

**PAUQUACHIN FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2018**

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**Brynjolfson & Company  
Chartered Professional Accountant**

**PAUQUACHIN FIRST NATION**  
**INDEX TO FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

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## **Management's Statement of Responsibility**

The accompanying consolidated financial statements of Pauquachin First Nation as at March 31, 2018 are the responsibility of management and have been approved by Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the CPA Canada and as such include amounts that are the best estimates and judgments of management.

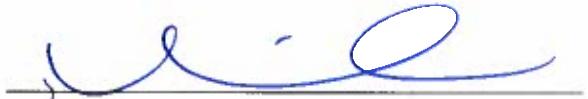
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

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

The external auditors, Brynjolfson & Company, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Pauquachin First Nations and meet when required.

On behalf of Pauquachin First Nation:

  
\_\_\_\_\_  
Band Administrator

Date: October 10, 2018



## Brynjolfson & Co. Chartered Professional Accountant

797 Kona Crescent  
Victoria, B.C. V8X 4N9  
(Tel: 250-727-7169)  
(E-mail: [pbrynjolfson@aol.com](mailto:pbrynjolfson@aol.com))

### INDEPENDENT AUDITOR'S REPORT

To the Members of  
Pauquachin First Nation:

I have audited the accompanying financial statements of the Pauquachin First Nation, which comprises the consolidated statement of financial position as at March 31, 2018, and the consolidated statement of operations, consolidated statement of change in net financial assets (net debt), and consolidated statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's responsibility for the financial statements

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

#### Auditor's responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

In my opinion, the financial statements present fairly, in all materials respects, the financial position of Pauquachin First Nation as at March 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Date: Sept. 28 / 18  
Victoria, BC

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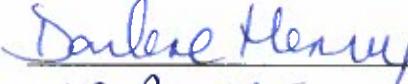
Chartered Professional Accountant

**PAUQUACHIN FIRST NATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**March 31, 2018**

	2018 Actual \$	2017 Actual \$
<b>Financial assets</b>		
Cash	1,798,794	2,642,748
Restricted Cash, Note 3	127,116	170,088
Accounts Receivable, Note 6	761,738	658,756
Investment, Note 11	<u>223,100</u>	—
	<u>2,910,748</u>	<u>3,471,592</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities, Note 10	301,849	274,193
Promissory Note - INAC	112,493	50,540
Reserves, Note 9	149,674	128,919
Debt, Note 8	<u>1,747,842</u>	<u>1,872,897</u>
	<u>2,311,858</u>	<u>2,326,549</u>
<b>Net financial assets</b>	598,890	1,145,043
<b>Non-financial assets</b>		
Tangible capital assets - Note 7	7,804,164	7,928,113
Investment in First Nation Sacred Land (through a society)	1,222,000	—
Prepaid Expenses	<u>64,770</u>	<u>145,987</u>
	<u>9,090,934</u>	<u>8,074,100</u>
<b>Accumulated surplus – Note 13</b>	<u>9,689,824</u>	<u>9,219,143</u>

Approved by:

 Chief  
 Councillor

 Councillor  
 Councillor

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

**PAUQUACHIN FIRST NATION**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended March 31, 2018**

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<b>REVENUE</b>			
Indigenous and Northern Affairs Canada	\$ 1,393,414	\$ 1,393,414	\$1,817,174
INAC – Settlement Funds	-	-	13,246,745
FNHA	515,228	515,228	520,596
Other Revenue	1,251,106	1,730,384	1,278,175
Trust Fund Revenue	369,082	369,082	2,857,107
Rental Income	251,686	204,879	165,599
CMHC Subsidy	66,958	66,958	52,686
Program recoveries	-	(78,170)	(68,585)
	<u>3,847,474</u>	<u>4,201,775</u>	<u>19,869,497</u>
<b>EXPENSES</b>			
Administration	462,039	564,179	442,880
Public Works (O&M and Capital)	692,994	417,832	1,022,537
Education	216,414	244,577	172,838
Social Development	741,749	677,105	593,278
Health	880,751	826,560	744,584
Employment and Job Creation	274,354	187,959	202,649
Band Funds and Other Programs	424,898	640,426	1,213,131
Settlement Funds Flow Through To Trust	-	-	13,426,745
Social Housing	154,275	172,456	234,525
	<u>3,847,474</u>	<u>3,731,094</u>	<u>18,053,167</u>
<b>ANNUAL SURPLUS</b>	<u>—</u>	470,681	1,816,330
<b>ACCUMULATED SURPLUS, Beginning of year</b>		<u>9,219,143</u>	<u>7,402,813</u>
<b>ACCUMULATED SURPLUS, End of year</b>		<u>\$ 9,689,824</u>	<u>\$ 9,219,143</u>

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

**PAUQUACHIN FIRST NATION**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**  
**For the year ended March 31, 2018**

	<b>2018</b> Actual \$	<b>2017</b> Actual \$
Annual surplus	470,681	1,816,330
Acquisition of tangible capital assets Capital Fund	(142,120)	(1,117,963)
Loss of tangible capital asset	-	350,669
Amortization of tangible capital assets	266,069	293,159
Acquisition of prepaid asset	(64,770)	(145,987)
Investment in First Nation Sacred Land (through a society)	(1,222,000)	-
Use of prepaid asset	<u>145,987</u>	<u>450,613</u>
<b>Increase (decrease) in net financial assets</b>	<b>(546,153)</b>	<b>1,646,821</b>
<b>Net financial assets (net debt), beginning of year</b>	<b><u>1,145,043</u></b>	<b><u>(501,778)</u></b>
<b>Net financial assets, end of year</b>	<b><u>598,890</u></b>	<b><u>1,145,043</u></b>

Note: 2018 budget figures are not available.

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

**PAUQUACHIN FIRST NATION**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**For the Year Ended March 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 470,681	\$ 1,816,330
Items not requiring a current outlay of cash:		
- Amortization	266,069	293,159
Changes in non-cash working capital		
- Loan principal repayments included in operations	-	-
- Replacement reserve provisions	20,755	29,131
- Accounts receivable	(102,982)	(394,330)
- Accounts payable	27,656	141,959
- Prepaid expenses	<u>81,217</u>	<u>304,626</u>
<b>Cash provided by operating activities</b>	<u>763,396</u>	<u>2,190,875</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(142,120)	(1,117,963)
Loss of capital tangible capital asset	-	350,669
<b>FINANCING ACTIVITIES</b>		
Increase (decrease) in promissory loan	61,953	(469,638)
Increase (net) in loans	-	10,527
Increase (decrease) in long term debt	-	916,223
Debt payments	(125,055)	(83,634)
<b>INVESTING ACTIVITIES</b>		
Purchase of marketable securities	(223,100)	-
(Increase) in funds invested in First Nation's Society	<u>(1,222,000)</u>	<u>—</u>
<b>INCREASE (DECREASE) IN CASH</b>	<b>(886,926)</b>	<b>1,797,059</b>
<b>CASH – Beginning of year</b>	<u>2,812,836</u>	<u>1,015,777</u>
<b>CASH – End of year</b>	<u>\$1,925,910</u>	<u>\$ 2,812,836</u>
<b>REPRESENTED BY:</b>		
<b>CASH – Unrestricted</b>	<b>\$ 1,798,794</b>	<b>\$ 2,642,748</b>
<b>CASH – Restricted</b>	<u>127,116</u>	<u>170,088</u>
	<b>\$ 1,925,910</b>	<b>\$ 2,812,836</b>

**PAUQUACHIN FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2018**

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## **1. NATURE OF OPERATIONS**

Pauquachin First Nation (the “First Nation”) is an Indian Band as defined by the Indian Act. The First Nation manages various programs offered by Indigenous and Northern Affairs Canada (INAC) and other funding agents to benefit its members. The First Nation also represents its members in the negotiation of treaty settlement and specific lands claims.

## **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

These Consolidated Financial Statements have been prepared in accordance with Canadian public sector accounting standards for government entities as recommended by the CPA Canada Public Sector Accounting Board.

### **a) Reporting Entity**

The reporting entity includes the Pauquachin First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

### **b) Principles of Consolidation**

These financial statements consolidate the assets, liabilities and results of operations for entities which are controlled by the First Nation. Controlled entities are consolidated, except for government business enterprises (GBE), and government business partnerships (GBP), which are accounted for by the modified equity method. All inter-fund and inter-organization transactions and balances have been eliminated on consolidation.

The First Nation records its investments in GBE and GBP on the modified equity basis. Under this basis, the GBE and GBP accounting policies are not adjusted to conform with those of the First Nation and inter-entity transactions and balances are not eliminated. The First Nation recognizes its equity interest in the annual earnings or loss of the GBE and GBP in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions that the First Nation may receive from the GBE and GBP will be reflected as deductions in the investment asset account.

Pauquachin First Nation currently have no commercial enterprises or business operations that are active.

### **c) Cash and Cash Equivalents**

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

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**d) Trust Funds**

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds. The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada 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. They also receive annual revenues from a Legacy Trust Fund administered by a Corporate Trustee.

**e) Deferred Revenue**

Under the terms of the contribution agreement between the First Nation, INAC and certain other agencies, the First Nation may be liable to repay any contributed funds either not expended or not expended in accordance with the agreement. Also, any deficit, supported by claims eligible for reimbursement under the terms and conditions of the funding agreements, may be reimbursed by the contributor subject to the program's terms and conditions. The First Nation has recorded all known unexpended contribution funds as deferred revenue and/or accounts payable.

**f) Debt**

Loan proceeds related to the financing of tangible capital assets are recorded as revenue in the appropriate fund. The loan amount is also recorded as a liability on the Statement of Financial Position and as a reduction in the Tangible Capital Asset Fund.

Debt payments, including principal and interest, are charged to the fund to which they relate. Principal reductions are reflected as a reduction in the liability with an offsetting increase in the Tangible Capital Asset Fund.

**g) Tangible Capital Assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Tangible capital assets are amortized on a straight-line basis over their remaining useful lives as follows:

Buildings and Housing	41 – 50 years straight line basis
Equipment	2 - 20 years straight line basis
Infrastructure	10 - 50 years straight line basis
Vehicles	5 years straight line basis
Mobile Homes	7 - 13 years straight line basis

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

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

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

**h) Revenue Recognition**

**Government Funding:**

The First 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 such. In these circumstances, the First Nation recognized revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**First Nation Capital and Revenue Trust Fund and Legacy Trust Fund:**

The First Nation recognizes revenues 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. Annual revenue from the Legacy Trust Fund is represented by the greater of that years income, or 3.5% of the Capital as of December 31<sup>st</sup> each year.

**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.

**Own Source Revenue:**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

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

**i) Financial Instruments**

Financial instruments are initially classified upon initial recognition as a fair value or amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, and any other items elected by the First Nation to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, are recorded at an amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at an amortized cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss, calculated as the excess of the net recoverable amount of the asset and its carrying value, is reported in the statement of operations and any unrealized gain is adjusted through the statement of re-measurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of re-measurement gains and losses are reversed and recognized in the statement of operations.

The First Nation's financial instruments consist of cash and cash equivalents, accounts receivable, investments, promissory note, long-term debt, accounts payable and accrued liabilities. It is management's opinion that the First Nation is not exposed to significant interest rate, market, currency, credit, or liquidity risks arising from these financial instruments and that the fair value of these financial instruments approximate their carrying values.

**j) Measurement Uncertainty**

In preparing the consolidated financial statements for the First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates

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include allowance for doubtful accounts and amortization. Actual results could differ from these estimates.

**3. CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	\$	\$
Externally restricted		
Social Housing	38,238	84,055
Ottawa Trust Funds	<u>88,878</u>	<u>86,033</u>
	<u>127,116</u>	<u>170,088</u>
Unrestricted		
Cash and banks	<u>1,798,794</u>	<u>2,642,748</u>
Total Cash and Cash Equivalents	<u>1,925,910</u>	<u>2,812,836</u>

**4. TRUST FUNDS**

a) Trust fund accounts arise from moneys derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds are primarily governed by Sections 63 to 69 of the Indian Act.

	Opening Balance	Additions	Withdraws	2018 Total	2017 Total
	\$	\$	\$	\$	\$
Revenue	85,597	2,845	-	88,442	85,597
Capital	<u>436</u>	<u>—</u>	<u>—</u>	<u>436</u>	<u>436</u>
	<u>86,033</u>	<u>2,845</u>	<u>—</u>	<u>88,878</u>	<u>86,033</u>

b) Legacy Trust Fund consists of funds derived from the Hatch Point Claim Settlement. Funds are being held in trust by an appointed independent Corporate Trustee who administers the Trust and maintains its records. The trust fund has not been included in the consolidated financial statement. During the year, \$369,082 was received from the Trust and designated to the Community Development Fund. The balance of the Trust Fund as at March 31, 2018 was \$10,119,319 (2017 - \$10,000,200).

**PAUQUACHIN FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. ECONOMIC DEPENDENCE**

The government of Pauquachin First Nation receives a major portion of its revenue from Indigenous and Northern Affairs Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

**6. ACCOUNTS RECEIVABLE**

	<u>2018</u>	<u>2017</u>
• INAC	\$ 70,953	\$ 18,750
• CSETS	48,185	18,246
• CMHC	62,221	820
• FNHA	90,500	-
• Insurance Claim	230,173	350,669
• Rents	150,800	115,305
• Other	<u>108,906</u>	<u>154,966</u>
	<u>761,738</u>	<u>658,756</u>

**7. TANGIBLE CAPITAL ASSETS**

	<b>C O S T</b>			<b>A M O R T I Z A T I O N</b>			
	Opening Balance	Additions	Closing Balance	Opening Balance	Amorti- zation	Closing Balance	2018 Balance
Buildings	2,199,591	-	2,199,591	636,173	83,256	719,429	1,480,162
Equipment	152,975	-	152,975	66,562	10,290	76,852	76,123
Infrastructure	2,553,872	-	2,553,872	428,753	54,108	482,861	2,071,011
Vehicles	28,496	-	28,496	5,699	5,699	11,398	17,098
Mobile homes	450,000	-	450,000	421,534	5,692	427,226	22,774
Housing	<u>4,808,101</u>	<u>142,120</u>	<u>4,950,221</u>	<u>706,201</u>	<u>107,024</u>	<u>813,225</u>	<u>4,136,996</u>
<b>TOTALS</b>	<b>\$10,193,035</b>	<b>142,120</b>	<b>10,335,155</b>	<b>2,264,922</b>	<b>266,069</b>	<b>2,530,991</b>	<b>7,804,164</b>

\* There were no deletions during the year.

	<u>2018</u>	<u>2017</u>
Mortgage on Phase I housing project, payment of \$2,783 per month including interest at 2.11%, maturity Nov. 1, 2018	\$ 22,084	\$ 54,640
Mortgage on Phase IV housing project, payment of \$290 per month including interest at 1.82%. maturity May 1, 2019	4,015	7,390

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Mortgage on Phase V housing project, payment of \$2,938 per month including interest at 2.06%, renewal Nov. 1, 2022	570,299	594,182
Mortgage on Phase VI project, payment of \$3,541 per month including interest at 1.05%, renewal Aug. 1, 2021	881,715	915,592
Term loan with payments of \$417 per month including interest at 4.68%, due March 30, 2019	5,263	11,987
Term loan with payments of \$463 per month including interest at 4.2%, due March 1, 2020	10,637	15,628
Term loan with payments of \$836 per month including interest at 3.55%, due June 15, 2019	12,244	21,655
Demand loan with payments of \$1,568 per month including interest at 3.91%, due April 1, 2021	<u>241,585</u>	<u>251,823</u>
	<u><b>\$1,747,842</b></u>	<u><b>\$1,872,897</b></u>

Schedule of principal reduction is estimated as follows:

2019	111,069
2020	76,413
2021	67,293
2022	67,572
2023	68,036

## 9. SOCIAL HOUSING RESERVES

### a) Replacement Reserve

Under the terms of the agreement with CMHC, a replacement reserve is maintained to provide for future asset replacement. These funds, along with accumulated interest, must be held in a separate bank account. Use of these funds is restricted to expenditures approved by CMHC.

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**b) Operating Reserve**

Under the terms of the agreement with CMHC (Section 95, Post 1997 on Reserve Program), any surplus revenue will be retained within an Operating Reserve. These funds, along with accumulated interest, must be held in a separate bank account. Use of these funds is restricted to ongoing operating costs of housing projects committed under the Post 1997 On Reserve Program.

**10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2018</u>	<u>2017</u>
Comprised of the following:		
Trade payables	\$ 300,864	\$ 271,310
Accrued salaries and employee benefits payable	<u>985</u>	<u>2,883</u>
	<u><u>\$ 301,849</u></u>	<u><u>\$ 274,193</u></u>

**11. INVESTMENT**

	<u>2018</u>	<u>2017</u>
Comprised of the following:		
RBC Dominion Securities Fixed Income Investment	<u>\$ 223,100</u>	<u>\$ _____</u>

**12. EXPENSES BY OBJECT**

	<u>2018</u>	<u>2017</u>
Wages and benefits	787,102	676,179
Administration	128,438	171,941
Consulting	212,260	178,669
Contracts	263,173	886,891
Debt Servicing	118,065	107,598
Distribution	22,998	648,497
Health Services and Programs	253,607	213,895
Honorarium – Chief / Council / Others	159,099	164,470
Insurance	64,897	30,148
Legal	117,054	181,026
Municipal Services and Fees	131,629	147,485
Other	733,004	508,728
Repairs and maintenance	75,517	82,596
Settlement Flow Through To Trust	-	13,426,745
Student Education Support	164,838	148,701
Social Assistance Services	<u>499,413</u>	<u>479,598</u>
	<u><u>\$ 3,731,094</u></u>	<u><u>\$ 18,053,167</u></u>

**PAUQUACHIN FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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### **13. ACCUMULATED SURPLUS**

Accumulated surplus represents operational surplus/(deficit) and government contributions provided to assist in the purchase or construction of tangible capital assets.

The change in accumulated surplus balance for the year is as follows:

	<u>Trust funds</u>	<u>Operations</u>	<u>Equity in Cap Assets</u>	<u>2018 Total</u>
Opening balance	86,033	2,765,892	6,367,218	9,219,143
Additions	2,846	666,529	142,120	811,495
Deletions	-	-	(340,814)	(340,814)
	<u>88,879</u>	<u>3,432,421</u>	<u>6,168,524</u>	<u>9,689,824</u>

### **14. CONTINGENT LIABILITIES**

- a) Restricted unexpended surpluses can be recovered by the funding agency.
- b) The First Nation has Ministerial Guarantees for loan balances outstanding. The contingent liability as at year-end amounts to \$1,472,267 (2017 - \$1,571,209) as per confirmation provided by Indigenous and Northern Affairs Canada.

### **15. COMPARATIVE FIGURES**

Prior year's comparative amounts have been reclassified where necessary to conform to the current year's presentation.

## 16. SEGMENTED DISCLOSURE

								Pauquachin First Nation	
								2018	2017
								TOTAL	TOTAL
	Admin.	Public Works	Education	Social Development	Health	Employment & Land Use Planning	Band Funds and Other	Social Housing	
<b>Revenue</b>									
INAC	228,085	229,170	206,719	670,157		59,283		1,393,414	1,817,174
INAC - Settlement Funds									13,246,745
FNHA					515,228			515,228	520,596
CMHC		198,424					66,958	265,382	52,686
CSETS						94,683		94,683	96,156
Other	136,292		59,573	30,000	336,220	7,853	952,118	120,100	1,642,156
Trust Fund							369,082		369,082
Recoveries	(11,142)			(67,028)				(78,170)	(68,585)
	353,235	427,594	266,292	633,129	851,448	161,819	1,321,200	187,058	4,201,775
									19,869,497
<b>Expenditure</b>									
Salaries and benefits	154,687	29,477	46,136	76,459	325,989	58,285	96,069	787,102	640,333
Amortization							159,045	107,024	266,069
Direct assistance and grants				600,646					293,159
Debt Servicing	1,185				2,892		20,533		600,646
Settlement Funds Flow Through to Trust									1,241,775
Program delivery costs and other	408,307	388,355	198,441		497,679	129,674	364,779	65,432	24,610
	564,179	417,832	244,577	677,105	826,560	187,959	640,426	172,456	23,486
									13,426,745
									18,053,167
Annual surplus (deficit)	(210,944)	9,762	21,715	(43,976)	24,888	(26,140)	680,774	14,602	470,681
									1,816,330