

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

*Received*

**JUL 29 2016**

# Stz'uminus First Nation

## Contents

For the year ended March 31, 2016

	Page
<b>Management's Responsibility</b>	
<b>Independent Auditors' Report</b>	
<b>Consolidated Financial Statements</b>	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
<b>Notes to the Consolidated Financial Statements .....</b>	<b>5</b>
<b>Schedules</b>	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	20
Schedule 2 - Schedule of Consolidated Expenses by Object.....	22
Schedule 3 - Schedule of Revenue and Expenses - Administration.....	23
Schedule 4 - Schedule of Revenue and Expenses - Education.....	24
Schedule 5 - Schedule of Revenue and Expenses - Health.....	25
Schedule 6 - Schedule of Revenue and Expenses - Income Assistance .....	26
Schedule 7 - Schedule of Revenue and Expenses- Community Infrastructure.....	27
Schedule 8 - Schedule of Revenue and Expenses - Economic Development.....	28
Schedule 9 - Schedule of Revenue and Expenses - Natural Resources.....	29
Schedule 10 - Schedule of Revenue and Expenses - Capital Projects.....	30
Schedule 11 - Schedule of Revenue and Expenses - Community.....	31

## **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*

	<b>2016</b>	<b>2015</b>
<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>	15,305,298
<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>	5,526,605
<b>Net financial assets</b>	<b>11,391,775</b>	9,778,693
<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>	33,910,130
<b>Accumulated surplus (Note 11)</b>	<b>44,905,364</b>	43,688,823

**Approved on behalf of Chief and Council**

Signed by "Chief John Elliott"

Chief

Signed by "Councillor Herb Seymour"

Councillor

**Stz'uminus First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2016*

	<i>Schedules</i>	<i>2016 Budget (Note 16)</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>				
Indigenous and Northern Affairs Canada (Note 12)		<b>6,174,672</b>	<b>7,482,237</b>	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>	12,769,634
<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>	12,164,991
<b>Annual surplus (deficit) before transfers</b>		<b>(370,211)</b>	<b>1,375,719</b>	604,643
<b>Transfers between programs</b>		<b>4,623</b>	-	-
<b>Annual surplus (deficit)</b>		<b>(365,588)</b>	<b>1,375,719</b>	604,643
<b>Accumulated surplus, beginning of year</b>		<b>43,688,823</b>	<b>43,688,823</b>	43,179,966
<b>Distribution to members</b>		<b>-</b>	<b>(159,178)</b>	(95,786)
<b>Accumulated surplus, end of year</b>		<b>43,323,235</b>	<b>44,905,364</b>	43,688,823

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

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

	<b>2016</b>	<b>2015</b>
<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>	<b>4,060,359</b>	5,025,928
<b>Cash resources, end of year</b>	<b>3,858,487</b>	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*

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**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.

**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)*

***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.

**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)**

***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.

**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)**

***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*

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**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	84,669	55,000
Other government agencies	1,189	78,670
Indirect taxes receivable	16,351	56,833
Other receivables	326,358	206,193
	<hr/> <b>428,567</b>	<hr/> <b>396,696</b>

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

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**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.

	<b>2016</b>	<b>2015</b>
<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>Ottawa Trust Funds</b>	  	  
 775,190	  811,731	

**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:

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

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

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**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 cost</i>	<i>Loans / advances</i>	<i>Earnings (loss)</i>	<i>Distributions</i>	<i>2016 Total 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
Thuthiquut 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
	1,375,203	9,374,189	2,181,952	-	12,931,344
Less: Accumulated distributions	-	-	-	(1,299,687)	(1,299,687)
	1,375,203	9,374,189	2,181,952	(1,299,687)	11,631,657
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Earnings (loss)</i>	<i>Distributions</i>	<i>2015 Total 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
Thuthiquut 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
	1,646,596	7,086,178	2,016,646	-	10,749,420
Less: Accumulated distributions	-	-	-	(916,109)	(916,109)
	1,646,596	7,086,178	2,016,646	(916,109)	9,833,311

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

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**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

	<i>Coast Salish Development Corporation</i> <i>As at December 31, 2015</i>	<i>Deer Point Developments Limited Partnership</i> <i>As at December 31, 2015</i>	<i>Ivy Green Petroleum Services Limited Partnership</i> <i>As at December 31, 2015</i>	<i>Thuthiqu Resources Limited Partnership</i> <i>As at December 31, 2015</i>
<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>
	613,548	404,756	945,113	568,409
<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>
Other income	115,623	-	-	-
<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*

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

	<i>Thuy'she'num Investments Limited Partnership As at December 31, 2015</i>	<i>Thuy'she'num Property Management Limited Partnership As at December 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:

	2017	2018	2019	2020	2021	<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*

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**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**

	<b>2016</b>	<b>2015</b>
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	<b>152,439</b>	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	<b>16,963</b>	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	<b>355,826</b>	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	<b>533,066</b>	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	<b>569,935</b>	590,889

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

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

	<b>2016</b>	<b>2015</b>
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	<b>530,964</b>	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	<b>133,741</b>	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	<b>882,241</b>	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	<b>787,753</b>	-
	<b>3,962,928</b>	3,347,845

**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:

	<b>2016</b>	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>	43,688,823

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**

	<b>2016</b>	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>	6,975,300

**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*

	<i>Land</i>	<i>Outdoor lighting and land improvements</i>	<i>Buildings and leasehold improvements</i>	<i>Vehicles and equipment</i>	<i>Computer hardware and software</i>	<i>Roads, streets, and bridges</i>	<i>Subtotal</i>
<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>							
2015 Net book value of tangible capital assets	113,156	211,356	15,728,698	761,873	57,703	855,120	17,727,906

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

	<b>Subtotal</b>	<b>Water, sanitary and storm</b>	<b>Band housing</b>	<b>CMHC housing</b>	<b>2016</b>	<b>2015</b>
<b>Cost</b>						
Balance, beginning of year	<b>25,485,415</b>	<b>14,240,890</b>	<b>3,183,831</b>	<b>6,190,221</b>	<b>49,100,357</b>	<b>47,201,034</b>
Acquisition of tangible capital assets	<b>783,380</b>	<b>67,553</b>	<b>-</b>	<b>-</b>	<b>850,933</b>	<b>2,075,257</b>
Construction-in-progress	-	-	-	-	-	(175,934)
Balance, end of year	<b>26,268,795</b>	<b>14,308,443</b>	<b>3,183,831</b>	<b>6,190,221</b>	<b>49,951,290</b>	<b>49,100,357</b>
<b>Accumulated amortization</b>						
Balance, beginning of year	<b>7,984,452</b>	<b>3,241,100</b>	<b>1,382,436</b>	<b>2,730,537</b>	<b>15,338,525</b>	<b>14,073,305</b>
Annual amortization (recovery)	<b>556,437</b>	<b>304,729</b>	<b>127,353</b>	<b>230,353</b>	<b>1,218,872</b>	<b>1,340,852</b>
Accumulated amortization on disposals	-	-	-	-	-	(75,631)
Balance, end of year	<b>8,540,889</b>	<b>3,545,829</b>	<b>1,509,789</b>	<b>2,960,890</b>	<b>16,557,397</b>	<b>15,338,526</b>
<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</b> <i>Budget</i> <i>(Note 16)</i>	<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 Budget (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 Budget (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>	5,008,597
<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>	5,696,449
<b>Annual deficit before transfers</b>	<b>(338,937)</b>	<b>(225,751)</b>	(687,852)
<b>Transfers</b>	<b>37,999</b>	<b>16,622</b>	14,497
<b>Annual deficit</b>	<b>(300,938)</b>	<b>(209,129)</b>	(673,355)

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

	<b>2016 Budget (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>	1,180,294
<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>	1,245,746
<b>Annual surplus (deficit) before transfers</b>	<b>65,517</b>	<b>(89,564)</b>	(65,452)
<b>Transfers</b>	<b>(14,427)</b>	<b>(18,552)</b>	(14,463)
<b>Annual surplus (deficit)</b>	<b>51,090</b>	<b>(108,116)</b>	(79,915)

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

	<b>2016</b> <i>Budget</i> <i>(Note 16)</i>	<b>2016</b>	2015
<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>	1,316,216
<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>	1,180,838
<b>Annual surplus before transfers</b>	<b>157,644</b>	<b>91,048</b>	135,378
<b>Transfers</b>	<b>(156,996)</b>	<b>(149,877)</b>	(157,822)
<b>Annual surplus (deficit)</b>	<b>648</b>	<b>(58,829)</b>	(22,444)

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

	<b>2016 Budget (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>	898,602
<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>	1,271,460
<b>Annual surplus (deficit) before transfers</b>	<b>(77,837)</b>	<b>5,005</b>	(372,858)
<b>Transfers</b>	<b>77,958</b>	<b>94,440</b>	897,389
<b>Annual surplus</b>	<b>121</b>	<b>99,445</b>	524,531

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

	<b>2016</b> <b>Budget</b> <b>(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 Budget (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>Transfers</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</b> <i>Budget</i> <i>(Note 16)</i>	<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 Budget (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>	650,647
<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>	855,079
<b>Annual deficit before transfers</b>	<b>(62,161)</b>	<b>(319,622)</b>	(204,432)
<b>Transfers</b>	<b>33,461</b>	<b>132,014</b>	82,001
<b>Annual deficit</b>	<b>(28,700)</b>	<b>(187,608)</b>	(122,431)

**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. Sheduless Electronic sigs Elected - 350710.pdf; Stz'uminus Cons. Sheduless 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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