

**TLOWITSIS FIRST NATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2018**

**TLOWITSIS FIRST NATION  
FINANCIAL STATEMENTS  
MARCH 31, 2018**

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**TLOWITSIS FIRST NATION**  
**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**  
**MARCH 31, 2018**

The accompanying financial statements of Tlowitsis First Nation are the responsibility of management and have been approved by the Council.

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 Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

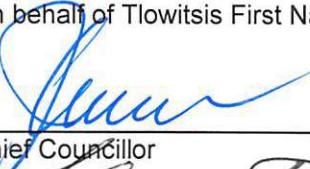
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

The 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, Moeller Matthews, 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 Tlowitsis First Nation and meet when required.

On behalf of Tlowitsis First Nation:

  
\_\_\_\_\_  
Chief Councillor  
  
\_\_\_\_\_  
Councillor

Mar 10/19  
Date  
May 10/19  
Date

### Independent Auditors' Report

To the Members of Tlowitsis First Nation

We have audited the accompanying financial statements of Tlowitsis First Nation, which comprise the statement of financial position as at March 31, 2018, and the statements of revenue, expenditures and accumulated surplus, change in net financial assets, cash flows and the related schedules 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 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 First Nation'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 First Nation'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 Tlowitsis First Nation as at March 31, 2018, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

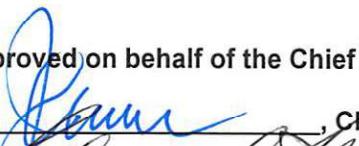
Campbell River, British Columbia  
May 3, 2019

*Moeller Matthews*  
Chartered Professional Accountants

**TLOWITSIS FIRST NATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2018**

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Financial Assets</b>		
Cash	6,618,056	7,682,562
Accounts receivable (Note 2)	760,224	676,524
Loans receivable (Note 3)	206,059	194,894
Investments in government business enterprises (Note 4)	197,342	197,342
Investments in government business partnerships (Note 5)	3,146,551	2,811,915
Federal trust funds (Note 6)	194,583	189,399
	<b>11,122,815</b>	<b>11,752,636</b>
<b>Liabilities</b>		
Accounts payable (Note 7)	151,597	120,027
Deferred revenue (Note 8)	603,388	-
Long-term debt (Note 9)	5,744,736	5,665,865
	<b>6,499,721</b>	<b>5,785,892</b>
<b>Net financial assets</b>	<b>4,623,094</b>	<b>5,966,744</b>
<b>Non-financial Assets</b>		
Tangible capital assets (Note 10)	494,922	547,348
Prepaid expenses (Note 11)	127,069	142,625
	<b>621,991</b>	<b>689,973</b>
<b>Accumulated Surplus (Deficit)</b>	<b>5,245,085</b>	<b>6,656,717</b>

Approved on behalf of the Chief and Council

  
, Chief Councillor

  
, Councillor

The accompanying notes are an integral part of these financial statements.

**TLOWITSIS FIRST NATION**  
**STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

	<b>2018 Budget</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
	\$	\$	\$
<b>Revenue</b>			
Federal Government:			
Indigenous & Northern Affairs Canada	-	<b>774,225</b>	427,055
Ottawa Trust revenue	-	<b>5,184</b>	4,507
Province of British Columbia	-	<b>809,591</b>	561,129
British Columbia Treaty Commission	<b>166,023</b>	<b>76,800</b>	76,800
Income from government business partnerships	-	<b>436,769</b>	2,712,609
Logging	-	<b>1,000,349</b>	772,704
Rental	-	<b>39,613</b>	42,000
Other	<b>95,650</b>	<b>431,545</b>	317,169
	<b>261,673</b>	<b>3,574,076</b>	<b>4,913,973</b>
<b>Expenditures</b>			
Education	<b>193,176</b>	<b>135,707</b>	176,787
Economic Development	-	<b>188,081</b>	309,993
Housing	-	<b>59,636</b>	119,523
Community Services	<b>177,078</b>	<b>456,374</b>	392,454
Band Government	<b>166,023</b>	<b>4,142,367</b>	214,082
Employment Programs	-	<b>3,543</b>	-
	<b>536,277</b>	<b>4,985,708</b>	<b>1,212,839</b>
<b>Annual surplus (deficit)</b>	<b>(274,604)</b>	<b>(1,411,632)</b>	<b>3,701,134</b>
<b>Accumulated surplus at beginning of year</b>	<b>6,656,717</b>	<b>6,656,717</b>	<b>2,955,583</b>
<b>Accumulated surplus at end of year</b>	<b>6,382,113</b>	<b>5,245,085</b>	<b>6,656,717</b>

The accompanying notes are an integral part of these financial statements.

**TLOWITSIS FIRST NATION**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

	<b>2018 Budget (unaudited)</b>	<b>2018 Actual</b>	<b>2017</b>
	\$	\$	\$
<b>Annual surplus (deficit)</b>	<b>(274,604)</b>	<b>(1,411,632)</b>	<b>3,701,134</b>
Acquisition of tangible capital assets	-	(4,562)	(41,256)
Amortization of tangible capital assets	-	56,988	63,155
Loss on disposal of property and equipment	-	-	1,808
Proceeds on disposal of property and equipment	-	-	850
	-	<b>52,426</b>	<b>24,557</b>
Acquisition of prepaid asset	-	(127,069)	(52,692)
Use of prepaid asset	-	142,625	13,278
	-	<b>15,556</b>	<b>(39,414)</b>
(Decrease) increase in net financial assets	<b>(274,604)</b>	<b>(1,343,650)</b>	<b>3,686,277</b>
<b>Net financial assets at beginning of year</b>	<b>5,966,744</b>	<b>5,966,744</b>	<b>2,280,467</b>
<b>Net financial assets at end of year</b>	<b>5,692,140</b>	<b>4,623,094</b>	<b>5,966,744</b>

The accompanying notes are an integral part of these financial statements.

**TLOWITSIS FIRST NATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Cash flows from</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	(1,411,632)	3,701,134
Items not affecting cash		
Amortization of tangible capital assets	56,988	63,155
Income from government business partnerships	(436,769)	(2,712,609)
Loss on disposal of property and equipment	-	1,808
	<b>(1,791,413)</b>	1,053,488
Change in non-cash operating working capital		
Accounts receivable	(83,700)	(624,951)
Loans receivable	(11,165)	535,421
Prepaid expenses	15,555	(39,415)
Accounts payable	31,219	75,733
Deferred revenue	603,388	-
Trust funds held by federal government	(5,184)	(4,507)
	<b>(1,241,300)</b>	995,769
<b>Capital activities</b>		
Purchase of tangible capital assets	(4,562)	(41,256)
Proceeds on disposal of property and equipment	-	850
	<b>(4,562)</b>	(40,406)
<b>Financing activities</b>		
Advances of long-term debt	89,223	100,000
Repayment of long-term debt	(10,000)	(8,333)
	<b>79,223</b>	91,667
<b>Investing activities</b>		
Contributions to government business partnerships	-	(100)
Distributions from government business partnerships	102,133	365,194
	<b>102,133</b>	365,094
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(1,064,506)</b>	1,412,124
<b>Cash and cash equivalents, beginning of year</b>	<b>7,682,562</b>	6,270,438
<b>Cash and cash equivalents, end of year</b>	<b>6,618,056</b>	<b>7,682,562</b>

The accompanying notes are an integral part of these financial statements.

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**1. Basis of Presentation and Significant Accounting Policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of CPA Canada.

**(a) Principles of consolidation**

The following investments in government business partnerships and government business enterprises are included in the financial statements using the modified equity basis of accounting.

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

Government business enterprises accounted for on a modified equity basis include:

1. Nanwakolas Business Corporation (20.00%)
2. Chief's Pride Aquaculture Corporation (100.00%)
3. Chief's Pride Seafoods Inc. (100.00%)
4. Happy as a Clam Shellfish Ltd. (100.00%)

Government business partnerships accounted for on a modified equity basis include:

1. A-Tlegay Fisheries Limited Partnership (18.00%)
2. Nanwakolas Carbon Credit Limited Partnership (8.98%)
3. Nanwakolas Forestry Limited Partnership (17.91%)
4. Nanwakolas Offset Limited Partnership (20.65%)
5. Nanwakolas Timber Limited Partnership (20.65%)

**(b) Cash and cash equivalents**

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

**(c) Loans receivable**

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

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**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**1. Basis of Presentation and Significant Accounting Policies (continued)**

**(d) 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

Amortization is provided for at the following rates and methods:

Buildings	4% Declining balance
Automotive equipment	30% Declining balance
Computer equipment	30-55% Declining balance
Furniture and Fixtures	10% Declining balance
Equipment	20% Declining balance
Boat	15% Declining balance

Tangible capital assets are written down when conditions indicate that they no longer contribute to Tlowitsis First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, 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 to be put into service.

**(e) 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.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

**(f) Measurement uncertainty**

In preparing the financial statements for the First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**2. Accounts receivable**

	<b>2018</b>	<b>2017</b>
	\$	\$
A & A Trading Ltd.	730,334	600,000
Band members	1,750	2,725
Indigenous and Northern Affairs Canada	-	35,303
Rent	8,405	3,524
Other	12,713	34,972
	<b>760,224</b>	<b>676,524</b>

**3. Loans receivable**

	<b>2018</b>	<b>2017</b>
	\$	\$
Chief's Pride Seafoods Inc., loan, no specified terms of repayment or stated interest rate.	39,453	39,453
Happy as a Clam Shellfish Ltd., loan, no specified terms of repayment or stated interest rate.	166,606	155,441
	<b>206,059</b>	<b>194,894</b>

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**4. Investments in government business enterprises**

	2018	2017
	\$	\$
Nanwakolas Business Corporation	1	1
Chief's Pride Aquaculture Corporation	1	1
Chief's Pride Seafoods Inc.	1	1
<b>Happy as a Clam Shellfish Ltd</b>	<b>197,339</b>	<b>197,339</b>
	<b>197,342</b>	<b>197,342</b>

Nanwakolas Business Corporation has no business activities.

Chief's Pride Aquaculture Corporation operates a shellfish farm.

Chief's Pride Seafoods Inc owns rental property.

Happy as a Clam Shellfish Ltd operates a shellfish farm.

	Nanwakolas Business Corporation	Chief's Pride Aquaculture Corporation	Chief's Pride Seafoods Inc.	Happy as a Clam Shellfish Ltd
	\$	\$	\$	\$
<b>Total Assets</b>	<b>46</b>	<b>117,604</b>	<b>7,231</b>	<b>44,576</b>
<b>Total Liabilities</b>	<b>40</b>	<b>593,810</b>	<b>40,968</b>	<b>269,265</b>
<b>Equity</b>	<b>6</b>	<b>(476,206)</b>	<b>(33,737)</b>	<b>(224,789)</b>
<b>Total liabilities and equity</b>	<b>46</b>	<b>117,604</b>	<b>7,231</b>	<b>44,476</b>

	Nanwakolas Business Corporation	Chief's Pride Aquaculture Corporation	Chief's Pride Seafoods Inc.	Happy as a Clam Shellfish Ltd
	\$	\$	\$	\$
<b>Revenue</b>	<b>-</b>	<b>9,222</b>	<b>56</b>	<b>1,675</b>
<b>Expenses</b>	<b>-</b>	<b>52,420</b>	<b>1,841</b>	<b>49,757</b>
<b>Net income (loss)</b>	<b>-</b>	<b>(43,198)</b>	<b>(1,785)</b>	<b>(48,082)</b>

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**5. Investments in government business partnerships**

	<b>2018</b>	<b>2017</b>
A-Tlegay Fisheries Limited Partnership	\$ 594,714	\$ 486,314
Nanwakolas Carbon Credit Limited Partnership	6,929	71,904
Nanwakolas Forestry Limited Partnership	73,096	74,422
Nanwakolas Offset Limited Partnership	39,711	(1,580)
Nanwakolas Timber Limited Partnership	2,432,101	2,180,855
	<b>3,146,551</b>	<b>2,811,915</b>

A-Tlegay Fisheries Limited Partnership acquires and manages various fishing licenses and quota made available through negotiations with the federal government under the Pacific Integrated Commercial Fisheries Initiative by the Department of Fisheries and Oceans and acquires and leases fishing vessels and equipment.

Nanwakolas Carbon Credit Limited Partnership verifies and sells carbon credits on the open market.

Nanwakolas Forestry Limited Partnership harvests and manages timber.

Nanwakolas Offset Limited Partnership develops carbon credit and emission offset projects within the Great Bear Rainforest and markets, sells, and distributes such carbon credits and emission offsets.

Nanwakolas Timber Limited Partnership develops forestry based opportunities within the Great Bear Rainforest.

The following table presents condensed financial information for these commercial enterprises:

	A-Tlegay Fisheries Limited Partnership	Carbon Credit Limited Partnership	Nanwakolas Forestry Limited Partnership	Nanwakolas Offset Limited Partnership	Nanwakolas Timber Limited Partnership
	\$	\$	\$	\$	\$
<b>Total assets</b>	<b>3,321,254</b>	<b>138,096</b>	<b>414,011</b>	<b>289,750</b>	<b>12,702,866</b>
<b>Total Liabilities</b>	<b>\$ 16,953</b>	<b>\$ 55,819</b>	<b>\$ 2,799</b>	<b>\$ 3,005</b>	<b>\$ 45,697</b>
<b>Equity</b>	<b>3,304,301</b>	<b>82,277</b>	<b>411,212</b>	<b>286,745</b>	<b>12,657,169</b>
<b>Total liabilities and equity</b>	<b>3,321,254</b>	<b>138,096</b>	<b>414,011</b>	<b>289,750</b>	<b>12,702,866</b>

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**5. Investments in government business partnerships, continued**

	\$	\$	\$	\$	\$
<b>Revenues</b>	<b>816,666</b>	<b>1,106,886</b>	<b>3,653</b>	<b>-</b>	<b>1,332,204</b>
<b>Expenses</b>	<b>214,384</b>	<b>237,562</b>	<b>11,060</b>	<b>5,530</b>	<b>115,400</b>
<b>Net income</b>	<b>602,282</b>	<b>869,324</b>	<b>(7,407)</b>	<b>(5,530)</b>	<b>1,216,804</b>

**6. Federal trust funds**

	March 31, 2017	Additions, 2018	March 31, 2018
	\$	\$	\$
<b>Revenue</b>	<b>89,776</b>	<b>5,184</b>	<b>94,960</b>
<b>Capital</b>	<b>99,623</b>	<b>-</b>	<b>99,623</b>
	<b>189,399</b>	<b>5,184</b>	<b>194,583</b>

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.

**7. Accounts payable**

	2018	2017
	\$	\$
<b>Government remittances payable</b>	<b>21,324</b>	<b>2,097</b>
Indigenous and Northern Affairs Canada	7,671	47,671
<b>Trade payables</b>	<b>122,250</b>	<b>70,259</b>
	<b>151,597</b>	<b>120,027</b>

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**8. Deferred revenue**

	March 31, 2017	Funding received 2018	Revenue recognized, 2018	March 31, 2018
	\$	\$	\$	\$
<b>AANDC - Capital</b>				
ICMS #9-00126645 Band Office	-	358,000	-	<b>358,000</b>
ICMS #9-0012676C New Community Development	-	329,083	(83,695)	<b>245,388</b>
	<b>-</b>	<b>687,083</b>	<b>(83,695)</b>	<b>603,388</b>

**9. Long-term debt**

	2018 \$	2017 \$
Due to John Smith, unsecured, no specified terms of repayment or stated interest rate	-	352
Indigenous and Northern Affairs Canada, repayable as outlined in Sections 13.0 and 14.0 of the First Nations Negotiation Support Agreement	5,663,069	5,573,846
TD Canada Trust loan bearing interest at prime plus 1% per annum, repayable in monthly payments of \$833 plus interest. The loan matures on May 1, 2026 and is secured by a general security agreement	81,667	91,667
	<b>5,744,736</b>	<b>5,665,865</b>

Principal portion of long-term debt due within the next five years:

2019	10,000
2020	10,000
2021	10,000
2022	10,000
2023 and thereafter	<b>5,704,736</b>
	<b>5,744,736</b>

**TLOWITZIS FIRST NATION  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2018**

## 10. Tangible Capital Assets

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**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**11. Prepaid expenses**

	<b>2018</b>	<b>2017</b>
Insurance	\$ 12,155	\$ 9,732
Land purchase deposit	-	122,500
Modular deposit	107,914	-
Post Secondary Allowances	6,500	8,100
Rent	-	1,326
Vehicle Extended Warranty	-	967
Other	500	-
	<b>127,069</b>	<b>142,625</b>

**12. Commitments**

Tlowitsis First Nation has entered into a purchase agreement dated February 8, 2018, to purchase a modular office building for \$359,713, of this amount \$107,914 has been prepaid.

Tlowitsis First Nation has entered into a purchase agreement dated November 21, 2018, to purchase Lot 207, Port Neville, BC for the sum of \$875,000.

**13. Contingent Liabilities**

Tlowitsis First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

**14. Economic Dependence**

Tlowitsis First Nation receives a significant portion of its revenue pursuant to a funding agreement with Indigenous and Northern Affairs Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependant on this source of revenue.

**15. Budgeted Figures**

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Band Council.

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**16. Segmented information**

The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results for the year are as follows:

	2018 Budget	Education		Economic Development		
		2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
<b>Revenues</b>		\$	\$	\$	\$	\$
Indigenous & Northern Affairs Canada	-	199,161	188,823	-	46,439	61,285
Income from government business partnerships	-	-	-	-	436,769	2,712,609
Province of British Columbia	-	-	-	-	809,591	561,129
Ottawa Trust revenue	-	-	-	-	5,184	4,507
Logging revenue	-	-	-	-	1,000,349	772,704
Other revenue	-	-	-	-	329,687	241,828
<b>Total revenue</b>	-	199,161	188,823	-	2,628,019	4,354,062
<b>Expenses</b>						
Amortization	-	-	-	-	47,911	55,030
Materials and supplies	177,576	135,207	175,843	-	21,364	36,097
Professional fees	-	-	-	-	2,659	5,135
Repairs and maintenance	-	-	-	-	35,075	95,914
Travel	15,600	500	-	-	3,795	(8)
Wages and benefits	-	-	(17,449)	-	54,963	68,045
Other expenses	-	-	18,393	-	22,314	49,780
<b>Total expenses</b>	193,176	135,707	176,787	-	188,081	309,993
<b>Annual surplus (deficit)</b>	(193,176)	63,454	12,036	-	2,439,938	4,044,069
	2018 Budget	Housing		Community Services		
		2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
<b>Revenues</b>		\$	\$	\$	\$	\$
Indigenous & Northern Affairs Canada	-	-	-	-	156,374	154,004
Rental Income	-	39,613	42,000	-	-	-
Other revenue	-	-	76	95,650	98,516	75,265
<b>Total revenue</b>	-	39,613	42,076	95,650	254,890	229,269
<b>Expenses</b>						
Amortization	-	9,077	8,125	-	-	-
Contractors	-	29,593	64,500	-	-	-
Honorariums	-	-	-	-	92,947	88,100
Materials and supplies	-	5,530	586	8,985	26,801	41,771
Professional fees	-	-	650	-	53,914	53,639
Repairs and maintenance	-	5,655	27,523	2,500	8,700	7,725
Travel	-	3,812	13,410	47,918	32,326	20,542
Wages and benefits	-	-	-	115,984	175,384	161,555
Other expenses	-	5,969	4,729	1,691	66,302	19,122
<b>Total expenses</b>	-	59,636	119,523	177,078	456,374	392,454
<b>Annual surplus (deficit)</b>	-	(20,023)	(77,447)	(81,428)	(201,484)	(163,185)

**TLOWITSIS FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**16. Segmented information, continued**

	2018 Budget	Band Government 2018 Actual	2017 Actual	2018 Budget	Employment Programs 2018 Actual	2017 Actual
<b>Revenues</b>	\$	\$	\$	\$	\$	\$
Indigenous & Northern Affairs Canada	-	372,251	22,943	-	-	-
British Columbia Treaty Commission	166,023	76,800	76,800	-	-	-
Other revenue	-	-	-	-	3,342	-
<b>Total revenue</b>	<b>166,023</b>	<b>449,051</b>	<b>99,743</b>	-	3,342	-
<b>Expenses</b>						
Honorariums	20,200	92,178	136,677	-	-	-
Materials and supplies	-	6,707	-	-	-	-
Professional fees	29,988	345,404	32,713	-	-	-
Travel	54,000	44,084	26,408	-	-	-
Wages and benefits	-	-	-	-	3,543	-
Other expenses	61,835	3,653,994	18,284	-	-	-
<b>Total expenses</b>	<b>166,023</b>	<b>4,142,367</b>	<b>214,082</b>	-	3,543	-
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>(3,693,316)</b>	<b>(114,339)</b>	-	(201)	-
				<b>Consolidated totals</b>		
				2018 Budget	2018 Actual	2017 Actual
				\$	\$	\$
<b>Revenues</b>						
Indigenous & Northern Affairs Canada				-	774,225	427,055
Income from government business partnerships				-	436,769	2,712,609
Rental Income				-	39,613	42,000
British Columbia Treaty Commission				166,023	76,800	76,800
Province of British Columbia				-	809,591	561,129
Ottawa Trust revenue				-	5,184	4,507
Logging revenue				-	1,000,349	772,704
Other revenue				95,650	431,545	317,169
<b>Total revenue</b>				<b>261,673</b>	<b>3,574,076</b>	<b>4,913,973</b>
<b>Expenses</b>						
Amortization				-	56,988	63,155
Contractors				-	29,593	64,500
Honorariums				20,200	185,125	224,777
Materials and supplies				186,561	195,610	254,297
Professional fees				29,988	401,977	92,137
Repairs and maintenance				2,500	49,430	131,162
Travel				117,518	84,517	60,352
Wages and benefits				115,984	233,889	212,151
Other expenses				63,526	3,748,579	110,308
<b>Total expenses</b>				<b>536,277</b>	<b>4,985,708</b>	<b>1,212,839</b>
<b>Annual surplus (deficit)</b>				<b>(274,604)</b>	<b>(1,411,632)</b>	<b>3,701,134</b>

### INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the membership of Tlowitsis First Nation:

At the request of the Tlowitsis First Nation, we have reviewed the Schedule of Remuneration and Expenses of Chief and Councilors of the Tlowitsis First Nation for the year ended March 31, 2018 prepared in accordance with the provisions of Section 7.3 of the Indigenous and Northern Affairs Canada Reporting Guide - Financial Reporting Requirements. The schedule has been prepared by management of the Tlowitsis First Nation.

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

Management is responsible for the preparation and fair presentation of this schedule in accordance with the expenses described in Note 16, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

#### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying schedule based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and very in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on this schedule.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that this Schedule is not, in all material respects, in accordance with the provisions of Section 7.3 of the Indigenous and Northern Affairs Canada Reporting Guide - Financial Reporting Requirements

Campbell River, BC  
May 3, 2019

*Moeller Matthews*  
Chartered Professional Accountants