

**Stz'uminus First Nation**  
**Consolidated Financial Statements**  
*March 31, 2018*

# Stz'uminus First Nation

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For the year ended March 31, 2018

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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.

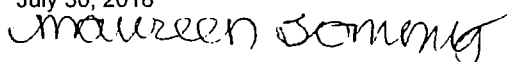
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate 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 fulfill 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 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 30, 2018



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Director of Administration

## 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, 2018, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the 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, 2018 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Nanaimo, British Columbia

July 30, 2018

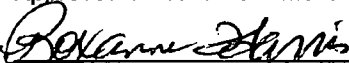
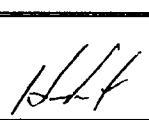
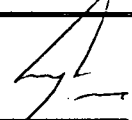
*MNP LLP*

Chartered Professional Accountants

# Stz'uminus First Nation

## Consolidated Statement of Financial Position

As at March 31, 2018

	2018	2017
<b>Financial assets</b>		
Cash	7,938,779	5,029,596
Accounts receivable (Note 4)	1,030,456	582,967
Funds held in trust (Note 5)	135,655	135,531
Restricted cash (Note 6)	345,761	342,305
Investments in First Nation business entities (Note 7)	15,392,400	12,950,798
<b>Total financial assets</b>	<b>24,843,051</b>	<b>19,041,197</b>
<b>Liabilities</b>		
Accounts payable and accruals (Note 8)	1,299,259	886,697
Deferred revenue	164,094	83,483
Due to related Nation entities (Note 9)	718,937	456,185
Accrued sick liability (Note 10)	217,345	146,800
Long-term debt (Note 11)	4,809,697	4,071,339
<b>Total liabilities</b>	<b>7,209,332</b>	<b>5,644,504</b>
<b>Net financial assets</b>	<b>17,633,719</b>	<b>13,396,693</b>
<b>Contingencies (Note 12)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	36,711,762	34,788,566
Prepaid expenses	148,899	150,520
<b>Total non-financial assets</b>	<b>36,860,661</b>	<b>34,939,086</b>
<b>Accumulated surplus (Note 13)</b>	<b>54,494,380</b>	<b>48,335,779</b>
Approved on behalf of Chief and Council		
 Councillor		 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, 2018*

	<i>Schedules</i>	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>				
Indigenous Services Canada (Note 14)		7,828,662	11,729,198	9,066,426
Earnings from First Nation business entities (Note 7)		-	2,833,325	1,916,721
First Nations Health Authority		1,393,569	1,497,425	1,407,583
Province of British Columbia		745,916	997,127	965,283
First Nations Education Steering Committee		449,369	842,786	804,531
Coast Salish Employment and Training Society		370,824	531,081	370,824
Canada Mortgage and Housing Corporation		-	165,737	196,453
Fisheries and Oceans Canada		76,940	51,082	62,893
Other revenue		540,386	1,086,046	1,247,035
Rental income		69,444	226,902	219,570
ISC trust fund interest		-	5,986	10,143
		<b>11,475,110</b>	<b>19,966,695</b>	<b>16,267,462</b>
<b>Expenses</b>				
Administration	3	526,496	737,904	329,473
Education	4	5,925,716	6,714,915	6,331,239
Health	5	1,366,226	1,245,187	1,390,433
Income Assistance	6	1,398,408	1,419,476	1,270,360
Community Infrastructure	7	1,194,428	1,182,015	1,242,741
Economic Development	8	116,937	681,528	531,825
Natural Resources	9	289,560	282,410	290,397
Capital Projects	10	127,068	306,356	295,734
Community	11	620,437	1,069,351	992,449
		<b>11,565,276</b>	<b>13,639,142</b>	<b>12,674,651</b>
<b>Annual surplus (deficit) before other items</b>		<b>(90,166)</b>	<b>6,327,553</b>	<b>3,592,811</b>
<b>Distribution to members</b>		<b>-</b>	<b>(168,952)</b>	<b>(162,397)</b>
<b>Annual surplus (deficit)</b>		<b>(90,166)</b>	<b>6,158,601</b>	<b>3,430,414</b>
<b>Accumulated surplus, beginning of year</b>		<b>48,335,779</b>	<b>48,335,779</b>	<b>44,905,365</b>
<b>Accumulated surplus, end of year</b>		<b>48,245,613</b>	<b>54,494,380</b>	<b>48,335,779</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, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Annual surplus (deficit)</b>	<b>(186,310)</b>	<b>6,158,601</b>	<b>3,430,414</b>
Purchases of tangible capital assets	-	<b>(3,481,550)</b>	<b>(2,851,501)</b>
Amortization of tangible capital assets	-	<b>1,558,354</b>	<b>1,437,878</b>
Write down of tangible capital assets	-	-	<b>18,950</b>
Acquisition (use) of prepaid expenses	-	<b>1,621</b>	<b>(30,823)</b>
<b>Increase (decrease) in net financial assets</b>	<b>(186,310)</b>	<b>4,237,026</b>	<b>2,004,918</b>
<b>Net financial assets, beginning of year</b>	<b>13,396,693</b>	<b>13,396,693</b>	<b>11,391,775</b>
<b>Net financial assets, end of year</b>	<b>13,210,383</b>	<b>17,633,719</b>	<b>13,396,693</b>

*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, 2018*

	2018	2017
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	6,158,601	3,430,414
Non-cash items		
Amortization	1,558,354	1,437,878
Earnings from First Nation business enterprises	(2,833,325)	(1,916,721)
Write down of tangible capital assets	-	18,950
Decrease (increase) in funds held in trust	(124)	639,659
	4,883,506	3,610,180
Changes in working capital accounts		
Accounts receivable	(447,489)	(154,400)
Accounts payable and accruals	412,562	(151,742)
Deferred revenue	80,611	73,548
Accrued sick liability	70,545	63,300
Prepaid expenses	1,621	(30,823)
	5,001,356	3,410,063
<b>Financing activities</b>		
Advances of long-term debt	935,974	309,127
Repayment of long-term debt	(197,615)	(200,716)
Increase (decrease) in due to related Nation entities	262,752	(75,916)
	1,001,111	32,495
<b>Capital activities</b>		
Purchases of tangible capital assets	(3,481,550)	(2,851,501)
Increase in restricted cash	(3,456)	(17,528)
Distributions from First Nation business entities	391,722	597,580
	(3,093,284)	(2,271,449)
<b>Increase in cash</b>	<b>2,909,183</b>	<b>1,171,109</b>
<b>Cash, beginning of year</b>	<b>5,029,596</b>	<b>3,858,487</b>
<b>Cash, end of year</b>	<b>7,938,779</b>	<b>5,029,596</b>

*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, 2018

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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 Nation reporting entity, except for Nation business enterprises. Trusts administered on behalf of third parties by Stz'uminus First Nation are excluded from the Nation reporting entity.

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

- Stu'ate Lelum Secondary School and Chemainus Native College
- CMHC Social Housing Program
- 1089106 B.C. Ltd.

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.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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

***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.

	<b><i>Method</i></b>	<b><i>Rate</i></b>
Outdoor lighting and land improvements	straight-line	20-40 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	25-40 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 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 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 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 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) Other revenue

Other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

**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.

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

**Segments**

The Nation conducts its business through a number of reportable segments as described in Note 16. 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 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, 2018.

At each financial reporting date, the 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 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, 2018 no liability for contaminated site exists.

**3. Change in accounting policies**

**PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions**

Effective April 1, 2017, the Nation adopted the recommendations relating to PS 2200 *Related Party Disclosures* and PS 3420 *Inter-Entity Transactions*, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

These new Sections define a related party and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, a material financial effect on the financial statements. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

There was no material impact on the consolidated financial statements of adopting the new Sections.

**PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights**

Effective April 1, 2017, the Nation adopted the recommendations relating to PS 3210 *Assets*, PS 3320 *Contingent Assets*, and PS 3380 *Contractual Rights*, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

PS 3210 *Assets* provides additional guidance to clarify the definition of assets set out in PS 1000 *Financial Statement Concepts*.

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets.

PS 3380 *Contractual Rights* 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 Section 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.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**3. Change in accounting policies** *(Continued from previous page)*

- 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.

There was no material impact on the consolidated financial statements of adopting the new Sections

**4. Accounts receivable**

	2018	2017
Indigenous Services Canada	346,375	14,476
Goods and Services Tax	32,428	16,780
Other receivables	651,653	551,711
	<b>1,030,456</b>	<b>582,967</b>

**5. Funds held in trust**

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

	2018	2017
<b>Capital Trust</b>		
Balance, beginning and end of year	134,122	134,122
<b>Revenue Trust</b>		
Balance, beginning of year	1,409	641,068
Interest	2,970	7,159
Special (BC)	3,016	2,983
Withdrawal	-	(644,051)
Interest transfer	(5,862)	(5,750)
Balance, end of year	1,533	1,409
	<b>135,655</b>	<b>135,531</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*.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**6. 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 \$34,233 (2017 - \$35,264) 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:

	2018	2017
Replacement reserve	187,140	185,272
Operating reserve	158,621	157,033
	<b>345,761</b>	<b>342,305</b>

**7. Investments in First Nation business entities**

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-end of December 31, 2017 is as follows:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Earnings (loss)</i>	<i>Distributions</i>	<i>2018 Total investment</i>
<b>Wholly-owned Businesses:</b>					
Coast Salish Development Corporation	692,180	-	282,173	-	974,353
Deer Point Developments Limited Partnership	490,405	375,719	(41,357)	-	824,767
Ivy Green Petroleum Limited Partnership	459,230	3,158,156	624,477	-	4,241,863
Thuthiqut Resources Limited Partnership	4,152	4,289,407	1,155,552	-	5,449,111
Thuy'she'num Investments Limited Partnership	(3,292)	1,884,237	327,092	-	2,208,037
Thuy'she'num Property Management Limited Partnership	(35,687)	3,533,574	485,388	-	3,983,275
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>1,606,993</b>	<b>13,241,093</b>	<b>2,833,325</b>	<b>-</b>	<b>17,681,411</b>
Less: Accumulated distributions	-	-	-	(2,289,011)	(2,289,011)
	<b>1,606,993</b>	<b>13,241,093</b>	<b>2,833,325</b>	<b>(2,289,011)</b>	<b>15,392,400</b>

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**7. Investments in First Nation business entities** *(Continued from previous page)*

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Earnings (loss)</i>	<i>Distributions</i>	<i>2017 Total investment</i>
<b>Wholly-owned Businesses:</b>					
Coast Salish Development Corporation	776,373	-	(84,193)	-	692,180
Deer Point Developments Limited Partnership	404,103	380,567	81,432	-	866,102
Ivy Green Petroleum Limited Partnership	461,820	2,630,617	524,949	-	3,617,386
Thuthiquit Resources Limited Partnership	3,461	3,710,621	579,477	-	4,293,559
Thuy'she'num Investments Limited Partnership	(1,188)	1,544,061	338,078	-	1,880,951
Thuy'she'num Property Management Limited Partnership	39,238	2,981,687	476,978	-	3,497,903
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
	1,683,812	11,247,553	1,916,721	-	14,848,086
Less: Accumulated distributions	-	-	-	(1,897,288)	(1,897,288)
	1,683,812	11,247,553	1,916,721	(1,897,288)	12,950,798

Summary financial information for each First Nation business entity, accounted for using the modified equity method, is not available as of the audit report date. Combined financial statements for Coast Salish Development Corporation were prepared for the year ended December 31, 2017. Included in the combined statements are the following entities: Coast Salish Development Corporation, Deer Point Developments Limited Partnership, Ivy Green Petroleum Services Limited Partnership, Thuthiquit Resources Limited Partnership, Thuy'she'num Investments Limited Partnership, and Thuy'she'num Property Management Limited Partnership.

Summary financial information for the combined financial statements of Coast Salish Development Corporation as at December 31, 2017 is as follows:

	<i>Combined Coast Salish Development Corporation As at December 31, 2017</i>
<b>Assets</b>	
Cash	2,086,203
Accounts receivable	523,853
Inventory	334,177
GST recoverable	14,834
Prepaid expenses	431,970
Property, plant and equipment	8,475,325
Portfolio investments	4,971,439
Investment in associates	3,436,528
Due from related parties	2,071,484
Restricted cash	1,783,188
<b>Total assets</b>	<b>24,129,001</b>

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2018*

**7. Investments in First Nation business entities** *(Continued from previous page)*

<b>Liabilities</b>	
Accounts payable and accruals	327,463
Term loans	4,400,000
Provincial sales tax payable	972
Wages payable	10,578
Deferred income	137,488
Due to related parties	350,000
Workers' compensation payable	3,515
Deferred income	2,271,839
<b>Total liabilities</b>	<b>7,501,855</b>
	<b>16,627,146</b>
<b>Total revenue</b>	<b>12,142,176</b>
<b>Total expenses</b>	<b>9,425,401</b>
<b>Income from operations</b>	<b>2,716,775</b>
<b>Other income</b>	<b>62,137</b>
<b>Net income</b>	<b>2,778,912</b>

**8. Accounts payable and accruals**

Included in accounts payable and accruals at year-end are anticipated Indigenous Services Canada recoveries of \$147,675 (2017 - \$37,572).

**9. 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.

**10. 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 \$271,683 (2017 - \$244,663), while the accrued balance is \$217,345 (2017 - \$146,800).

Management has not conducted an actuarial valuation.



**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**11. Long-term debt**

	2018	2017
Phase/Subdivision 10		
- Interest at 2.39% (2017 - 1.62%), compounded semi-annually		
- Monthly blended payments of \$2,001 (2017 - \$1,965)		
- Maturity date of January 1, 2023		
- Secured by buildings with a net book value of \$94,925 (2017 - \$116,019)		
- Balance outstanding	109,548	131,164
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 \$341,117 (2017 - \$368,406)		
- Balance outstanding	308,784	332,512
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 \$517,274 (2017 - \$542,484)		
- Balance outstanding	495,926	514,673
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 \$549,879 (2017 - \$575,455)		
- Balance outstanding	527,370	548,750
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 \$574,199 (2017 - \$600,905)		
- Balance outstanding	491,309	511,228
Phase/Subdivision 12-5		
- Interest at 1.97%, compounded semi-annually		
- Monthly blended payments of \$3,960		
- Maturity date of December 1, 2042		
- Secured by buildings with a net book value of \$1,035,394 (2017 - nil)		
- Balance outstanding	930,972	-
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	124,973	129,411
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	803,219	832,517

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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

	2018	2017
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	735,587	761,957
Ladysmith and District Credit Union		
- Interest at 2.79%, compounded monthly		
- Monthly blended payments of \$2,956		
- Term maturity date of March 10, 2022		
- Secured by land with a net book value of \$608,147 (2017 - \$608,147)		
- Balance outstanding	282,009	309,127
	<b>4,809,697</b>	<b>4,071,339</b>

**12. 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 \$200,227 (2017 - \$215,435). These loan guarantees are in addition to CMHC mortgages.

Stz'uminus First Nation is indirectly a member of Hul'qumi'num Treaty Group, which is incorporated under the BC Society's Act. 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. The due date of the indebtedness to Canada is unknown as at March 31, 2018.

**13. Accumulated surplus**

Accumulated surplus consists of the following:

	2018	2017
Equity in Ottawa Trust funds	135,655	135,531
Equity in operating fund	6,801,581	4,293,869
Equity in tangible capital assets	31,902,065	30,717,227
Investments in First Nation business entities (enterprise fund)	15,392,400	12,950,798
Replacement and operating reserves	262,679	238,354
	<b>54,494,380</b>	<b>48,335,779</b>

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**14. Indigenous Services Canada funding reconciliation**

	2018	2017
Revenue per confirmation	11,894,706	9,103,998
Anticipated recoveries in Direct Tuition	(69,970)	-
Anticipated recoveries in Basic Needs	(52,655)	(4,919)
Anticipated recoveries in Child out of Parental Home	(13,991)	(7,095)
Anticipated recoveries in Special Needs	(6,893)	(24,453)
Anticipated recoveries in Wills & Estate Funding	(4,166)	(617)
Anticipated recoveries in CCIF in Trust/CEDE	-	(488)
Deferred funding in BCCI 17/18 Stz'uminus History	(7,288)	-
Deferred funding in P&ID (Chief and Council)	(10,545)	-
	<b>11,729,198</b>	<b>9,066,426</b>

**15. Economic dependence**

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

**16. 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.

**17. 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 May 2, 2017.

**Stz'uminus First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2018*

	<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	721,303	663,049	19,364,584	2,330,844	458,332	4,982,208	28,520,320
Acquisition of tangible capital assets	-	-	855,173	317,235	51,916	725,829	1,950,153
Transfer of tangible capital assets	-	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	721,303	663,049	20,219,757	2,648,079	510,248	5,708,037	30,470,473
<b>Accumulated amortization</b>							
Balance, beginning of year	-	376,233	3,755,155	1,623,336	324,561	3,225,380	9,304,665
Annual amortization	-	23,036	490,648	148,045	53,634	122,235	837,598
Balance, end of year	-	399,269	4,245,803	1,771,381	378,195	3,347,615	10,142,263
<b>Net book value of tangible capital assets</b>	<b>721,303</b>	<b>263,780</b>	<b>15,973,954</b>	<b>876,698</b>	<b>132,053</b>	<b>2,360,422</b>	<b>20,328,210</b>
2017 Net book value of tangible capital assets	721,303	286,816	15,609,429	707,508	133,771	1,756,828	19,215,655

**Stz'uminus First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2018*

	<i>Subtotal</i>	<i>Water, sanitary and storm</i>	<i>Band housing</i>	<i>CMHC housing</i>	<i>2018</i>	<i>2017</i>
<b>Cost</b>						
Balance, beginning of year	28,520,320	14,312,165	3,761,133	6,190,223	52,783,841	49,951,290
Acquisition of tangible capital assets	1,950,153	282,892	169,970	1,078,535	3,481,550	2,851,501
Transfer of tangible capital assets	-	-	559,286	(559,286)	-	-
Write down of tangible capital assets	-	-	-	-	-	(18,950)
Balance, end of year	30,470,473	14,595,057	4,490,389	6,709,472	56,265,391	52,783,841
<b>Accumulated amortization</b>						
Balance, beginning of year	9,304,665	3,850,672	3,519,400	1,320,538	17,995,275	16,557,397
Annual amortization	837,598	309,203	165,030	246,523	1,558,354	1,437,878
Balance, end of year	10,142,263	4,159,875	3,684,430	1,567,061	19,553,629	17,995,275
<b>Net book value of tangible capital assets</b>	<b>20,328,210</b>	<b>10,435,182</b>	<b>805,959</b>	<b>5,142,411</b>	<b>36,711,762</b>	<b>34,788,566</b>
2017 Net book value of tangible capital assets	19,215,655	10,461,493	2,664,810	2,446,608	34,788,566	

**Stz'uminus First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Consolidated expenses by object</b>			
Administration (recovery)	(43,100)	(84,752)	13,100
Advertising	11,748	5,465	10,228
Amortization	-	1,558,354	1,437,878
Automotive	119,192	114,383	131,481
Bad debts	-	11,296	-
Band housing repairs and maintenance	1,001	22,040	10,626
Bank charges and interest	18,101	19,805	33,581
CMHC expense recovery	-	-	(43,890)
Community events	8,500	16,128	18,397
Consulting	35,573	47,992	57,681
Contracted services	752,085	280,765	191,293
Economic development transfers	-	559,758	409,957
Economic discretionary funds	100,000	45,508	53,092
Elders costs	3,752	296	3,983
Fish costs	50,000	-	1,000
Food and beverage	1,000	5,556	1,664
Forest range operations	-	-	15,172
Funeral	40,840	23,718	26,572
Furniture and equipment	74,689	33,396	131,700
Health	-	3,381	2,854
Honoraria	106,235	159,143	121,164
Insurance	104,928	124,441	122,060
Interest on long-term debt	57,479	93,648	79,679
Meeting	45,986	37,300	23,132
Miscellaneous	9,090	1,174	65,018
Office supplies	58,890	53,852	55,524
Professional fees	197,535	241,282	197,496
Program education	10,900	18,005	34,627
Program expense	34,200	83,484	30,848
Property tax	13,626	4,883	13,626
Rent	137,468	134,254	133,823
Repairs and maintenance	252,088	258,838	446,212
Salaries and benefits	6,052,497	6,398,723	5,531,290
Social assistance	1,142,371	1,309,550	1,090,692
Supplies	397,487	436,582	484,481
Telephone	57,234	57,554	55,709
Training	71,427	81,709	121,337
Transfer to CMHC	123,930	-	-
Travel	122,228	145,624	108,419
Tuition	842,399	783,669	893,314
Utilities	553,897	552,338	559,831
	<b>11,565,276</b>	<b>13,639,142</b>	<b>12,674,651</b>

**Stz'uminus First Nation**  
**Administration**  
**Schedule 3 - Schedule of Revenue and Expenses**

*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous Services Canada	632,280	768,188	648,996
Other revenue	24,300	73,961	120,072
ISC trust fund interest	-	5,986	10,143
	<b>656,580</b>	<b>848,135</b>	<b>779,211</b>
<b>Expenses</b>			
Administration (recovery)	(647,338)	(742,251)	(834,840)
Advertising	5,700	3,534	5,434
Amortization	-	31,680	33,767
Bad debts	-	1,506	-
Bank charges and interest	18,101	19,805	18,684
CMHC expense recovery	-	-	(43,890)
Community events	8,500	19,628	18,612
Consulting	-	7,980	17,396
Contracted services	25,000	85,330	33,031
Funeral	6,500	5,302	6,278
Furniture and equipment	2,000	15,797	19,171
Honoraria	89,500	128,371	106,603
Insurance	878	12,743	13,043
Interest on long-term debt	-	2,563	2,298
Meeting	9,501	10,252	10,149
Miscellaneous (recovery)	1,500	(1,201)	5,887
Office supplies	7,765	7,966	8,878
Professional fees	45,000	65,632	35,070
Rent	13,226	13,834	12,557
Repairs and maintenance	11,000	12,662	12,867
Salaries and benefits	835,754	926,149	761,826
Supplies	20,500	30,234	20,271
Telephone	8,300	10,173	8,201
Training	6,450	4,088	4,874
Travel	39,659	46,765	34,221
Utilities	19,000	19,362	19,085
	<b>526,496</b>	<b>737,904</b>	<b>329,473</b>
<b>Annual surplus before transfers</b>	<b>130,084</b>	<b>110,231</b>	<b>449,738</b>
<b>Transfers</b>	<b>(130,084)</b>	<b>(194,059)</b>	<b>26,640</b>
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>(83,828)</b>	<b>476,378</b>

**Stz'uminus First Nation**  
**Education**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous Services Canada	4,331,808	4,262,856	4,306,108
First Nations Education Steering Committee	449,369	842,786	804,531
Province of British Columbia	710,916	750,206	718,362
Coast Salish Employment and Training Society	227,500	367,132	227,500
First Nations Health Authority	116,333	153,207	135,157
Other revenue	96,753	435,916	392,083
	<b>5,932,679</b>	<b>6,812,103</b>	<b>6,583,741</b>
<b>Expenses</b>			
Administration	395,292	434,629	551,855
Advertising	2,148	-	-
Amortization	-	433,638	411,410
Automotive	70,399	64,737	75,012
Bad debts	-	8,921	-
Consulting	-	7,218	11,509
Contracted services	33,000	48,251	72,019
Food and beverage	1,000	5,556	1,664
Furniture and equipment	46,200	15,030	95,388
Honoraria	7,500	29,684	8,794
Insurance	48,156	51,843	50,843
Interest on long-term debt	27,000	24,021	24,922
Meeting	16,200	24,180	2,035
Miscellaneous	2,600	2,292	3,848
Office supplies	50,550	45,454	45,070
Professional fees	-	8,764	-
Program education	10,900	17,452	34,627
Program expense	30,000	70,717	19,367
Property tax	12,645	1,582	12,645
Rent	14,300	12,367	8,055
Repairs and maintenance	111,638	51,324	128,443
Salaries and benefits	3,578,901	3,794,804	3,157,733
Social assistance	245,615	335,764	243,106
Supplies	264,203	290,341	325,323
Telephone	24,740	25,272	25,633
Training	19,000	15,584	50,552
Travel	14,330	37,253	4,766
Tuition	842,399	783,676	893,314
Utilities	57,000	74,561	73,306
	<b>5,925,716</b>	<b>6,714,915</b>	<b>6,331,239</b>
<b>Annual surplus (deficit) before transfers</b>	<b>6,963</b>	<b>97,188</b>	<b>252,502</b>
<b>Transfers</b>	<b>32,156</b>	<b>77,310</b>	<b>(294,959)</b>
<b>Annual surplus (deficit)</b>	<b>39,119</b>	<b>174,498</b>	<b>(42,457)</b>



**Stz'uminus First Nation**  
**Health**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
First Nations Health Authority	1,251,757	1,317,338	1,246,947
Indigenous Services Canada	109,181	114,265	115,619
Other revenue	-	27,184	77,073
Rental income	-	-	300
	<b>1,360,938</b>	<b>1,458,787</b>	<b>1,439,939</b>
<b>Expenses</b>			
Administration	95,266	95,266	166,512
Advertising	3,900	1,931	4,794
Amortization	-	44,993	45,230
Automotive	15,514	12,783	16,844
Bad debts	-	93	-
Consulting	35,573	32,794	27,946
Contracted services	38,411	41,174	20,580
Elders costs	3,752	296	3,983
Furniture and equipment	4,399	706	12,163
Health	-	3,381	2,854
Honoraria	3,235	177	5,767
Insurance	15,799	14,580	13,490
Meeting	20,285	2,852	10,948
Miscellaneous	4,990	-	-
Office supplies	375	221	1,476
Professional fees	1,075	1,980	5,769
Program expense (recovery)	-	(2,237)	6,750
Repairs and maintenance	11,420	20,292	16,161
Salaries and benefits	947,585	827,102	856,172
Supplies	73,188	62,904	83,936
Telephone	15,174	13,670	13,237
Training	5,000	1,234	3,231
Travel	48,285	46,150	48,768
Utilities	23,000	22,845	23,822
	<b>1,366,226</b>	<b>1,245,187</b>	<b>1,390,433</b>
<b>Annual surplus (deficit) before transfers</b>	<b>(5,288)</b>	<b>213,600</b>	<b>49,506</b>
<b>Transfers</b>	<b>5,288</b>	<b>52,620</b>	<b>(3,552)</b>
<b>Annual surplus</b>	<b>-</b>	<b>266,220</b>	<b>45,954</b>

**Stz'uminus First Nation**  
**Income Assistance**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<i>2018 Budget (Note 17)</i>	<i>2018</i>	<i>2017</i>
<b>Revenue</b>			
Indigenous Services Canada	1,486,623	1,524,963	1,452,964
Other revenue	750	970	985
	<b>1,487,373</b>	<b>1,525,933</b>	<b>1,453,949</b>
<b>Expenses</b>			
Administration	26,743	26,743	16,740
Amortization	-	714	-
Funeral	34,340	18,356	19,795
Furniture and equipment	2,337	115	614
Meeting	-	15	-
Professional fees	1,460	1,485	1,720
Program expense	-	1,725	-
Rent	107,717	104,345	107,978
Salaries and benefits	107,465	94,868	65,959
Social assistance	896,756	973,786	847,586
Supplies	9,600	10,073	9,299
Training	2,499	4,216	-
Travel	1,583	1,349	248
Utilities	207,908	181,686	200,421
	<b>1,398,408</b>	<b>1,419,476</b>	<b>1,270,360</b>
<b>Annual surplus before transfers</b>	<b>88,965</b>	<b>106,457</b>	<b>183,589</b>
<b>Transfers</b>	<b>(88,965)</b>	<b>(83,292)</b>	<b>(147,620)</b>
<b>Annual surplus</b>	<b>-</b>	<b>23,165</b>	<b>35,969</b>

**Stz'uminus First Nation**  
**Community Infrastructure**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b> <i>Budget</i> <i>(Note 17)</i>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous Services Canada	798,816	4,105,078	1,955,877
First Nations Health Authority	25,479	26,880	25,479
Other revenue	50,000	90,903	289,975
Rental income	50,436	41,601	45,553
	<b>924,731</b>	<b>4,264,462</b>	<b>2,316,884</b>
<b>Expenses</b>			
Administration	36,700	20,750	40,272
Amortization	-	462,662	310,640
Automotive	30,999	34,258	36,666
Bad debts	-	11	-
Band housing repairs and maintenance	1,001	-	1,000
Bank charges and interest	-	-	14,897
Consulting	-	-	830
Contracted services	485,366	-	65,328
Furniture and equipment	-	721	2,726
Insurance	23,534	16,226	15,045
Office supplies	-	71	-
Professional fees	-	181	-
Rent	2,225	1,405	5,033
Repairs and maintenance	107,097	79,068	151,921
Salaries and benefits	263,365	317,579	344,778
Supplies	5,000	12,428	20,258
Telephone	3,500	4,275	4,350
Training	1,400	5,759	401
Travel	8,000	4,534	12,088
Utilities	226,241	222,087	216,508
	<b>1,194,428</b>	<b>1,182,015</b>	<b>1,242,741</b>
<b>Annual surplus (deficit) before transfers</b>	<b>(269,697)</b>	<b>3,082,447</b>	<b>1,074,143</b>
<b>Transfers</b>	<b>109,331</b>	<b>203,499</b>	<b>722,416</b>
<b>Annual surplus (deficit)</b>	<b>(160,366)</b>	<b>3,285,946</b>	<b>1,796,559</b>

**Stz'uminus First Nation**  
**Economic Development**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Earnings from First Nation business entities	-	2,833,325	1,916,721
Indigenous Services Canada	-	473,482	431,261
Other revenue	241,959	319,876	186,901
	<b>241,959</b>	<b>3,626,683</b>	<b>2,534,883</b>
<b>Expenses</b>			
Administration	16,937	16,937	11,947
Amortization	-	58,946	56,829
Economic development transfers	-	559,758	409,957
Economic discretionary funds	100,000	45,887	53,092
	<b>116,937</b>	<b>681,528</b>	<b>531,825</b>
<b>Annual surplus before other items</b>	<b>125,022</b>	<b>2,945,155</b>	<b>2,003,058</b>
<b>Distribution to members</b>	-	(168,952)	(162,397)
<b>Transfers</b>	(70,004)	(251,909)	(460,520)
<b>Annual surplus</b>	<b>55,018</b>	<b>2,524,294</b>	<b>1,380,141</b>

**Stz'uminus First Nation**  
**Natural Resources**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Province of British Columbia	35,000	246,921	246,921
Fisheries and Oceans Canada	76,940	51,082	62,893
Other revenue	10,170	11,899	37,717
	<b>122,110</b>	<b>309,902</b>	<b>347,531</b>
<b>Expenses</b>			
Administration	8,546	23,380	23,471
Amortization	-	11,840	11,841
Automotive	600	981	1,423
Bad debts	-	264	-
Fish costs	50,000	-	1,000
Forest range operations	-	-	15,172
Furniture and equipment	-	200	1,638
Insurance	3,500	3,658	3,678
Professional fees	150,000	156,941	147,165
Rent	-	-	200
Repairs and maintenance	-	288	2,073
Salaries and benefits	71,131	78,059	74,920
Supplies	472	2,002	1,948
Telephone	1,440	1,650	1,440
Travel	3,871	3,147	4,428
	<b>289,560</b>	<b>282,410</b>	<b>290,397</b>
<b>Annual surplus (deficit) before transfers</b>	<b>(167,450)</b>	<b>27,492</b>	<b>57,134</b>
<b>Transfers</b>	<b>50,000</b>	<b>31,098</b>	<b>76,793</b>
<b>Annual surplus (deficit)</b>	<b>(117,450)</b>	<b>58,590</b>	<b>133,927</b>

**Stz'uminus First Nation**  
**Capital Projects**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget (Note 17)</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous Services Canada	127,068	127,068	-
Other revenue	-	-	46,299
	<b>127,068</b>	<b>127,068</b>	<b>46,299</b>
<b>Expenses</b>			
Amortization	-	304,751	295,734
Contracted services	127,068	-	-
Supplies	-	1,605	-
	<b>127,068</b>	<b>306,356</b>	<b>295,734</b>
<b>Annual deficit before transfers</b>	-	<b>(179,288)</b>	<b>(249,435)</b>
<b>Transfers</b>	-	<b>8,320</b>	<b>(4,025)</b>
<b>Annual deficit</b>	-	<b>(170,968)</b>	<b>(253,460)</b>

**Stz'uminus First Nation**  
**Community**  
**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b> <i>Budget</i> <i>(Note 17)</i>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous Services Canada	342,886	353,298	155,601
Canada Mortgage and Housing Corporation	-	165,737	196,453
Coast Salish Employment and Training Society	143,324	163,949	143,324
Rental income	19,008	185,301	173,716
Other revenue	116,454	125,336	95,931
	<b>621,672</b>	<b>993,621</b>	<b>765,025</b>
<b>Expenses</b>			
Administration	24,754	39,793	37,143
Amortization	-	209,130	272,427
Automotive	1,680	1,625	1,536
Bad debts	-	500	-
Band housing repairs and maintenance	-	22,040	9,626
Community events (recovery)	-	(3,500)	(215)
Contracted services	43,240	106,010	336
Economic discretionary funds (recovery)	-	(379)	-
Funeral	-	60	500
Furniture and equipment	19,753	826	-
Honoraria	6,000	910	-
Insurance	13,061	25,390	25,961
Interest on long-term debt	30,479	67,064	52,459
Miscellaneous	-	83	55,282
Office supplies	200	140	100
Professional fees	-	6,300	7,773
Program education	-	553	-
Program expense	4,200	13,280	4,731
Property tax	981	3,300	981
Rent	-	2,303	-
Repairs and maintenance	10,933	95,204	134,747
Salaries and benefits	248,296	360,163	269,902
Supplies	24,524	26,993	23,446
Telephone	4,080	2,513	2,848
Training	37,078	50,827	62,278
Transfer to CMHC	123,930	-	-
Travel	6,500	6,426	3,899
Utilities	20,748	31,797	26,689
	<b>620,437</b>	<b>1,069,351</b>	<b>992,449</b>
<b>Annual surplus (deficit) before transfers</b>	<b>1,235</b>	<b>(75,730)</b>	<b>(227,424)</b>
<b>Transfers</b>	<b>-</b>	<b>156,413</b>	<b>84,826</b>
<b>Annual surplus (deficit)</b>	<b>93,615</b>	<b>80,683</b>	<b>(142,598)</b>