

**Stz'uminus First Nation**  
**Consolidated Financial Statements**  
*March 31, 2016*

Received

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**Stz'uminus First Nation**  
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*For the year ended March 31, 2016*

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## Management's Responsibility

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To the Members of Stz'uminus First Nation:

The accompanying consolidated financial statements of Stz'uminus First Nation are the responsibility of management and have been approved by Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Stz'uminus First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Chief and Council and management to discuss their audit findings.

July 28, 2016

Signed by "Ronda Jordan"

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Director of Finance and Strategic Initiatives

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## Independent Auditors' Report

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To the Members of Stz'uminus First Nation:

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

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

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

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Stz'uminus First Nation as at March 31, 2016 and the results of its operations, change in net financial assets and its cash flows for the year ended then ended in accordance with Canadian public sector accounting standards.

Nanaimo, British Columbia

July 28, 2016

*MNP LLP*

Chartered Professional Accountants

**Stz'uminus First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

|   | 2016              | 2015                                      |
|---|-------------------|---|
| <b>Financial assets</b>                                   |                   |   |
| Cash - unrestricted                                       | 3,858,487         | 4,060,359                                 |
| Accounts receivable (Note 3)                              | 428,567           | 396,696                                   |
| Funds held in trust (Note 4)                              | 775,190           | 811,731                                   |
| Restricted cash (Note 5)                                  | 324,776           | 203,201                                   |
| Investments in First Nation business enterprises (Note 6) | 11,631,657        | 9,833,311                                 |
| <b>Total financial assets</b>                             | <b>17,018,677</b> | <b>15,305,298</b>                         |
| <b>Liabilities</b>  |                   |   |
| Accounts payable and accruals                             | 1,038,438         | 2,006,400                                 |
| Deferred revenue  | 9,935             | 6,909                                     |
| Due to related Nation entities (Note 7)                   | 532,101           | 117,955                                   |
| Accrued sick liability (Note 8)                           | 83,500            | 47,496                                    |
| Long-term debt (Note 9)                                   | 3,962,928         | 3,347,845                                 |
| <b>Total liabilities</b>                                  | <b>5,626,902</b>  | <b>5,526,605</b>                          |
| <b>Net financial assets</b>                               | <b>11,391,775</b> | <b>9,778,693</b>                          |
| <b>Contingencies (Note 10)</b>                            |                   |   |
| <b>Non-financial assets</b>                               |                   |   |
| Tangible capital assets (Schedule 1)                      | 33,393,893        | 33,761,831                                |
| Prepaid expenses  | 119,696           | 148,299                                   |
| <b>Total non-financial assets</b>                         | <b>33,513,589</b> | <b>33,910,130</b>                         |
| <b>Accumulated surplus (Note 11)</b>                      | <b>44,905,364</b> | <b>43,688,823</b>                         |
| <b>Approved on behalf of Chief and Council</b>            |                   |   |
| Signed by "Chief John Elliott" _____                      | Chief             | Signed by "Councillor Herb Seymour" _____ |
|   |                   | Councillor                                |

The accompanying notes are an integral part of these financial statements

# Stz'uminus First Nation

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2016

|  | <i>Schedules</i> | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>       | <b>2015</b>       |
|--|------------------|--------------------------------------|-------------------|-------------------|
| <b>Revenue</b>                                   |                  |                                      |                   |                   |
| Indigenous and Northern Affairs Canada (Note 12) |                  | 6,174,672                            | 7,482,237         | 6,975,300         |
| First Nations Health Authority                   |                  | 1,332,108                            | 1,312,067         | 1,190,809         |
| Province of British Columbia                     |                  | 939,421                              | 925,531           | 876,330           |
| Coast Salish Employment and Training Society     |                  | 394,368                              | 370,824           | 374,024           |
| First Nations Education Steering Committee       |                  | 186,000                              | 338,571           | 314,098           |
| Canada Mortgage and Housing Corporation          |                  | 114,023                              | 99,912            | 60,611            |
| Fisheries and Oceans Canada                      |                  | 63,566                               | 57,209            | 95,238            |
| Earnings from First Nation business enterprises  |                  | -                                    | 2,181,952         | 2,016,646         |
| Other revenue                                    |                  | 403,629                              | 858,893           | 590,748           |
| INAC trust fund interest and contributions       |                  | -                                    | 19,114            | 107,738           |
| Rental income                                    |                  | 197,320                              | 206,010           | 168,092           |
|  |                  | <b>9,805,107</b>                     | <b>13,852,320</b> | <b>12,769,634</b> |
| <b>Expenses</b>                                  |                  |                                      |                   |                   |
| Administration                                   | 3                | 750,031                              | 1,120,668         | 628,033           |
| Education  | 4                | 5,219,971                            | 5,616,076         | 5,696,449         |
| Health   | 5                | 1,242,127                            | 1,358,357         | 1,245,746         |
| Income Assistance                                | 6                | 1,187,782                            | 1,327,466         | 1,180,838         |
| Community Infrastructure                         | 7                | 695,326                              | 903,935           | 1,271,460         |
| Economic Development                             | 8                | 109,947                              | 589,685           | 641,356           |
| Natural Resources                                | 9                | 383,394                              | 239,935           | 352,237           |
| Capital Projects                                 | 10               | -                                    | 290,983           | 293,793           |
| Community  | 11               | 586,740                              | 1,029,496         | 855,079           |
|  |                  | <b>10,175,318</b>                    | <b>12,476,601</b> | <b>12,164,991</b> |
| <b>Annual surplus (deficit) before transfers</b> |                  | <b>(370,211)</b>                     | <b>1,375,719</b>  | <b>604,643</b>    |
| <b>Transfers between programs</b>                |                  | <b>4,623</b>                         | <b>-</b>          | <b>-</b>          |
| <b>Annual surplus (deficit)</b>                  |                  | <b>(365,588)</b>                     | <b>1,375,719</b>  | <b>604,643</b>    |
| <b>Accumulated surplus, beginning of year</b>    |                  | <b>43,688,823</b>                    | <b>43,688,823</b> | <b>43,179,966</b> |
| <b>Distribution to members</b>                   |                  | <b>-</b>                             | <b>(159,178)</b>  | <b>(95,786)</b>   |
| <b>Accumulated surplus, end of year</b>          |                  | <b>43,323,235</b>                    | <b>44,905,364</b> | <b>43,688,823</b> |

The accompanying notes are an integral part of these financial statements

**Stz'uminus First Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>       | <b>2015</b> |
|--|--------------------------------------|-------------------|-------------|
| <b>Annual surplus (deficit)</b>                    | <b>(365,588)</b>                     | <b>1,375,719</b>  | 604,643     |
| Purchases of tangible capital assets               | -                                    | <b>(850,933)</b>  | (2,075,257) |
| Amortization of tangible capital assets            | -                                    | <b>1,218,872</b>  | 1,340,852   |
| Acquisition of prepaid expenses                    | -                                    | -                 | (103,539)   |
| Use of prepaid expenses                            | -                                    | <b>28,602</b>     | -           |
| Write-off of tangible capital assets               | -                                    | -                 | 74,061      |
| Distribution to members                            | -                                    | <b>(159,178)</b>  | (95,786)    |
| Loss on disposal of tangible capital assets        | -                                    | -                 | 26,244      |
| <b>Increase (decrease) in net financial assets</b> | <b>(365,588)</b>                     | <b>1,613,082</b>  | (228,782)   |
| <b>Net financial assets, beginning of year</b>     | <b>9,778,693</b>                     | <b>9,778,693</b>  | 10,007,475  |
| <b>Net financial assets, end of year</b>           | <b>9,413,105</b>                     | <b>11,391,775</b> | 9,778,693   |

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

**Stz'uminus First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

|   | 2016        | 2015        |
|---|-------------|-------------|
| <b>Cash provided by (used for) the following activities</b>         |             |             |
| <b>Operating activities</b>   |             |             |
| Annual surplus  | 1,375,719   | 604,643     |
| Non-cash items  |             |             |
| Amortization  | 1,218,872   | 1,340,852   |
| Loss on disposal of tangible capital assets                         | -           | 26,244      |
| Distribution to members   | (159,178)   | (95,786)    |
| Earnings from First Nation business enterprises                     | (2,181,952) | (2,016,646) |
| Write-off of tangible capital assets                                | -           | 74,061      |
|   | 253,461     | (66,632)    |
| Changes in working capital accounts                                 |             |             |
| Accounts receivable   | (31,871)    | 860,242     |
| Accounts payable and accruals                                       | (958,027)   | 152,672     |
| Deferred revenue  | (6,909)     | (21,154)    |
| Accrued sick liability  | 36,004      | 47,496      |
| Holdbacks payable   | -           | (5,066)     |
| Prepaid expenses  | 28,602      | (103,539)   |
|   | (678,740)   | 864,019     |
| <b>Financing activities</b>   |             |             |
| Advances of long-term debt  | 805,000     | 1,141,374   |
| Repayment of long-term debt   | (189,917)   | (984,608)   |
| Increase in due to related Nation entities                          | 414,146     | -           |
| Decrease in due to related Nation entities                          | -           | (25,308)    |
|   | 1,029,229   | 131,458     |
| <b>Capital activities</b>   |             |             |
| Purchases of tangible capital assets                                | (850,933)   | (2,075,257) |
| Decrease (increase) in funds held in trust                          | 36,541      | (107,738)   |
| Decrease (increase) in restricted cash                              | (121,574)   | 33,663      |
| Distributions from investments in First Nation business enterprises | 383,605     | 188,286     |
|   | (552,361)   | (1,961,046) |
| <b>Decrease in cash resources</b>                                   | (201,872)   | (965,569)   |
| <b>Cash resources, beginning of year</b>                            | 4,060,359   | 5,025,928   |
| <b>Cash resources, end of year</b>                                  | 3,858,487   | 4,060,359   |
| <b>Supplementary cash flow information</b>                          |             |             |
| Interest paid   | 92,316      | 118,776     |
| Interest received   | 26,031      | 32,193      |

The accompanying notes are an integral part of these financial statements



**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**1. Operations**

The Stz'uminus First Nation (the "Nation") is located in the province of British Columbia, and provides various services to its members. Stz'uminus First Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

**2. Significant accounting policies**

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business enterprises. Trusts administered on behalf of third parties by Stz'uminus First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- CMHC Social Housing Program

All inter-entity balances have been eliminated on consolidation.

Stz'uminus First Nation business enterprises, owned or controlled by the Nation's Chief and Council but not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Coast Salish Development Corporation
- Thuy'she'num Property Management Limited Partnership and its general partner, 0848278 B.C. Ltd.
- Deer Point Developments Limited Partnership and its general partner, 0848227 B.C. Ltd.
- Ivy Green Petroleum Limited Partnership and its general partner, 0848277 B.C. Ltd.
- Thuthiqut Resources Limited Partnership and its general partner, 0848274 B.C. Ltd.
- Thuy'she'num Investments Limited Partnership and its general partner, 0924101 B.C. Ltd.

***Basis of presentation***

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

***Tangible capital assets***

Tangible capital assets exceeding \$5,000 are recorded at cost less accumulated amortization. Contributed tangible capital assets are recorded at their fair value on the date of contribution. Amortization is provided on a straight-line basis over the estimated useful life of the assets. In the year of acquisition amortization is taken at one-half the rates. See below for amortization rates of specific assets categories.

All intangible assets and items inherited by the right of the Nation, such as reserve land, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**2. Significant accounting policies** *(Continued from previous page)*

|  | <b>Method</b> | <b>Rate</b> |
|--|---------------|-------------|
| Outdoor lighting and land improvements | straight-line | 20-25 years |
| Buildings and leasehold improvements   | straight-line | 40 years    |
| Vehicles and equipment                 | straight-line | 10 years    |
| Computer hardware and software         | straight-line | 4 years     |
| Roads, streets and bridges             | straight-line | 25 years    |
| Water, sanitary and storm              | straight-line | 20-80 years |
| Band housing                           | straight-line | 25 years    |
| CMHC housing                           | straight-line | 25 years    |

**Funds held in trust**

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

**Net financial assets**

The First Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of consolidated financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets is comprised of two components, non-financial assets and accumulated surplus.

**Asset classification**

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

**2. Significant accounting policies** *(Continued from previous page)*

**Revenue recognition**

i) Government Funding

The Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

ii) First Nation Capital and Revenue Trust Funds

The Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

iii) Canada Mortgage and Housing Corporation ("CMHC")

CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

iv) Housing Rental Income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

v) Own Source Revenue

Own source revenue is recognized as it becomes receivable.

**Measurement uncertainty**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management 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 consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are based on the best information available regarding potentially contaminated sites that the Nation is responsible for. Accrued sick liability is based on an estimate of future sick time usage. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus (deficit) in the periods in which they become known.

**Long-lived assets**

Long-lived assets consist of tangible capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when asset's service potential is reduced. Impairment is measured as the amount by which the assets' carrying amount exceeds its fair value. Any impairment is included in operations for the year. Prices for similar items are used to measure fair value of long-lived assets.

The Nation does not perform impairment testing on its long-lived assets that are held for public administration and situated on its reserve land as it is not possible to determine their fair market value.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**2. Significant accounting policies** *(Continued from previous page)*

***Segments***

The Nation conducts its business through a number of reportable segments as described in Note 15. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

***Liability for contaminated site***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2016 no liability for contaminated site exists.

**2. Significant accounting policies** *(Continued from previous page)*

***Recent accounting pronouncements***

***PS 2200 Related Party Disclosures***

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board ("PSAB") issued a new standard, PS 2200 Related Party Disclosures.

This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the consolidated financial statements.

This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted. The Nation does not expect the application of the new Standard to have a material effect on the consolidated financial statements.

***PS 3210 Assets***

In June 2015, new PS 3210 Assets was included in the CPA Canada Public Sector Accounting Handbook ("PSA HB"). The new Section provides guidance for applying the definition of assets set out in PS 1000 Financial Statement Concepts. The main features of this standard are as follows:

Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.

Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions.

The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services.

A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset, if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits.

A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries.

An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Nation does not expect application of the new Standard to have a material effect on the consolidated financial statements.

**2. Significant accounting policies** *(Continued from previous page)*

***PS 3320 Contingent Assets***

In June 2015, new PS 3320 Contingent Assets was included in the CPA Canada Public Sector Accounting Handbook ("PSA HB"). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

Passing legislation that has retroactive application after the consolidated financial statement date cannot create an existing condition or situation at the consolidated financial statement date.

Elected or public sector entity officials announcing public sector entity intentions after the consolidated financial statement date cannot create an existing condition or situation at the consolidated financial statement date.

Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made.

When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Nation does not expect application of the new Standard to have a material effect on the consolidated financial statements.

***PS 3380 Contractual Rights***

In June 2015, new PS 3380 Contractual Rights was included in the CPA Canada Public Sector Accounting Handbook ("PSA HB"). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.

Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

Disclosures should include descriptions about nature, extent, and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Nation does not expect application of the new Standard to have a material effect on the consolidated financial statements.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**2. Significant accounting policies** *(Continued from previous page)*

**PS 3430 Restructuring Transactions**

In June 2015, new PS 3430 Restructuring Transactions was included in the CPA Canada Public Sector Accounting Handbook ("PSA HB"). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

A restructuring transaction is defined separately from an acquisition. The key distinction between the two is the absence of an exchange of consideration in a restructuring transaction.

A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.

Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.

The increase in net assets or net liabilities resulting from recognition and derecognition of individual assets and liabilities received from all transferors, and transferred to all recipients in a restructuring transaction, is recognized as revenue or as an expense.

Restructuring-related costs are recognized as expenses when incurred.

Individual assets and liabilities received in a restructuring transaction are initially classified based on the accounting policies and circumstances of the recipient at the restructuring date.

The financial position and results of operations prior to the restructuring date are not restated.

Disclosure of information about the transferred assets, liabilities and related operations prior to the restructuring date by the recipient is encouraged but not required.

The Section is effective for new restructuring transactions that occur in fiscal periods beginning on or after April 1, 2018. Earlier application is encouraged. The Nation does not expect application of the new Standard to have a material effect on the consolidated financial statements.

**3. Accounts receivable**

|  | <b>2016</b>    | <b>2015</b> |
|--|----------------|-------------|
| Indigenous and Northern Affairs Canada | <b>84,669</b>  | 55,000      |
| Other government agencies              | <b>1,189</b>   | 78,670      |
| Indirect taxes receivable              | <b>16,351</b>  | 56,833      |
| Other receivables                      | <b>326,358</b> | 206,193     |
|  | <b>428,567</b> | 396,696     |



**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
For the year ended March 31, 2016

**4. Funds held in trust**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Chief and Council.

|                            | 2016           | 2015           |
|----------------------------|----------------|----------------|
| <b>Capital Trust</b>       |                |                |
| Balance, beginning of year | 134,122        | 97,214         |
| Royalties                  | -              | 36,908         |
| Balance, end of year       | 134,122        | 134,122        |
| <b>Revenue Trust</b>       |                |                |
| Balance, beginning of year | 677,609        | 606,779        |
| Interest                   | 16,206         | 29,158         |
| Permit income              | -              | 38,794         |
| Special (BC)               | 2,908          | 2,878          |
| Withdrawal                 | (55,655)       | -              |
| Balance, end of year       | 641,068        | 677,609        |
|                            | <b>775,190</b> | <b>811,731</b> |

**Ottawa Trust Funds**

The Ottawa 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 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*.

**5. Restricted cash**

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited in the amount of \$38,995 (2015 - \$27,216) annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were adequately funded.

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), excess revenues over expenditures for the Post 1996 phases may be retained in an operating reserve. These funds along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At year end, the operating reserve was adequately funded.

Restricted cash is comprised of the following:

|                     | 2016           | 2015           |
|---------------------|----------------|----------------|
| Replacement reserve | 168,804        | 107,939        |
| Operating reserve   | 155,972        | 95,262         |
|                     | <b>324,776</b> | <b>203,201</b> |



**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**6. Investments in First Nation business enterprises**

Summary financial information for each First Nation business enterprise, accounted for using the modified equity method, for their respective year-end of December 31, 2015 is as follows:

|  | <i>Investment<br/>cost</i> | <i>Loans /<br/>advances</i> | <i>Earnings<br/>(loss)</i> | <i>Distributions</i> | <i>2016<br/>Total<br/>investment</i> |
|--|----------------------------|-----------------------------|----------------------------|----------------------|--------------------------------------|
| <b>Wholly-owned Businesses:</b>                      |                            |                             |                            |                      |                                      |
| Coast Salish Development Corporation                 | 471,469                    | -                           | 304,898                    | -                    | 776,367                              |
| Deer Point Developments Limited Partnership          | 399,997                    | 380,567                     | 4,106                      | -                    | 784,670                              |
| Ivy Green Petroleum Limited Partnership              | 462,222                    | 2,144,332                   | 485,883                    | -                    | 3,092,437                            |
| Thuthiqt Resources Limited Partnership               | 3,461                      | 3,146,364                   | 564,257                    | -                    | 3,714,082                            |
| Thuy'she'num Investments Limited Partnership         | (1,189)                    | 1,206,411                   | 337,651                    | -                    | 1,542,873                            |
| Thuy'she'num Property Management Limited Partnership | 39,238                     | 2,496,515                   | 485,157                    | -                    | 3,020,910                            |
| 0848227 B.C. Ltd.                                    | 1                          | -                           | -                          | -                    | 1                                    |
| 0848277 B.C. Ltd.                                    | 1                          | -                           | -                          | -                    | 1                                    |
| 0484278 B.C. Ltd.                                    | 1                          | -                           | -                          | -                    | 1                                    |
| 0848274 B.C. Ltd.                                    | 1                          | -                           | -                          | -                    | 1                                    |
| 0924101 B.C. Ltd.                                    | 1                          | -                           | -                          | -                    | 1                                    |
|  | <b>1,375,203</b>           | <b>9,374,189</b>            | <b>2,181,952</b>           | <b>-</b>             | <b>12,931,344</b>                    |
| Less: Accumulated distributions                      | -                          | -                           | -                          | (1,299,687)          | (1,299,687)                          |
|  | <b>1,375,203</b>           | <b>9,374,189</b>            | <b>2,181,952</b>           | <b>(1,299,687)</b>   | <b>11,631,657</b>                    |

|  | <i>Investment cost</i> | <i>Loans /<br/>advances</i> | <i>Earnings (loss)</i> | <i>Distributions</i> | <i>2015<br/>Total<br/>investment</i> |
|--|------------------------|-----------------------------|------------------------|----------------------|--------------------------------------|
| <b>Wholly-owned Businesses:</b>                      |                        |                             |                        |                      |                                      |
| Coast Salish Development Corporation                 | 596,992                | -                           | (125,516)              | -                    | 471,476                              |
| Deer Point Developments Limited Partnership          | 399,993                | 375,741                     | 4,851                  | -                    | 780,585                              |
| Ivy Green Petroleum Limited Partnership              | 641,841                | 1,764,896                   | 199,817                | -                    | 2,606,554                            |
| Thuthiqt Resources Limited Partnership               | 2,529                  | 2,215,321                   | 931,975                | -                    | 3,149,825                            |
| Thuy'she'num Investments Limited Partnership         | (1,626)                | 769,832                     | 437,016                | -                    | 1,205,222                            |
| Thuy'she'num Property Management Limited Partnership | 6,862                  | 1,960,388                   | 568,503                | -                    | 2,535,753                            |
| 0848227 B.C. Ltd.                                    | 1                      | -                           | -                      | -                    | 1                                    |
| 0848277 B.C. Ltd.                                    | 1                      | -                           | -                      | -                    | 1                                    |
| 0484278 B.C. Ltd.                                    | 1                      | -                           | -                      | -                    | 1                                    |
| 0848274 B.C. Ltd.                                    | 1                      | -                           | -                      | -                    | 1                                    |
| 0924101 B.C. Ltd.                                    | 1                      | -                           | -                      | -                    | 1                                    |
|  | <b>1,646,596</b>       | <b>7,086,178</b>            | <b>2,016,646</b>       | <b>-</b>             | <b>10,749,420</b>                    |
| Less: Accumulated distributions                      | -                      | -                           | -                      | (916,109)            | (916,109)                            |
|  | <b>1,646,596</b>       | <b>7,086,178</b>            | <b>2,016,646</b>       | <b>(916,109)</b>     | <b>9,833,311</b>                     |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**6. Investments in First Nation business enterprises** *(Continued from previous page)*

Summary financial information for each First Nation business enterprise, accounted for using the modified equity method, for their respective year-end of December 31, 2015 is as follows

|                               | <b>Coast Salish<br/>Development<br/>Corporation<br/>As at December<br/>31, 2015</b> | <b>Deer Point<br/>Developments<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2015</b> | <b>Ivy Green<br/>Petroleum<br/>Services Limited<br/>Partnership<br/>As at December<br/>31, 2015</b> | <b>Thuthiqut<br/>Resources<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2015</b> |
|-------------------------------|---|--|---|--|
| <b>Assets</b>                 |   |  |   |  |
| Cash                          | 937,207   | 661,228  | 2,180,117   | 1,542,858  |
| Accounts receivable           | 105,573   | 194  | 59,011  | 57,040   |
| Inventory                     | -   | -  | 213,027   | -  |
| Prepaid expenses              | 19,200  | -  | 1,850   | 800  |
| Advances to related parties   | 1,235,032   | 125,397  | 450,408   | 630,273  |
| Property, plant and equipment | 1,861,685   | -  | 460,758   | 1,522,491  |
| Investment                    | -   | -  | -   | -  |
| Construction in progress      | -   | -  | -   | -  |
| <b>Total assets</b>           | <b>4,158,697</b>  | <b>786,819</b>   | <b>3,365,171</b>  | <b>3,753,462</b>   |
| <b>Liabilities</b>            |   |  |   |  |
| Accounts payable and accruals | 88,616  | 1,496  | 128,137   | 38,689   |
| Deferred revenue              | 1,595,413   | -  | 147,589   | -  |
| Long-term debt                | -   | -  | -   | -  |
| Notes payable                 | -   | 380,567  | 2,144,332   | 3,146,364  |
| Advances from related parties | 1,861,120   | -  | -   | -  |
| <b>Total liabilities</b>      | <b>3,545,149</b>  | <b>382,063</b>   | <b>2,420,058</b>  | <b>3,185,053</b>   |
|                               | <b>613,548</b>  | <b>404,756</b>   | <b>945,113</b>  | <b>568,409</b>   |
| <b>Total revenue</b>          | <b>714,633</b>  | <b>6,836</b>   | <b>5,767,393</b>  | <b>595,216</b>   |
| <b>Total expenses</b>         | <b>525,358</b>  | <b>2,730</b>   | <b>5,281,510</b>  | <b>30,959</b>  |
| <b>Income from operations</b> | <b>189,275</b>  | <b>4,106</b>   | <b>485,883</b>  | <b>564,257</b>   |
| <b>Other income</b>           | <b>115,623</b>  | <b>-</b>   | <b>-</b>  | <b>-</b>   |
| <b>Net income</b>             | <b>304,898</b>  | <b>4,106</b>   | <b>485,883</b>  | <b>564,257</b>   |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**6. Investments in First Nation business enterprises** *(Continued from previous page)*

|                               | <i>Thuy'she'num<br/>Investments<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2015</i> | <i>Thuy'she'num<br/>Property<br/>Management<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2015</i> |
|-------------------------------|---|---|
| <b>Assets</b>                 |   |   |
| Cash                          | 1,046,465   | 1,649,513   |
| Accounts receivable           | 16,000  | 39,717  |
| Inventory                     | -   | -   |
| Prepaid expenses              | -   | 1,732   |
| Advances to related parties   | 269,755   | 897,337   |
| Property, plant and equipment | -   | 185,072   |
| Investment                    | 5,094,751   | 182,527   |
| Construction in progress      | -   | 86,646  |
| <b>Total assets</b>           | <b>6,426,971</b>  | <b>3,042,544</b>  |
| <b>Liabilities</b>            |   |   |
| Accounts payable and accruals | 11,197  | 21,634  |
| Deferred revenue              | -   | -   |
| Long-term debt                | 4,875,000   | -   |
| Notes payable                 | 1,206,411   | 2,496,515   |
| Advances from related parties | -   | -   |
| <b>Total liabilities</b>      | <b>6,092,608</b>  | <b>2,518,149</b>  |
|                               | <b>334,363</b>  | <b>524,395</b>  |
| <b>Total revenue</b>          | <b>466,491</b>  | <b>662,538</b>  |
| <b>Total expenses</b>         | <b>128,840</b>  | <b>177,381</b>  |
| <b>Income from operations</b> | <b>337,651</b>  | <b>485,157</b>  |
| <b>Other income</b>           | <b>-</b>  | <b>-</b>  |
| <b>Net income</b>             | <b>337,651</b>  | <b>485,157</b>  |

Principal repayments on long-term debt of the First Nation's business enterprises in each of the next five years assuming long-term debt subject to refinancing is renewed, are estimated as follows:

|   | <i>2017</i> | <i>2018</i> | <i>2019</i> | <i>2020</i> | <i>2021</i> | <i>Thereafter</i> | <i>Total</i> |
|---|-------------|-------------|-------------|-------------|-------------|-------------------|--------------|
| <b>Long-term debt owed by other organizations of the Nation</b> |             |             |             |             |             |                   |              |
| Thuy'she'num  |             |             |             |             |             |                   |              |
| Investments Limited   |             |             |             |             |             |                   |              |
| Partnership   | 239,000     | 4,636,000   | -           | -           | -           | -                 | 4,875,000    |

The First Nation's investees have a different year-end than March 31, 2016, as described above. The First Nation uses the investees' year-end financial statements to account for its investment in these investees. There have been no significant events or transactions in the interim period.

**7. Due to related Nation entities**

Amounts due to related Nation entities are unsecured, non-interest bearing and due on demand. These entities are related by virtue of common control or joint control by the Nation.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**8. Accrued sick liability**

The Nation provides for sick leave under the following conditions:

- CUPE and Exempt employees accumulate one and one quarter days of sick leave per month;
- CUPE and Exempt employees are limited to accumulate the equivalent of sixty working days pay;
- Sick leave can only be used for paid time off for illness of the employee. Sick leave taken is paid at the employee's normal rate of pay at the time;
- There is no provision for payment of any unused sick bank balance on termination of employment

The estimate for the total accumulated liability is \$208,751, while the accrued balance is \$83,500 (2015 - \$47,496).

Management has not conducted an actuarial valuation.

**9. Long-term debt**

|   | 2016    | 2015    |
|---|---------|---------|
| Phase/Subdivision 10                                      |         |         |
| - Interest at 1.62%, compounded semi-annually             |         |         |
| - Monthly blended payments of \$1,965                     |         |         |
| - Maturity date of January 1, 2023                        |         |         |
| - Secured by buildings with a net book value of \$137,114 |         |         |
| - Balance outstanding                                     | 152,439 | 173,362 |
| Phase/Subdivision 11                                      |         |         |
| - Interest at 1.74%, compounded semi-annually             |         |         |
| - Monthly blended payments of \$2,437                     |         |         |
| - Maturity date of October 1, 2016                        |         |         |
| - Secured by buildings with a net book value of \$152,785 |         |         |
| - Balance outstanding                                     | 16,963  | 45,645  |
| Phase/Subdivision 12-1                                    |         |         |
| - Interest at 1.83%, compounded semi-annually             |         |         |
| - Monthly blended payments of \$2,466                     |         |         |
| - Maturity date of October 1, 2029                        |         |         |
| - Secured by buildings with a net book value of \$395,696 |         |         |
| - Balance outstanding                                     | 355,826 | 378,690 |
| Phase/Subdivision 12-2                                    |         |         |
| - Interest at 2.04%, compounded semi-annually             |         |         |
| - Monthly blended payments of \$2,419                     |         |         |
| - Maturity date of March 1, 2039                          |         |         |
| - Secured by buildings with a net book value of \$567,696 |         |         |
| - Balance outstanding                                     | 533,066 | 551,042 |
| Phase/Subdivision 12-3                                    |         |         |
| - Interest at 0.98%, compounded semi-annually             |         |         |
| - Monthly blended payments of \$2,221                     |         |         |
| - Maturity date of March 1, 2040                          |         |         |
| - Secured by buildings with a net book value of \$601,031 |         |         |
| - Balance outstanding                                     | 569,935 | 590,889 |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**9. Long-term debt** *(Continued from previous page)*

|   | 2016             | 2015             |
|---|------------------|------------------|
| Phase/Subdivision 12-4  |                  |                  |
| - Interest at 0.98%, compounded semi-annually                           |                  |                  |
| - Monthly blended payments of \$2,069                                   |                  |                  |
| - Maturity date of March 1, 2040  |                  |                  |
| - Secured by buildings with a net book value of \$627,613               |                  |                  |
| - Balance outstanding   | 530,964          | 550,485          |
| Bank of Montreal  |                  |                  |
| - Interest at 2.89%, compounded monthly                                 |                  |                  |
| - Monthly blended payments of \$677                                     |                  |                  |
| - Term maturity date of June 30, 2018                                   |                  |                  |
| - Secured by a General Security Agreement and a Band Council Resolution |                  |                  |
| - Balance outstanding   | 133,741          | 137,911          |
| Bank of Montreal  |                  |                  |
| - Interest at 2.92%, compounded monthly                                 |                  |                  |
| - Monthly blended payments of \$5,332                                   |                  |                  |
| - Term maturity date of January 31, 2020                                |                  |                  |
| - Secured by a General Security Agreement and a Band Council Resolution |                  |                  |
| - Balance outstanding   | 882,241          | 919,821          |
| Bank of Montreal  |                  |                  |
| - Interest at 2.45%, compounded monthly                                 |                  |                  |
| - Monthly blended payments of \$3,728                                   |                  |                  |
| - Term maturity date of July 31, 2020                                   |                  |                  |
| - Secured by a General Security Agreement and a Band Council Resolution |                  |                  |
| - Balance outstanding   | 787,753          | -                |
|   | <b>3,962,928</b> | <b>3,347,845</b> |

**10. Contingencies**

The Nation may be contingently liable with respect to Ministerial guarantees for "On Reserve Housing Loans" to various financial institutions in the amount of \$869,482 (2015 - \$820,774). These loan guarantees are in addition to CMHC mortgages.

Stz'uminus First Nation is indirectly a member of Hul'qumi'num Treaty Group, a Society Act incorporation. The Hul'qumi'num Treaty Group has entered into Negotiations Support Agreements on behalf of its members and carried out treaty negotiations with Canada and British Columbia. Under the terms of the agreements, Hul'qumi'num Treaty Group is indebted to Canada. If Stz'uminus First Nation is liable under the Negotiation Support Agreement, the amount is subject to redetermination and consequently indeterminable; and accordingly excluded from these consolidated financial statements. Subject to any treaty or further extension, the indebtedness to Canada is due February 2017.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**11. Accumulated surplus**

Accumulated surplus consists of the following:

|   | 2016              | 2015              |
|---|-------------------|-------------------|
| Equity in Ottawa Trust funds                                      | 337,757           | 811,731           |
| Equity in operating fund  | 3,245,421         | 2,410,405         |
| Equity in tangible capital assets                                 | 29,430,965        | 30,413,986        |
| Investment in First Nation business enterprises (enterprise fund) | 11,631,657        | 9,833,311         |
| Replacement and operating reserves                                | 259,564           | 219,390           |
|   | <b>44,905,364</b> | <b>43,688,823</b> |

Of the balance in the Ottawa Trust fund, \$437,433 has been allocated to the economic development group of the Nation.

**12. Indigenous and Northern Affairs Canada funding reconciliation**

|   | 2016             | 2015             |
|---|------------------|------------------|
| <b>Direct Band Funding</b>                                      |                  |                  |
| INAC revenue per confirmation                                   | 7,772,450        | 7,853,264        |
| Recoveries  | (51,824)         | (388,337)        |
| Anticipated recoveries  | (178,344)        | (236,213)        |
| Education adjustments for 2012/2013 Nominal Roll                | (55,000)         | (258,459)        |
| RRAP funding received in current year but accrued in prior year | (5,045)          | 5,045            |
|   | <b>7,482,237</b> | <b>6,975,300</b> |

**13. Economic dependence**

Stz'uminus First Nation receives a significant portion of its revenue from Indigenous and Northern Affairs Canada ("INAC") as a result of funding agreements entered into with the Government of Canada. These agreements are administered by INAC under the terms and conditions of the *Indian Act*. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

**14. Comparative figures**

Certain comparative figures have been reclassified to conform with current year's presentation.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**15. Segments**

The Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

**Administration:**

Includes general operations, support, and financial management of the Nation.

**Education:**

Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Nation

**Health:**

Includes activities related to the provision of health services within the Nation.

**Income Assistance:**

Includes revenue and expenses relating to the social assistance of the members of the Nation.

**Community Infrastructure:**

Includes the maintenance of infrastructure owned by the Nation.

**Economic Development:**

Includes activities related to the growth of revenue producing projects with the Nation.

**Natural Resources:**

Includes revenue and expenditures related to conservation and stewardship of the Nation's land and resources.

**Capital Projects:**

Includes revenue and expenditures related to capital projects.

**Community:**

Includes revenue and expenditures related to programs put on to support the Stz'uminus First Nation community.

**16. Budget information**

The disclosed budget information has been approved by the Chief and Council of Stz'uminus First Nation. The original budget was approved at the Chief and Council meeting held on April 7, 2015.

**Stz'uminus First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2016*

|  | Land           | Outdoor lighting and land improvements | Buildings and leasehold improvements | Vehicles and equipment | Computer hardware and software | Roads, streets, and bridges | Subtotal          |
|--|----------------|--|--------------------------------------|------------------------|--------------------------------|-----------------------------|-------------------|
| <b>Cost</b>                                      |                |  |                                      |                        |                                |                             |                   |
| Balance, beginning of year                       | 113,156        | 506,269                                | 18,415,796                           | 2,144,773              | 312,847                        | 3,992,574                   | 25,485,415        |
| Acquisition of tangible capital assets           | -              | 58,503                                 | 592,552                              | 111,445                | 20,880                         | -                           | 783,380           |
| Construction-in-progress                         | -              | -                                      | -                                    | -                      | -                              | -                           | -                 |
| Balance, end of year                             | 113,156        | 564,772                                | 19,008,348                           | 2,256,218              | 333,727                        | 3,992,574                   | 26,268,795        |
| <b>Accumulated amortization</b>                  |                |  |                                      |                        |                                |                             |                   |
| Balance, beginning of year                       | -              | 335,779                                | 2,816,005                            | 1,503,188              | 260,159                        | 3,069,321                   | 7,984,452         |
| Annual amortization (recovery)                   | -              | 17,637                                 | 463,645                              | (8,843)                | 15,865                         | 68,133                      | 556,437           |
| Accumulated amortization on disposals            | -              | -                                      | -                                    | -                      | -                              | -                           | -                 |
| Balance, end of year                             | -              | 353,416                                | 3,279,650                            | 1,494,345              | 276,024                        | 3,137,454                   | 8,540,889         |
| <b>Net book value of tangible capital assets</b> | <b>113,156</b> | <b>211,356</b>                         | <b>15,728,698</b>                    | <b>761,873</b>         | <b>57,703</b>                  | <b>855,120</b>              | <b>17,727,906</b> |
| 2015 Net book value of tangible capital assets   | 113,156        | 170,490                                | 15,599,791                           | 641,585                | 52,688                         | 923,253                     | 17,500,963        |



**Stz'uminus First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2016*

|  | <i>Subtotal</i>   | <i>Water, sanitary<br/>and storm</i> | <i>Band housing</i> | <i>CMHC housing</i> | <b>2016</b>       | <b>2015</b>       |
|--|-------------------|--------------------------------------|---------------------|---------------------|-------------------|-------------------|
| <b>Cost</b>                                      |                   |                                      |                     |                     |                   |                   |
| Balance, beginning of year                       | 25,485,415        | 14,240,890                           | 3,183,831           | 6,190,221           | 49,100,357        | 47,201,034        |
| Acquisition of tangible capital assets           | 783,380           | 67,553                               | -                   | -                   | 850,933           | 2,075,257         |
| Construction-in-progress                         | -                 | -                                    | -                   | -                   | -                 | (175,934)         |
| Balance, end of year                             | 26,268,795        | 14,308,443                           | 3,183,831           | 6,190,221           | 49,951,290        | 49,100,357        |
| <b>Accumulated amortization</b>                  |                   |                                      |                     |                     |                   |                   |
| Balance, beginning of year                       | 7,984,452         | 3,241,100                            | 1,382,436           | 2,730,537           | 15,338,525        | 14,073,305        |
| Annual amortization (recovery)                   | 556,437           | 304,729                              | 127,353             | 230,353             | 1,218,872         | 1,340,852         |
| Accumulated amortization on disposals            | -                 | -                                    | -                   | -                   | -                 | (75,631)          |
| Balance, end of year                             | 8,540,889         | 3,545,829                            | 1,509,789           | 2,960,890           | 16,557,397        | 15,338,526        |
| <b>Net book value of tangible capital assets</b> | <b>17,727,906</b> | <b>10,762,614</b>                    | <b>1,674,042</b>    | <b>3,229,331</b>    | <b>33,393,893</b> | <b>33,761,831</b> |
| 2015 Net book value of tangible capital assets   | 17,500,963        | 10,999,790                           | 1,801,395           | 3,459,683           | 33,761,831        |                   |

**Stz'uminus First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>       | <b>2015</b>       |
|---|--------------------------------------|-------------------|-------------------|
| <b>Consolidated expenses by object</b>      |                                      |                   |                   |
| Administration                              | 24,680                               | -                 | -                 |
| Advertising                                 | 12,500                               | 13,606            | 14,423            |
| Amortization                                | -                                    | 1,218,872         | 1,340,852         |
| Automotive                                  | 109,100                              | 128,028           | 117,010           |
| Band housing repairs and maintenance        | 13,750                               | 27,868            | 8,357             |
| Bank charges and interest                   | 18,000                               | 17,536            | 16,527            |
| Community events                            | 15,000                               | 16,487            | 6,749             |
| Consulting                                  | 27,102                               | 22,602            | 38,277            |
| Contracted services                         | 149,035                              | 295,566           | 514,012           |
| Economic development transfers              | -                                    | 463,968           | 455,488           |
| Economic discretionary funds                | 100,000                              | 60,992            | 88,475            |
| Elders costs                                | 3,600                                | 5,314             | 5,201             |
| Fish costs                                  | 48,000                               | -                 | 68,036            |
| Food and beverage                           | 5,457                                | 5,884             | 5,139             |
| Forest range operations                     | -                                    | 300               | 20,567            |
| Funeral                                     | 24,200                               | 35,564            | 33,730            |
| Furniture and equipment                     | 91,238                               | 69,013            | 74,409            |
| Health                                      | 2,400                                | 1,863             | 2,511             |
| Honoraria                                   | 129,550                              | 151,091           | 126,328           |
| Insurance                                   | 115,518                              | 117,721           | 115,119           |
| Interest on long-term debt                  | 64,135                               | 74,780            | 102,249           |
| Loss on disposal of tangible capital assets | -                                    | -                 | 26,244            |
| Meeting                                     | 44,417                               | 48,100            | 42,096            |
| Miscellaneous (recovery)                    | 33,511                               | 19,167            | (24,907)          |
| Mortgage payments                           | 162,708                              | -                 | -                 |
| Office supplies                             | 36,850                               | 56,913            | 35,097            |
| Individual Housing Subsidy payout           | -                                    | -                 | 40,444            |
| Transfer to related parties                 | -                                    | 437,433           | -                 |
| Professional fees                           | 236,315                              | 180,733           | 177,021           |
| Program education                           | 43,900                               | 31,612            | 31,799            |
| Program expense                             | 45,003                               | 39,399            | 23,602            |
| Property tax                                | 13,000                               | 12,958            | 12,473            |
| Rent  | 149,120                              | 145,961           | 125,630           |
| Repairs and maintenance                     | 286,030                              | 397,893           | 325,192           |
| Salaries and benefits                       | 5,125,526                            | 5,265,829         | 4,887,448         |
| Social assistance                           | 1,060,202                            | 1,164,316         | 1,110,452         |
| Supplies                                    | 411,821                              | 472,745           | 400,271           |
| Telephone                                   | 57,865                               | 59,665            | 58,953            |
| Training                                    | 89,100                               | 81,518            | 63,410            |
| Travel                                      | 109,240                              | 129,021           | 99,888            |
| Tuition                                     | 804,451                              | 685,051           | 1,044,886         |
| Utilities                                   | 512,994                              | 521,232           | 531,533           |
|   | <b>10,175,318</b>                    | <b>12,476,601</b> | <b>12,164,991</b> |

**Stz'uminus First Nation**  
**Administration**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>      | <b>2015</b>    |
|--|--------------------------------------|------------------|----------------|
| <b>Revenue</b>   |                                      |                  |                |
| Indigenous and Northern Affairs Canada                         | 607,504                              | 626,912          | 578,879        |
| Other revenue  | 41,294                               | 69,871           | 57,905         |
| INAC trust fund interest and contributions                     | -                                    | 19,114           | 107,738        |
|  | <b>648,798</b>                       | <b>715,897</b>   | <b>744,522</b> |
| <b>Expenses</b>  |                                      |                  |                |
| Administration (recovery)                                      | (449,568)                            | (514,356)        | (502,129)      |
| Advertising  | 3,400                                | 3,543            | 4,733          |
| Amortization (recovery)  | -                                    | (2,061)          | 29,551         |
| Automotive   | -                                    | 82               | -              |
| Bank charges and interest                                      | 18,000                               | 17,536           | 16,391         |
| Community events   | 15,000                               | 16,487           | 6,403          |
| Contracted services  | 90,484                               | 76,016           | 93,069         |
| Elders costs   | -                                    | -                | 107            |
| Funeral  | 7,500                                | 3,424            | 15,669         |
| Furniture and equipment  | 18,688                               | 15,545           | 23,406         |
| Honoraria  | 117,500                              | 137,050          | 114,652        |
| Insurance  | 8,705                                | 12,573           | 13,183         |
| Interest on long-term debt                                     | -                                    | 11               | 6,295          |
| Meeting  | 13,263                               | 12,216           | 13,273         |
| Miscellaneous (recovery)                                       | 10,000                               | 16,964           | (32,594)       |
| Office supplies  | 3,400                                | 5,996            | 5,573          |
| Ottawa Trust Fund allocation to Coast Salish Development Group | -                                    | 437,433          | -              |
| Professional fees  | 57,000                               | 59,425           | 44,263         |
| Rent   | 12,900                               | 13,065           | 13,230         |
| Repairs and maintenance  | 12,632                               | 5,160            | 4,447          |
| Salaries and benefits  | 724,532                              | 728,432          | 689,452        |
| Supplies   | 17,055                               | 15,511           | 12,860         |
| Telephone  | 8,680                                | 9,355            | 7,842          |
| Training   | 15,500                               | 2,280            | 3,015          |
| Travel   | 25,360                               | 35,205           | 29,625         |
| Utilities  | 20,000                               | 13,776           | 15,717         |
|  | <b>750,031</b>                       | <b>1,120,668</b> | <b>628,033</b> |
| <b>Annual surplus (deficit) before transfers</b>               | <b>(101,233)</b>                     | <b>(404,771)</b> | <b>116,489</b> |
| <b>Transfers</b>   | <b>26,631</b>                        | <b>61,238</b>    | <b>50,899</b>  |
| <b>Annual surplus (deficit)</b>                                | <b>(74,602)</b>                      | <b>(343,533)</b> | <b>167,388</b> |

**Stz'uminus First Nation**  
**Education**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>      | <b>2015</b>      |
|--|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                               |                                      |                  |                  |
| Indigenous and Northern Affairs Canada       | 3,604,763                            | 3,891,255        | 3,566,854        |
| Province of British Columbia                 | 692,500                              | 678,610          | 602,919          |
| First Nations Education Steering Committee   | 186,000                              | 329,507          | 314,098          |
| Coast Salish Employment and Training Society | 227,500                              | 227,500          | 227,500          |
| First Nations Health Authority               | 110,268                              | 110,268          | 104,519          |
| Other revenue                                | 60,003                               | 153,185          | 192,707          |
|  | <b>4,881,034</b>                     | <b>5,390,325</b> | <b>5,008,597</b> |
| <b>Expenses</b>                              |                                      |                  |                  |
| Administration                               | 296,952                              | 337,811          | 300,826          |
| Advertising                                  | -                                    | 711              | 1,986            |
| Amortization                                 | -                                    | 408,852          | 402,391          |
| Automotive                                   | 59,000                               | 73,573           | 65,932           |
| Consulting                                   | 5,000                                | 6,031            | 4,907            |
| Contracted services                          | 36,670                               | 57,968           | 44,608           |
| Food and beverage                            | 5,457                                | 5,884            | 5,139            |
| Furniture and equipment                      | 50,500                               | 31,984           | 12,108           |
| Honoraria                                    | 6,050                                | 9,512            | 5,142            |
| Insurance                                    | 50,722                               | 49,946           | 47,251           |
| Interest on long-term debt                   | 64,000                               | 26,403           | 39,356           |
| Meeting                                      | 9,469                                | 13,808           | 5,065            |
| Miscellaneous                                | 7,500                                | 2,204            | 7,303            |
| Office supplies                              | 32,001                               | 50,288           | 28,465           |
| Program education                            | 43,900                               | 31,059           | 31,799           |
| Program expense                              | 37,440                               | 37,993           | 19,431           |
| Property tax                                 | 13,000                               | 12,958           | 12,473           |
| Rent   | 10,700                               | 5,428            | 4,483            |
| Repairs and maintenance                      | 110,889                              | 70,853           | 67,920           |
| Salaries and benefits                        | 2,898,468                            | 2,979,539        | 2,858,130        |
| Social assistance                            | 265,911                              | 275,421          | 295,210          |
| Supplies                                     | 236,749                              | 295,931          | 253,471          |
| Telephone                                    | 26,960                               | 26,600           | 28,258           |
| Training                                     | 56,500                               | 31,688           | 13,658           |
| Travel                                       | 19,278                               | 24,910           | 17,365           |
| Tuition                                      | 804,451                              | 685,051          | 1,044,886        |
| Utilities                                    | 72,404                               | 63,670           | 78,886           |
|  | <b>5,219,971</b>                     | <b>5,616,076</b> | <b>5,696,449</b> |
| <b>Annual deficit before transfers</b>       | <b>(338,937)</b>                     | <b>(225,751)</b> | <b>(687,852)</b> |
| <b>Transfers</b>                             | <b>37,999</b>                        | <b>16,622</b>    | <b>14,497</b>    |
| <b>Annual deficit</b>                        | <b>(300,938)</b>                     | <b>(209,129)</b> | <b>(673,355)</b> |

**Stz'uminus First Nation**  
**Health**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>      | <b>2015</b>      |
|--|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                                   |                                      |                  |                  |
| Indigenous and Northern Affairs Canada           | 101,850                              | 63,726           | 80,732           |
| First Nations Health Authority                   | 1,193,544                            | 1,177,648        | 1,059,648        |
| Other revenue                                    | 12,250                               | 27,419           | 39,914           |
|  | <b>1,307,644</b>                     | <b>1,268,793</b> | <b>1,180,294</b> |
| <b>Expenses</b>                                  |                                      |                  |                  |
| Administration                                   | 90,677                               | 89,926           | 86,679           |
| Advertising                                      | 9,100                                | 9,353            | 7,704            |
| Amortization                                     | -                                    | 45,949           | 45,436           |
| Automotive                                       | 12,300                               | 21,204           | 16,425           |
| Consulting                                       | 21,602                               | 16,571           | 33,370           |
| Contracted services                              | 21,180                               | 28,376           | 19,395           |
| Elders costs                                     | 3,600                                | 5,314            | 5,094            |
| Furniture and equipment                          | 15,550                               | 17,176           | 3,900            |
| Health   | 2,400                                | 1,863            | 2,511            |
| Honoraria  | 6,000                                | 4,530            | 4,034            |
| Insurance  | 12,810                               | 12,810           | 14,594           |
| Meeting  | 21,685                               | 22,451           | 23,415           |
| Miscellaneous                                    | 906                                  | -                | 380              |
| Office supplies                                  | 1,225                                | 602              | 751              |
| Professional fees                                | 75                                   | 469              | 163              |
| Program expense                                  | -                                    | 425              | 48               |
| Repairs and maintenance                          | 13,770                               | 24,752           | 14,041           |
| Salaries and benefits                            | 873,597                              | 904,204          | 810,730          |
| Supplies   | 49,838                               | 70,786           | 80,491           |
| Telephone  | 12,000                               | 13,997           | 12,787           |
| Training   | 11,000                               | 5,712            | 8,134            |
| Travel   | 44,212                               | 44,621           | 34,727           |
| Utilities  | 18,600                               | 17,266           | 20,937           |
|  | <b>1,242,127</b>                     | <b>1,358,357</b> | <b>1,245,746</b> |
| <b>Annual surplus (deficit) before transfers</b> | <b>65,517</b>                        | <b>(89,564)</b>  | <b>(65,452)</b>  |
| <b>Transfers</b>                                 | <b>(14,427)</b>                      | <b>(18,552)</b>  | <b>(14,463)</b>  |
| <b>Annual surplus (deficit)</b>                  | <b>51,090</b>                        | <b>(108,116)</b> | <b>(79,915)</b>  |

**Stz'uminus First Nation**  
**Income Assistance**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>      | <b>2015</b>      |
|--|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                         |                                      |                  |                  |
| Indigenous and Northern Affairs Canada | 1,344,226                            | 1,417,639        | 1,315,666        |
| Other revenue                          | 1,200                                | 875              | 550              |
|  | <b>1,345,426</b>                     | <b>1,418,514</b> | <b>1,316,216</b> |
| <b>Expenses</b>                        |                                      |                  |                  |
| Administration                         | 16,193                               | 16,193           | 16,103           |
| Funeral                                | 16,200                               | 32,140           | 18,146           |
| Furniture and equipment                | -                                    | -                | 1,360            |
| Professional fees                      | 840                                  | 1,075            | 665              |
| Rent                                   | 119,520                              | 114,587          | 87,145           |
| Salaries and benefits                  | 46,971                               | 50,167           | 48,663           |
| Social assistance                      | 794,291                              | 888,894          | 815,242          |
| Supplies                               | 8,767                                | 13,237           | 4,778            |
| Telephone                              | 720                                  | 360              | 480              |
| Training (recovery)                    | 2,500                                | 300              | (58)             |
| Travel                                 | 390                                  | -                | 191              |
| Utilities                              | 181,390                              | 210,513          | 188,123          |
|  | <b>1,187,782</b>                     | <b>1,327,466</b> | <b>1,180,838</b> |
| <b>Annual surplus before transfers</b> | <b>157,644</b>                       | <b>91,048</b>    | <b>135,378</b>   |
| <b>Transfers</b>                       | <b>(156,996)</b>                     | <b>(149,877)</b> | <b>(157,822)</b> |
| <b>Annual surplus (deficit)</b>        | <b>648</b>                           | <b>(58,829)</b>  | <b>(22,444)</b>  |

**Stz'uminus First Nation**  
**Community Infrastructure**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>    | <b>2015</b>      |
|--|--------------------------------------|----------------|------------------|
| <b>Revenue</b>                                   |                                      |                |                  |
| Indigenous and Northern Affairs Canada           | 508,593                              | 672,303        | 756,826          |
| First Nations Health Authority                   | 28,296                               | 24,151         | 26,642           |
| First Nations Education Steering Committee       | -                                    | 9,064          | -                |
| Coast Salish Employment and Training Society     | -                                    | -              | 700              |
| Other revenue                                    | 56,000                               | 184,323        | 75,078           |
| Rental income                                    | 24,600                               | 19,099         | 39,356           |
|  | <b>617,489</b>                       | <b>908,940</b> | <b>898,602</b>   |
| <b>Expenses</b>                                  |                                      |                |                  |
| Administration                                   | 27,762                               | 27,762         | 58,724           |
| Amortization                                     | -                                    | 137,016        | 254,393          |
| Automotive                                       | 31,000                               | 30,720         | 29,166           |
| Band housing repairs and maintenance             | 1,850                                | 650            | 930              |
| Community events                                 | -                                    | -              | 346              |
| Contracted services                              | -                                    | 3,785          | 187,678          |
| Funeral (recovery)                               | 500                                  | -              | (85)             |
| Furniture and equipment                          | 3,500                                | 4,192          | 736              |
| Insurance  | 12,987                               | 12,987         | 13,052           |
| Office supplies                                  | -                                    | 28             | 168              |
| Professional fees                                | -                                    | 150            | -                |
| Rent   | 2,000                                | 847            | 266              |
| Repairs and maintenance                          | 88,750                               | 137,949        | 222,344          |
| Salaries and benefits                            | 305,227                              | 327,559        | 280,288          |
| Supplies   | 5,000                                | 6,747          | 9,959            |
| Telephone  | 5,150                                | 5,694          | 5,265            |
| Training   | 2,100                                | 2,395          | 984              |
| Travel   | 12,500                               | 12,349         | 10,404           |
| Utilities  | 197,000                              | 193,105        | 196,842          |
|  | <b>695,326</b>                       | <b>903,935</b> | <b>1,271,460</b> |
| <b>Annual surplus (deficit) before transfers</b> | <b>(77,837)</b>                      | <b>5,005</b>   | <b>(372,858)</b> |
| <b>Transfers</b>                                 | <b>77,958</b>                        | <b>94,440</b>  | <b>897,389</b>   |
| <b>Annual surplus</b>                            | <b>121</b>                           | <b>99,445</b>  | <b>524,531</b>   |

**Stz'uminus First Nation**  
**Economic Development**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>      | <b>2015</b>      |
|---|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                                  |                                      |                  |                  |
| Indigenous and Northern Affairs Canada          | -                                    | 550,385          | 367,939          |
| Earnings from First Nation business enterprises | -                                    | 2,181,952        | 2,016,646        |
| Other revenue                                   | 142,106                              | 139,230          | 147,574          |
|   | <b>142,106</b>                       | <b>2,871,567</b> | <b>2,532,159</b> |
| <b>Expenses</b>                                 |                                      |                  |                  |
| Administration                                  | 9,947                                | 9,947            | 10,330           |
| Amortization                                    | -                                    | 54,163           | 54,163           |
| Economic development transfers                  | -                                    | 463,968          | 455,488          |
| Economic discretionary funds                    | 100,000                              | 61,267           | 88,475           |
| Forest range operations                         | -                                    | 225              | -                |
| Furniture and equipment                         | -                                    | 115              | 32,900           |
|   | <b>109,947</b>                       | <b>589,685</b>   | <b>641,356</b>   |
| <b>Annual surplus before transfers</b>          | <b>32,159</b>                        | <b>2,281,882</b> | <b>1,890,803</b> |
| <b>Transfers</b>                                | <b>(40,000)</b>                      | <b>(229,749)</b> | <b>(821,286)</b> |
| <b>Annual surplus (deficit)</b>                 | <b>(7,841)</b>                       | <b>2,052,133</b> | <b>1,069,517</b> |



**Stz'uminus First Nation**  
**Natural Resources**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>    | <b>2015</b>     |
|--|--------------------------------------|----------------|-----------------|
| <b>Revenue</b>                                   |                                      |                |                 |
| Province of British Columbia                     | 246,921                              | 246,921        | 273,411         |
| Fisheries and Oceans Canada                      | 63,566                               | 57,209         | 95,238          |
| Coast Salish Employment and Training Society     | 23,544                               | -              | -               |
| Other revenue                                    | 4,000                                | 12,000         | 11,862          |
|  | <b>338,031</b>                       | <b>316,130</b> | <b>380,511</b>  |
| <b>Expenses</b>                                  |                                      |                |                 |
| Administration                                   | 22,684                               | 22,684         | 19,259          |
| Amortization                                     | -                                    | 11,841         | 9,415           |
| Automotive                                       | 5,000                                | 1,293          | 2,439           |
| Consulting                                       | 500                                  | -              | -               |
| Contracted services                              | -                                    | 2,720          | 1,114           |
| Forest range operations                          | -                                    | 75             | 20,567          |
| Fish costs                                       | 48,000                               | -              | 68,036          |
| Honoraria  | -                                    | -              | 2,500           |
| Insurance  | 4,337                                | 3,444          | 3,080           |
| Meeting  | -                                    | -              | 343             |
| Professional fees                                | 175,000                              | 110,164        | 122,480         |
| Rent   | 4,000                                | 765            | 357             |
| Repairs and maintenance                          | 21,900                               | 1,845          | 677             |
| Salaries and benefits                            | 83,961                               | 75,577         | 73,820          |
| Supplies   | 10,922                               | 3,975          | 21,951          |
| Telephone  | 1,590                                | 1,443          | 1,603           |
| Training   | 1,500                                | -              | -               |
| Travel   | 4,000                                | 4,109          | 4,596           |
|  | <b>383,394</b>                       | <b>239,935</b> | <b>352,237</b>  |
| <b>Annual surplus (deficit) before transfers</b> | <b>(45,363)</b>                      | <b>76,195</b>  | <b>28,274</b>   |
| <b>Tranfers</b>                                  | <b>40,000</b>                        | <b>28,866</b>  | <b>(51,214)</b> |
| <b>Annual surplus (deficit)</b>                  | <b>(5,363)</b>                       | <b>105,061</b> | <b>(22,940)</b> |

**Stz'uminus First Nation**  
**Capital Projects**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>     | <b>2015</b> |
|--|--------------------------------------|-----------------|-------------|
| <b>Revenue</b>                         |                                      |                 |             |
| Indigenous and Northern Affairs Canada | -                                    | <b>252,281</b>  | 58,086      |
| <b>Expenses</b>                        |                                      |                 |             |
| Amortization                           | -                                    | <b>290,685</b>  | 286,017     |
| Repairs and maintenance                | -                                    | -               | 7,776       |
| Supplies                               | -                                    | <b>298</b>      | -           |
|  | -                                    | <b>290,983</b>  | 293,793     |
| <b>Annual deficit before transfers</b> | -                                    | <b>(38,702)</b> | (235,707)   |
| <b>Transfers</b>                       | -                                    | <b>65,000</b>   | -           |
| <b>Annual surplus (deficit)</b>        | -                                    | <b>26,298</b>   | (235,707)   |

**Stz'uminus First Nation  
Community**

**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 16)</b> | <b>2016</b>      | <b>2015</b>      |
|--|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                               |                                      |                  |                  |
| Indigenous and Northern Affairs Canada       | 7,737                                | 7,737            | 250,318          |
| Coast Salish Employment and Training Society | 143,324                              | 143,324          | 145,824          |
| Canada Mortgage and Housing Corporation      | 114,023                              | 99,912           | 60,611           |
| Other revenue                                | 86,775                               | 271,991          | 65,158           |
| Rental income                                | 172,720                              | 186,910          | 128,736          |
|  | <b>524,579</b>                       | <b>709,874</b>   | <b>650,647</b>   |
| <b>Expenses</b>                              |                                      |                  |                  |
| Administration                               | 10,032                               | 10,032           | 10,208           |
| Amortization                                 | -                                    | 272,427          | 259,485          |
| Automotive                                   | 1,800                                | 1,157            | 3,047            |
| Band housing repairs and maintenance         | 11,900                               | 27,218           | 7,427            |
| Bank charges and interest                    | -                                    | -                | 136              |
| Contracted services                          | 700                                  | 126,700          | 168,148          |
| Economic discretionary funds (recovery)      | -                                    | (275)            | -                |
| Furniture and equipment                      | 3,000                                | -                | -                |
| Individual Housing Subsidy payout            | -                                    | -                | 40,444           |
| Insurance                                    | 25,957                               | 25,961           | 23,960           |
| Interest on long-term debt                   | 135                                  | 48,367           | 56,598           |
| Loss on disposal of tangible capital assets  | -                                    | -                | 26,244           |
| Meeting (recovery)                           | -                                    | (375)            | -                |
| Miscellaneous                                | 15,105                               | -                | -                |
| Individual Housing Subsidy payout            | 162,708                              | -                | -                |
| Office supplies                              | 224                                  | -                | 140              |
| Professional fees                            | 3,400                                | 9,450            | 9,450            |
| Program education                            | -                                    | 553              | -                |
| Program expense                              | 7,563                                | 980              | 4,124            |
| Rent   | -                                    | 11,269           | 20,150           |
| Repairs and maintenance                      | 38,090                               | 157,333          | 7,987            |
| Salaries and benefits                        | 192,770                              | 200,351          | 126,365          |
| Supplies                                     | 83,491                               | 66,261           | 16,762           |
| Telephone                                    | 2,765                                | 2,216            | 2,719            |
| Training                                     | -                                    | 39,143           | 37,678           |
| Travel                                       | 3,500                                | 7,826            | 2,979            |
| Utilities                                    | 23,600                               | 22,902           | 31,028           |
|  | <b>586,740</b>                       | <b>1,029,496</b> | <b>855,079</b>   |
| <b>Annual deficit before transfers</b>       | <b>(62,161)</b>                      | <b>(319,622)</b> | <b>(204,432)</b> |
| <b>Transfers</b>                             | <b>33,461</b>                        | <b>132,014</b>   | <b>82,001</b>    |
| <b>Annual deficit</b>                        | <b>(28,700)</b>                      | <b>(187,608)</b> | <b>(122,431)</b> |

**From:** Jameel Sayani <Jameel.Sayani@mnp.ca>  
**To:** Richard George <Richard.George@aandc-aadnc.gc.ca>  
**CC:** Ronda Jordan <Ronda.Jordan@stzuminus.com>, Megan McKenzie <Megan.McKenzi...>  
**Date:** 7/29/2016 2:16 PM  
**Subject:** Stz'uminus Fiscal 2015-16 Audit Submission  
**Attachments:** image001.jpg; Stz'uminus Cons. Shedules Electronic sigs Elected - 350710.pdf; Stz'uminus Cons. Shedules Unelected - 350710.pdf; Stz'uminus First Nation Electronic sigs FS Mar 16 - 350710.pdf; Stz'uminus NTR Schedule FS Mar 16 - 350710.pdf

Good afternoon Richard,

I hope all is well on your end.

Please find attached the following documents (with a hardcopy to follow by courier):

- Consolidated Financial Statements for 2015-16
- Notice to Reader Schedules for 2015-16
- Schedule of Remuneration and Expenses for Elected Officials for 2015-16
- Schedule of Remuneration and Expenses for Unelected Senior Officials for 2015-16

Thanks and please feel free to let me know should you require anything further.

Have a great day!

Jameel Sayani, CPA, CA, CAFM  
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[cid:image004.png@01D1E9A3.A43B3620] <ca.linkedin.com/in/jameelsayani/>

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