.

(e) Amortization

Tangible capital assets are amortized annually over their expected useful life on a straight line basis at the following rates:

Infrastructure	4%
Buildings	4%
Equipment	20%
Automobiles	30%
Computer Equipment and Hardware	55%

(f) Revenue Recognition

Government funding and grant revenue is recognized as it becomes receivable under the terms of the applicable funding agreements and is recorded in the period in which the resources are used for the purpose specified in the agreement. Restricted funding received which relates to a subsequent fiscal period is reported as deferred revenue until the resources are used for the purpose or purposes specified and classified as such on the statement of financial position.

Rental revenue is recognized on a straight line basis as it becomes receivable under the terms of the rental agreement.

Taxation revenues are accrued and recorded during the period that the related taxes apply. Sale of services and user fee revenues are recognized when the service or product is provided.

Sales of goods and other revenue from services provided is recognized based on performance relative to established targets.

AKISQNUK FIRST NATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR YEAR ENDED MARCH 31ST 2016

(g) Budget Figures

The budget figures are from the financial plan by-law adopted by Chief and Council each year. Subsequent amendments have been made by Chief and Council to reflect changes in the budget as required.

(h) Financial Instruments

The Akisqnuq First Nation recognizes and measures financial assets and financial liabilities on the statement of financial position when it becomes a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded on a trade date or settlement date basis. All financial instruments are measured at fair value on initial recognition. Financial instruments are subsequently measured at amortized cost as the Akisqnuq First Nation has not entered into any derivative contracts.

(i) Government Transfers

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

(j) Use of Estimates

The preparation of financial statements in accordance 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 the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

AKISQNUK FIRST NATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR YEAR ENDED MARCH 31ST 2016

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(c) Government Business Partnership and Enterprises

Long term investments in entities in which the Akisqnuk First Nation holds a significant influence are recorded using the modified equity method, meaning the Band would record its share of the government business entity's net income each year on the Band's statement of operations. Long term investments in entities in which the Akisqnuk First Nation does not hold a significant influence are recorded at cost. If there has been permanent decline in the value of an investment, it is written down to its net realizable value.

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Purchased or constructed tangible capital assets are recorded at cost less accumulated amortization. The cost of a tangible capital asset includes the purchase price and other

AKISQNUK FIRST NATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR YEAR ENDED MARCH 31ST 2016

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(e) Amortization

Tangible capital assets are amortized annually over their expected useful life on a straight line basis at the following rates:

Infrastructure	4%
Buildings	4%
Equipment	20%
Automobiles	30%
Computer Equipment and Hardware	55%

(f) Revenue Recognition

Government funding and grant revenue is recognized as it becomes receivable under the terms of the applicable funding agreements and is recorded in the period in which the resources are used for the purpose specified in the agreement. Restricted funding received which relates to a subsequent fiscal period is reported as deferred revenue until the resources are used for the purpose or purposes specified and classified as such on the statement of financial position.

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Taxation revenues are accrued and recorded during the period that the related taxes apply. Sale of services and user fee revenues are recognized when the service or product is provided.

Sales of goods and other revenue from services provided is recognized based on performance relative to established targets.

AKISQNUK FIRST NATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR YEAR ENDED MARCH 31ST 2016

(g) Budget Figures

The budget figures are from the financial plan by-law adopted by Chief and Council each year. Subsequent amendments have been made by Chief and Council to reflect changes in the budget as required.

(h) Financial Instruments

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Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

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The preparation of financial statements in accordance 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 the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

1) Cash, Short-term Investments and Restricted Cash

The Akisqnuk First Nation maintains its cash balance in two financial institutions in British Columbia. The majority of funds are held in a credit union. The Credit Union Deposit Insurance Corporation of British Columbia provides a guarantee on all money on deposit with a BC credit Union. The Canadian Deposit Insurance Corporation (CDIC) insures funds held in the other financial institution for each account up to \$100,000. The aggregate funds held in the other institution do not exceed \$100,000.

	2016	2015
Trust fund on deposit with AANDC	\$4,834,961	\$4,335,942
Due to Band Members	20,416	26,514
Unrestricted cash	6,183,679	3,013,168
	<u>\$11,039,056</u>	<u>\$7,375,624</u>

Short-term investments of \$56,475 (2015 - \$66,689) within the cash balance are comprised of two term deposits bearing interest at rates from 0.4% to 0.6% with maturity dates extending to December 2017.

2) Accounts Receivable

	2016	2015
Housing	\$256,403	\$244,171
Program receivables	191,757	191,805
Property taxes	17,725	31,668
Campground	7,370	22,130
FNGST	36,973	35,166
	<u>510,228</u>	<u>524,940</u>
	187,224	158,443
Less: allowance for doubtful accounts	<u>\$323,004</u>	<u>\$366,497</u>

3) Long-term Investments

	2016	2015
All Nations Trust Company 38,510 class A common shares, at cost	\$38,510	\$38,510
SEM Holdings Ltd. 20% beneficial interest in one common shares at cost	20	20
SEM Resort Ltd. - 20% of 33% beneficial interest in common shares, at cost	1	1

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

Nupqu Development Corporation, 20% beneficial interest in one common share, at cost	1	1
St. Eugene Mission Development Corporation (inactive)	1	1
Sunlife Financial Inc, at cost, (fair value 2016 - \$23,632; 2015 - \$22,013)	564	564
	<u>\$39,097</u>	<u>\$39,097</u>

4) Investment in Business Partnership and Enterprises

	2016	2015
Ktunaxa Holdings Limited Partnership, 20% owned by the First Nation	\$99,149	\$66,546
0910003 B.C. Ltd. (inactive)	1	1
Akisqnuq Natural Resource Corporation, wholly-owned by the First Nation	3	3
Eva Joseph Learning and Cultural Society, wholly-owned by the First Nation	1	1
	<u>\$99,154</u>	<u>\$66,551</u>

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

The following summary discloses the condensed financial information of the business partnership and enterprises wholly owned by the First Nation:

(a) Summary of Financial Position

	2016	2015
Assets		
Cash and short term investments	\$122,889	\$128,117
Accounts receivable	14,793	-
Investments	106,731	72,631
Due from related parties	-	11,283
Capital assets	16,716	14,042
Total Assets	261,129	226,073
Liabilities		
Accounts payable and accrued liabilities	16,685	15,987
Due to related parties	425,579	537,801
Total Liabilities	442,264	553,788
Net Assets (Liabilities)	\$(181,135)	\$(327,715)

(b) Summary of Financial Activities

	2016	2015
Total Revenues	\$606,651	\$261,697
Total Expenses	484,678	366,067
Net income (loss) for the year	\$121,973	\$(104,370)

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

5) Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are the following amounts owing to AANDC under program funding:

	2016	2015
In home care	\$ -	\$16,116
Child out of parental home 2014	1,042	132
Basic needs	-	4,083
Special needs	-	34
Prevention projects	-	617
Tuition agreements	-	7,515
FNWMS – CPMS #8870 capital project	-	53,857
	<u>\$1,042</u>	<u>\$82,354</u>

6) Deferred Revenue

Deferred revenue represents monies received of which the funds are restricted for specific projects or programs where the expenditures have not yet been incurred.

	2016	2015
Unexpended AANDC funding	\$ -	\$40,000
Campground leases	283,264	272,276
Indian Beach Estate lease	305,927	315,172
Other	19,029	2,083
	<u>\$608,220</u>	<u>\$629,531</u>

7) Due to Members

During 2011, Indian Beach Estates Management Corporation, upon a successful referendum, paid the First Nation a \$100,000 signing bonus, which was distributed equally to all Akisqnuk Band Members registered as of June 29, 2011. Monies allotted to children under the age of 18 are held in trust with the Band until they reach 18 years of age.

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

8) Tangible Capital Assets

For the year ended March 31, 2016, the First Nation has complied with Section 3150, Tangible Capital Assets of the Public Sector Accounting Board Handbook. Section 3150 requires the capitalization and amortization of tangible capital assets in the financial statements. Among other disclosures, Section 3150 requires disclosure of information for each major class of tangible capital assets for which all the relevant information can be provided for the complete stock of tangible capital assets of that category.

	LAND	INFRASTRUCTURE	BUILDINGS	EQUIPMENT	AUTOMOBILE	COMPUTER EQUIPMENT & HARDWARE	2016 TOTAL
COST, BEGINNING OF YEAR	\$10,000	\$5,089,236	\$4,636,268	\$244,972	\$101,999	\$77,033	\$10,159,508
ACQUISITIONS		18,876	1,696		8,175	6,747	35,494
DISPOSAL							
COST, END OF YEAR	\$10,000	\$5,108,112	\$4,637,964	\$244,972	\$110,174	\$83,780	\$10,195,002
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR	-	\$1,813,243	\$2,799,419	\$220,576	\$98,754	\$71,758	\$5,003,750
AMORTIZATION		192,929	132,537	5,343	2,997	6,059	339,865
ACCUMULATED AMORTIZATION, END OF YEAR	-	\$2,006,172	\$2,931,956	\$225,919	\$101,751	\$77,817	\$5,343,615
NET CARRYING AMOUNT, END OF YEAR	\$10,000	\$3,101,940	\$1,706,008	\$19,053	\$8,423	\$5,963	\$4,851,388

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

8) Tangible Capital Assets (continued)

	LAND	INFRASTRUCTURE	BUILDINGS	EQUIPMENT	AUTOMOBILE	COMPUTER EQUIPMENT & HARDWARE	2015 TOTAL
COST, BEGINNING OF YEAR	\$10,000	\$5,085,608	\$4,431,345	\$233,434	\$101,999	\$70,914	\$9,933,300
ACQUISITIONS		3,628	204,923	11,538		6,119	226,208
DISPOSAL							
COST, END OF YEAR	\$10,000	\$5,089,236	\$4,636,268	\$244,972	\$101,999	\$77,033	\$10,159,508
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR	-	\$1,620,624	\$2,663,365	\$214,390	\$96,984	\$25,001	\$4,620,364
AMORTIZATION		192,619	136,054	6,186	1,770	46,757	383,386
ACCUMULATED AMORTIZATION, END OF YEAR	-	\$1,813,243	\$2,799,419	\$220,576	\$98,754	\$71,758	\$5,003,750
NET CARRYING AMOUNT, END OF YEAR	\$10,000	\$3,275,993	\$1,836,849	\$24,396	\$3,245	\$5,275	\$5,155,758

9) Accumulated Surplus

The First Nation segregates its accumulated surplus into the following categories:

	2016	2015
Unrestricted operating equity	\$6,221,142	\$3,050,486
Equity in tangible capital assets	4,851,387	5,155,532
Externally restricted equity	4,855,377	4,362,456
	\$15,927,906	\$12,568,474

AKISQNUK FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR END MARCH 31ST 2016

10) Restricted Equity

Trust Funds on deposit with Aboriginal Affairs and Northern Development Canada ("AANDC") consist of the following:

	Beginning balance	Contribution	Interest	Approved expenditures	Ending balance
Capital	\$34,544	-	-	-	\$34,544
Revenue	4,301,398	407,902	91,117	-	4,800,417
	\$4,335,942	\$407,902	\$91,117	-	\$4,834,961

The Trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. These funds are restricted in their use, of which the First Nation is generally permitted to use for a purpose that will promote the general progress and welfare of the First Nation and its members. The management of these funds is primarily governed by the sections of the Indian Act.

11) Equity in Capital Assets

	2016	2015
Balance beginning of year	\$5,155,758	\$5,312,936
Purchase of capital assets	35,494	226,208
Amortization	(339,865)	(383,386)
Balance, end of year	\$4,851,387	\$5,155,758

12) Related Party Transactions

The Akisqnuq First Nation is one of four Indian Bands that comprise the Ktunaxa Nation Council ("KNC"). Transactions with the Nation Council during the year are as follows:

Revenue was \$363,858 (2015 - \$344,856) which includes \$326,210 in forestry sharing revenue. In addition, \$10,500 was received for other reimbursements. Akisqnuq First Nation received \$16,348 from Ktunaxa Kinbasket Child and Family Service Society and \$10,800 from the Ktunaxa Resource Stewardship program.

These transactions are in the normal course of operation and are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

13) Employee Future Benefits

The Band matches employee contributions to a defined contribution plan for employees which is administered by the Great West Life Assurance Company (issued by London Life). The total pension

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expense, representing employer contributions to the plan for the year, was \$36,504 (2015 - \$23,080).

14) Comparative Figures

Certain comparative figures from the prior year presented in these financial statements have been restated to conform to the current year's presentation. These restatements had no net effect on the annual or accumulated surpluses.

15) Economic Dependence

Akisqnuk First Nation receives a major portion of its revenue pursuant to funding arrangements with Aboriginal Affairs and Northern Development Canada (AANDC), as detailed by a comprehensive funding agreement.

16) Expenses by Object

	2016	2015
Amortization	\$339,865	\$383,386
Bad debt	46,467	45,009
Business and development	49,263	34,951
Donations and culture	83,630	49,890
Health programs	71,301	62,785
Honoraria	109,643	94,962
Insurance	42,317	42,783
Interest and bank charges	7,596	11,161
Material and supplies	44,042	58,088
Office and miscellaneous	(1,519)	123,500
Professional development	6,353	4,347
Professional fees	365,692	287,620
Repairs and maintenance	290,681	294,835
Social programs	98,080	98,133
Taxation	70,445	70,769
Telephone and internet	10,172	13,175
Travel	48,446	47,667
Tuition and education	349,688	209,418
Utilities	46,330	47,390
Wages and benefits	1,129,753	1,083,433
	<u>\$3,208,245</u>	<u>\$3,063,303</u>

AKISQNUK FIRST NATION
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17) Segmented Information

Akisqnuk First Nation is a First Nation community located in the Windermere Valley of British Columbia. Akisqnuk First Nation provides a variety of services to community members and receives funding from various federal and provincial government agencies to support the delivery of these services. Segmented reporting by program is used to account for the scope and significance of each service.

Administration, Governance and Finance

- a) Administration is responsible for overall governance and delivery of core operations, such as daily office procedures, as well as for advisory services and professional and institutional development.
- b) The Akisqnuk First Nation is controlled by a five-member council. The Chief and Council provide the structure through which the First Nation sets and pursues their objectives, while reflecting the environment and interests of their community.
- c) As a governing authority Akisqnuk First Nation imposes a property tax on their reserve land. There are four broad types of property to which they charge taxes: land, improvements to land, personal property, and intangible property. The revenue earned is used to support the land and individuals living on it.
- d) Through learning resources and events the Akisqnuk First Nation works to celebrate, raise awareness of, and preserve Aboriginal arts, culture and heritage.
- e) Indian Registry and Estates is responsible for the maintenance of Akisqnuk First Nation's Band List and issuance of status cards.
- f) Through the lands program the First Nation provides a variety of program support, service and advice to Akisqnuk members with respect to a range of lands-related matters.
- g) The funds received through forestry on reserve land are unrestricted funds for the Akisqnuk First Nation that can be used to capitalize on economic opportunities for the community.
- h) Community Facilities and Maintenance is responsible for the construction, acquisition, operations and maintenance of community infrastructure on reserves. This includes water supply, wastewater treatment and community buildings.
- i) FNGST is a tax on the consumption that occurs within reserve lands. The CRA administers the FNGST on behalf of the Akisqnuk First Nation and acts as the agent of the Akisqnuk First Nation for collecting and administering the tax and for enforcing the FNGST law. A portion of these remittances of FNGST is subject to a revenue sharing between the five Ktunaxa Bands.

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FOR YEAR END MARCH 31ST 2016

17) Segmented Information (continued)

Community, Health and Education

- a) Akisqnuk First Nation supports five social programs. With the goal of assisting members to become more self-sufficient; protect individuals and families at risk of violence; provide prevention supports that allow individuals and families to better care for their children; and support greater participation in the labour market.
- b) The Akisqnuk First Nation's Education department assists students with receiving secondary and post-secondary quality education that provides them with the opportunity to acquire the skills needed to enter the labour market and be full participants in a strong Canadian economy.
- c) Akisqnuk First Nation works with other partners to help Akisqnuk members to improve their health and social well-being. Akisqnuk First Nation is responsible for safe water supplies on reserve and providing a range of Health programs including education, early childhood development, elder care, nutrition, diabetes, drug and alcohol support, and help for persons with disabilities.
- d) Akisqnuk First Nation is working to increase the supply of safe and affordable housing through repairs of current homes and the development of new housing on reserve.

Economic Development

- a) Economic development is a policy intervention endeavor with aims of economic and social well-being of people. Increasing the Band's participation in the economy through environmental grants is one way the First Nation is working to improve the well-being and quality of life of the Akisqnuk First Nation members.
- b) Lakeshore Resort offers 68 overnight sites and 65 seasonal RV leases. The campground provides employment opportunities and unrestricted revenue for the Akisqnuk First Nation.
- c) Through the business department the Akisqnuk First Nation is able to apply for and take on separate projects and business endeavors in various economic fields.
- d) Deals with the business of St. Eugene Mission.

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For the year ended March 31, 2016

17) Segmented Information (continued)

	Administration, Governance and Finance	Community, Health and Education	Economic Development	Total 2016	Total 2015
Revenues					
AANDC	\$ 652,977	\$ 466,796	\$ 69,356	\$ 1,189,129	\$ 890,208
First Nation Tax Commission	5,000	-	-	5,000	478
First Nations Education Steering Committee	-	9,042	-	9,042	5,696
First Nations Emergency Services Society	55,000	-	-	55,000	-
First Nations Goods & Services Tax	428,094	-	-	428,094	391,048
First Nations Land Mgmt Resource Centre	18,750	-	-	18,750	37,500
FNHA	-	309,771	-	309,771	289,861
Housing Tenants - Rent	-	52,200	-	52,200	61,700
IMBA Contributions and Other Income	2,719,367	38,188	48,999	2,806,553	237,050
Interest	53,355	-	94,221	147,576	117,678
Ktunaxa Nation Council	355,358	8,500	-	363,858	344,856
Leases and Rentals	-	-	842,377	842,377	829,446
Taxation	340,327	-	-	340,327	316,157
	4,628,227	884,498	1,054,953	6,567,677	3,521,677
Expenses					
Amortization	339,865	-	-	339,865	383,386
Bad Debts	-	46,467	-	46,467	45,009
Business and Development	49,263	-	-	49,263	34,951
Donations and Culture	83,707	390	(466)	83,630	49,890
Health Programs	-	71,301	-	71,301	62,785
Honoraria	104,693	1,575	3,375	109,643	94,962
Insurance	34,251	4,569	3,497	42,317	42,783
Interest and Bank Charges	4,226	-	3,370	7,596	11,161
Materials and Supplies	15,377	-	28,665	44,042	58,088
Office and Miscellaneous	(149,190)	63,251	84,419	(1,519)	123,502
Professional Development	4,211	1,473	669	6,353	4,347
Professional Fees	324,292	38,285	3,115	365,692	287,620
Repairs and Maintenance	165,798	66,720	58,164	290,681	294,835
Social Programs	-	98,080	-	98,080	98,133
Taxation	70,445	-	-	70,445	70,769
Telephone and Internet	7,142	1,697	1,333	10,172	13,175
Travel	9,738	35,511	3,197	48,446	47,667
Tuition and Education	-	349,688	-	349,688	209,418
Utilities	28,748	(72)	17,654	46,330	47,390
Wages and Benefits	677,573	224,666	227,514	1,129,753	1,083,433
	1,770,139	1,003,601	434,506	3,208,245	3,063,303
Surplus (deficit) for the year	\$ 2,858,088	\$ (119,103)	\$ 620,447	\$ 3,359,432	\$ 458,375