

XENI GWET'IN FIRST NATIONS GOVERNMENT

FINANCIAL STATEMENTS

MARCH 31, 2017

XENI GWET'IN FIRST NATIONS GOVERNMENT

ANNUAL FINANCIAL REPORT

MARCH 31, 2017

	Page
Management's Responsibility for Financial Reporting	3
Independent Auditor's Report	4
FINANCIAL STATEMENTS	
Statement of Financial Position	5
Statement of Operations and Accumulated Surplus	6
Statement of Changes in Net Financial Assets	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 17
SUPPLEMENTARY INFORMATION	
Independent Auditor's Report on Other Financial Information	18
OPERATING FUND	
Statement of Financial Position	19
Statement of Operations and Equity	20 - 21
Supplementary Statements of Operations and Equity	22 - 74
CAPITAL FUND	
Statement of Financial Position	75
Statement of Changes in Equity	76
SOCIAL HOUSING	
Statement of Financial Position	77
Statement of Operations and Equity	78
TRUST FUND	
Statement of Financial Position	79
Statement of Changes in Equity	80
ENTERPRISE FUND	
Statement of Financial Position	81
Statement of Operations and Equity	82
ENIYUD HEALTH SERVICES FUND	
Statement of Financial Position	83
Statement of Operations and Equity	84
Supplementary Statements of Operations and Equity	85 - 110

TSILHQOT'IN PEOPLE OF XENI



*Xeni Gwet'in First
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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Xeni Gwet'in First Nations Government are the responsibility of management and have been approved by the First Nations Government

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The First Nations Government maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nations Government's assets are appropriately accounted for and adequately safeguarded.

The First Nations Government is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The First Nations Government reviews the financial statements and recommends their approval. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the annual report, the financial statements and the external auditors' report. The Council takes this information into consideration when approving the financial statements for issuance to the Members. The Council also considers, for the approval of the Members, the engagement of the external auditors.

The financial statements have been audited by Tombe Herrington, Chartered Professional Accountants LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. Tombe Herrington, Chartered Professional Accountants LLP have full and free access to the Council of the First Nations Government.

Chief

A handwritten signature in black ink, appearing to be "J. P. ...", written over a horizontal line.

Band Manager

A handwritten signature in black ink, appearing to be "J. P. ...", written over a horizontal line.

TOMBE HERRINGTON

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Member of Canadian Institute of Chartered Business Valuators
Members of Chartered Professional Accountants of BC

Pat Tombe, CPA, CA
Gordon Herrington, CPA, CA, CBV
Diane Routhier, CPA, CA
Incorporated Professionals

INDEPENDENT AUDITOR'S REPORT

**To the Council and Members of
Xeni Gwet'in First Nations Government**

We have audited the accompanying financial statements of Xeni Gwet'in First Nations Government, which comprise the statement of financial position as at March 31, 2017 and the statements of operations and accumulated surplus, changes 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 Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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

Basis for Qualified Opinion

As noted in Note 1 - Significant Accounting Policies regarding tangible capital assets, the Social Housing tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long-term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of tangible capital assets, the related amortization expense, annual surplus and equity in tangible capital assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Xeni Gwet'in First Nations Government as at March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants LLP

Kamloops, British Columbia
October 12, 2017



XENI GWET'IN FIRST NATIONS GOVERNMENT
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 1,437,725	\$ 1,360,351
Restricted cash (Note 3)	235,668	171,197
Accounts receivable (Note 4)	621,366	483,007
Long-term investments (Note 5)	1,103	3
	<u>2,295,862</u>	<u>2,014,558</u>
LIABILITIES		
Bank indebtedness	-	35,000
Accounts payable and accrued liabilities	327,663	254,907
Damage deposits payable	4,338	3,688
Long-term debt (Note 6)	1,037,947	1,099,264
Replacement reserve (Note 7)	102,794	97,350
Operating reserve (Note 8)	32,482	41,317
	<u>1,505,224</u>	<u>1,531,526</u>
NET FINANCIAL ASSETS	<u>790,638</u>	<u>483,032</u>
NON-FINANCIAL ASSETS		
Inventory	26,927	23,678
Prepaid expenses	57,780	77,556
Tangible capital assets (Note 9)	6,144,695	5,093,033
	<u>6,229,402</u>	<u>5,194,267</u>
ACCUMULATED SURPLUS (Note 10)	<u>\$ 7,020,040</u>	<u>\$ 5,677,299</u>

ECONOMIC DEPENDENCE (Note 2)
CONTINGENT LIABILITIES (Note 11)

APPROVED ON BEHALF OF THE MEMBERS



Chief



Manager

XENI GWET'IN FIRST NATIONS GOVERNMENT
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2017

	2017 Budget	2017 Actual	2016 Actual
REVENUES			
Indigenous and Northern Affairs Canada	\$ -	\$ 3,082,445	\$ 1,539,710
CMHC	-	59,250	59,327
Social housing	-	82,348	83,318
Xeni Gwet'in Enterprises	-	1,203,442	1,124,598
Eniyud Health Services	-	1,263,919	1,630,600
Other revenues	-	1,288,027	791,539
	-	6,979,431	5,229,092
EXPENSES			
Economic development	-	238,684	318,045
Education	-	343,346	372,025
Social development	-	447,864	465,615
Capital facilities and community	-	618,192	686,727
Social housing	-	141,598	142,645
Xeni Gwet'in Enterprises	-	1,217,473	1,121,846
Eniyud Health Services	-	1,132,375	869,833
Band support	-	1,500,307	1,383,300
	-	5,639,839	5,360,036
ANNUAL SURPLUS (DEFICIT)	-	1,339,592	(130,944)
ACCUMULATED SURPLUS, beginning of year	-	5,677,299	5,804,987
INTEREST EARNED ON OTTAWA TRUST FUNDS	-	3,149	3,256
ACCUMULATED SURPLUS, end of year	\$ -	\$ 7,020,040	\$ 5,677,299

XENI GWET'IN FIRST NATIONS GOVERNMENT
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2017

	2017 Budget	2017 Actual	2016 Actual
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ -	\$ 1,339,592	\$ (130,944)
Purchases of tangible capital assets	-	(1,528,919)	(79,330)
Amortization of tangible capital assets	-	477,257	452,303
Interest earned on Ottawa Trust funds	-	3,149	3,256
Consumption (acquisition) of inventory	-	(3,249)	2,003
Use (increase) of prepaid expenses	-	19,776	(18,513)
INCREASE IN NET FINANCIAL ASSETS	-	307,606	228,775
NET FINANCIAL ASSETS, beginning of year	-	483,032	254,257
NET FINANCIAL ASSETS, end of year	\$ -	\$ 790,638	\$ 483,032

XENI GWET'IN FIRST NATIONS GOVERNMENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 1,339,592	\$ (130,944)
Adjustment for items not involving cash.		
Amortization of tangible capital assets	477,257	452,303
Increase (decrease) in replacement reserve and operating reserves	(3,391)	9,287
Change in non-cash operating items	(109,748)	(287,940)
Cash flows from operating activities	1,703,710	42,706
FINANCING ACTIVITY		
Repayments of long-term debt	(61,317)	(68,274)
INVESTING ACTIVITY		
Purchase of investments	(1,100)	-
CAPITAL ACTIVITY		
Purchase of tangible capital assets	(1,528,919)	(79,330)
INCREASE (DECREASE) IN CASH, during the year	112,374	(104,898)
CASH, beginning of year	1,325,351	1,430,249
Cash, end of year	\$ 1,437,725	\$ 1,325,351
COMPRISED OF		
Cash	\$ 1,437,725	\$ 1,360,351
Bank indebtedness	-	(35,000)
	\$ 1,437,725	\$ 1,325,351
 Cash paid during the year for interest	 \$ 17,463	 \$ 18,593

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

1 SIGNIFICANT ACCOUNTING POLICIES

These financial statements of the Xeni Gwet'in First Nations Government have been prepared in accordance with Canadian public sector accounting standards, as defined in the CPA Canada Public Sector Accounting Handbook, which encompasses the following principles

a) Reporting Entity and Principles of Financial Reporting

The Xeni Gwet'in First Nations Government reporting entity includes the Xeni Gwet'in First Nations Government and all related entities which are accountable to the First Nations Government and are either owned or controlled by the First Nations Government

b) Revenue Recognition

Government grants and transfers, which include Federal funding agreements, are recognized in the financial statements in the period in which events giving rise to the transfers occur, provided the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. When eligibility criteria is not met, transfers received are reflected as deferred revenue in the year of receipt and classified as such on the Statement of Financial Position.

Rental revenue is recognized when a tenant commences occupancy and rent is due. The First Nations Government retains all benefits and risks of ownership of its property and, therefore, accounts for leases with its tenants as operating leases.

Periodic revenue is recognized on an accrual basis commencing at the beginning of the month.

c) Ottawa Trust Monies

Ottawa Trust monies are recorded using the accrual method of accounting for revenue earned in the Trust fund.

d) Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

e) Tangible Capital Assets

Tangible capital assets, including property and infrastructure expenditures incurred after April 1, 1990, are initially recorded at acquisition cost. Expenditures incurred previous to April 1, 1990 are reflected at a nominal amount. Tangible capital assets are stated at cost less accumulated amortization. Costs include amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of the tangible capital assets are amortized over their estimated useful lives using the straight-line method at the following rates:

Office furniture and equipment	30%
Buildings	4%
Mobile home	4%
Band houses	4%
Infrastructure	4%
Other equipment	10%
Excavating equipment	30%
Automotive equipment	30%

Social Housing assets acquired under Canada Mortgage and Housing Corporation (CMHC) subsidized housing programs are amortized at a rate equivalent to the annual principal reduction in the related long-term debt, as required for CMHC reporting purposes.

f) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make assumptions and estimates that have an effect on the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could be different from those estimates.

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Financial Instruments

The Xeni Gwet'in First Nations Government recognizes and measures financial assets and financial liabilities on the Statement of Financial Position when it becomes a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded on a trade date or settlement date basis. All financial instruments are measured at fair value on the initial recognition. Financial instruments are subsequently measured at amortized cost as the Xeni Gwet'in First Nations Government has not entered into any derivative contracts and it does not hold any investments in equity instruments quoted on the active market. Since no financial instruments are measured at fair value after the initial recognition, a Statement of Remeasurement Gains and Losses has not been presented in these financial statements.

2. ECONOMIC DEPENDENCE

A significant portion of the First Nation's revenue is comprised of funding received from Indigenous and Northern Affairs Canada (INAC) and other government departments.

3 RESTRICTED CASH

	2017	2016
Social Housing replacement reserve - cash	\$ 92,989	\$ 31,668
Social Housing operating reserve - cash	27,929	27,929
Ottawa Trust Monies - cash	114,750	111,600
	<u>\$ 235,668</u>	<u>\$ 171,197</u>

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. These funds are restricted in their use. The Xeni Gwet'in First Nations Government is permitted to use its revenue for any purpose that will promote the general progress and welfare of the Band and Band members. The expenditures of the capital funds requires the consent of Indigenous and Northern Affairs Canada and generally must be for projects of a capital nature. Withdrawals of revenue or capital funds are recorded as revenue in the applicable fund where the monies are expended.

The Social Housing restricted cash is derived under the terms of the agreement with CMHC, the account is to be credited 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.

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

4 ACCOUNTS RECEIVABLE

	2017	2016
Chief, councilors and band members	\$ 26,828	\$ 28,648
Indigenous and Northern Affairs Canada	81,766	-
CCATEC	-	13,185
CMHC	53,906	4,944
First Nations Health Authority	117,657	336,000
GST rebate	36,923	16,060
Interior Roads	19,324	8,829
Other	128,029	115,757
Province of BC	200,000	-
Social Housing rents receivable	11,318	10,015
	675,751	533,438
Less allowance for doubtful accounts (includes \$15,462 for amounts from band members)	(54,385)	(50,431)
	\$ 621,366	\$ 483,007

5 LONG TERM INVESTMENTS

	2017	2016
Cariboo Indian Enterprises Ltd - shares, at cost (inactive)	\$ 1	\$ 1
Tsilhqot'in Economic Development Corp - shares, at cost (inactive)	1	1
Tsilhqot'in Forest Products Inc - shares, at cost (inactive)	1	1
Tsilhqot'in Economic Advancement GP Ltd - shares, at cost	1,000	-
Dandzen Development Limited Partnership - partnership interest, at cost	100	-
	\$ 1,103	\$ 3

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

6 LONG TERM DEBT

	2017	2016
All Nations Trust Company mortgage, repayable in monthly instalments of \$3,829 including interest at 1 65% per annum, renewal date June 2017	\$ 613,378	\$ 648,944
All Nations Trust Company mortgage, repayable in monthly instalments of \$2,637 including interest at 1 44% per annum, renewal date February 2022	424,569	449,549
CMHC RRAP loans, repaid during the year	-	771
	<u>\$ 1,037,947</u>	<u>\$ 1,099,264</u>

The Social Housing mortgages are secured by a ministerial guarantee from the federal government

Subsequent to year-end, the All Nations Trust Company mortgage in the amount of \$613,378 was renewed The estimated principal repayments below take into account the new repayment terms

The principal portion of debt due over the next five years and thereafter are as follows

2018	\$ 62,489
2019	63,608
2020	64,476
2021	65,357
2022	358,568
Thereafter	<u>423,449</u>
	<u>\$ 1,037,947</u>

XENI GWET'IN FIRST NATIONS GOVERNMENT**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2017****7 REPLACEMENT RESERVE**

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$14,000 (2016 - \$14,000) annually. Withdrawals are credited to interest first and then principal.

	2017	2016
Balance, beginning of year	\$ 97,350	\$ 83,350
Allocation as per budget	14,000	14,000
Purchases during the year	(8,556)	-
Balance, end of year	\$ 102,794	\$ 97,350

8 OPERATING RESERVE

Under the terms of agreement with CMHC, after the payment of all costs and expenses including the allocation to the Replacement Reserve, any surplus revenue will be retained by the First Nation within an Operating Reserve fund. Interest earnings must accrue to and be maintained in the Operating Reserve fund. The Project's Operating Reserve fund may only be used for the ongoing operating cost of the housing projects committed under the 1997 On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. The First Nation agrees to maintain an Operating Reserve fund insured by the Canada Deposit Insurance Corporation, or as may otherwise be mutually agreed to by the First Nation and CMHC.

	2017	2016
Balance, beginning of year	\$ 41,317	\$ 46,030
Allocation for the year	(8,835)	(4,713)
Balance, end of year	\$ 32,482	\$ 41,317

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

9 TANGIBLE CAPITAL ASSETS

	2017			2016		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
First Nations Government						
Office furniture and equipment	\$ 72,677	\$ 72,677	\$ -	\$ 72,677	\$ 72,677	\$ -
Buildings	877,794	406,579	471,215	1,604,304	722,031	882,273
Mobile home	67,300	63,262	4,038	67,300	60,570	6,730
Band houses	814,713	599,986	214,727	814,713	567,397	247,316
Infrastructure	5,563,573	3,201,684	2,361,889	4,848,396	2,979,141	1,869,255
Infrastructure under construction	456,541	-	456,541	-	-	-
Automotive	116,887	116,887	-	116,887	115,486	1,401
Other equipment	455,587	425,121	30,466	455,587	387,870	67,717
Pre-1991 assets	1	1	-	1	1	-
	<u>8,425,073</u>	<u>4,886,197</u>	<u>3,538,876</u>	<u>7,979,865</u>	<u>4,905,173</u>	<u>3,074,692</u>
Social Housing Project						
Buildings	2,160,027	491,177	1,668,850	2,160,027	430,632	1,729,395
Health						
Elders' Centre	1,192,696	415,932	776,764	138,879	20,832	118,047
Office furniture and equipment	65,280	65,280	-	65,280	65,280	-
Automotive equipment	212,243	199,443	12,800	212,243	176,343	35,900
	<u>1,470,219</u>	<u>680,655</u>	<u>789,564</u>	<u>416,402</u>	<u>262,455</u>	<u>153,947</u>
Enterprises						
Office furniture and equipment	48,517	47,585	932	48,517	46,886	1,631
Shop	182,545	56,998	125,547	182,545	49,696	132,849
Excavating equipment	494,353	494,353	-	494,353	493,834	519
Automotive equipment	145,538	124,612	20,926	115,644	115,644	-
	<u>870,953</u>	<u>723,548</u>	<u>147,405</u>	<u>841,059</u>	<u>706,060</u>	<u>134,999</u>
	<u>\$ 12,926,272</u>	<u>\$ 6,781,577</u>	<u>\$ 6,144,695</u>	<u>\$ 11,397,353</u>	<u>\$ 6,304,320</u>	<u>\$ 5,093,033</u>

The tangible capital assets recorded at the nominal value of \$1 included land, automotive equipment, community centre and band office building, daycare building, office equipment, pumphouse and shop equipment. Band houses are owned by the Band during the period the related debt remains outstanding. When the debt is repaid the Band intends to transfer the houses to Band members for \$1.

Infrastructure under construction has been capitalized at costs incurred to date. No amortization has been recorded on these assets under construction and amortization will commence when the assets are put into operation.

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

9 TANGIBLE CAPITAL ASSETS (Continued)

2017

	Buildings	Automotive	Infrastructure	Furniture and equipment	Excavating equipment	Other equipment	Total
Cost, beginning of year	\$ 4 967 768	\$ 444 774	\$ 4 848 396	\$ 186 475	\$ 494 353	\$ 455 587	\$ 11 397 353
Additions	327,307	29,894	1,171,718	-	-	-	1,528,919
Cost, end of year	5,295,075	474,668	6,020,114	186,475	494,353	455,587	12,926,272
Accumulated amortization, beginning of year	1 851 158	407 473	2 979 142	184 843	493 834	387 870	6 304 320
Amortization	182,775	33,469	222,543	699	519	37,252	477,257
Accumulated amortization, end of year	2,033,933	440,942	3,201,685	185,542	494,353	425,122	6,781,577
Net carrying amount, end of year	3,261 142	33 726	2 818 429	933	-	30 465	6 144 695

2016

	Buildings	Automotive	Infrastructure	Furniture and equipment	Excavating equipment	Other equipment	Total
Cost, beginning of year	\$ 4 967 768	\$ 367 774	\$ 4 848 396	\$ 184 145	\$ 494 353	\$ 455 587	\$ 11 318 023
Additions	-	77,000	-	2,330	-	-	79,330
Cost, end of year	4,967,768	444,774	4,848,396	186,475	494,353	455,587	11,397,353
Accumulated amortization, beginning of year	1 680 971	362 174	2 785,206	183 949	489 099	350 618	5 852 017
Amortization	170,187	45,299	193,936	894	4,735	37,252	452,303
Accumulated amortization, end of year	1,851,158	407,473	2,979,142	184,843	493,834	387,870	6,304,320
Net carrying amount, end of year	3 116 610	37 301	1 869 254	1 632	519	67 717	5 093 033

10 ACCUMULATED SURPLUS

Accumulated surplus is comprised of the following

	2017	2016
Operating equity	\$ 1,797,440	\$ 1,571,931
Equity in Ottawa Trust	114,750	111,600
Equity in investments	1,103	3
Equity in tangible capital assets	5,106,747	3,993,765
	\$ 7,020,040	\$ 5,677,299

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

11 CONTINGENT LIABILITIES

Related to funding from Indigenous and Northern Affairs Canada

Under the terms of the contribution agreements with Indigenous and Northern Affairs Canada and other governmental departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the Band

Litigation

- a) The Band has completed court actions which assert aboriginal rights and title and seek to stop logging in its trap lines. The Supreme Court of Canada has ruled favourably in the Band's behalf. Further outcomes arising from these matters have yet to be determined.
- b) The Band has either been billed or has accumulated legal services in the amount of \$36,389,000 with respect to asserting aboriginal title. The legal advisors have agreed that no amount is payable to them by the band unless funds are obtained from outside sources, including court-award damages or a negotiated settlement with the Province of BC and Canada.
- c) Retainer agreements and sharing agreements also provide for payments to Assembly of First Nations, Douglas Lambert, Western Canada Wilderness Committee and David Suzuki Foundation. However, the amount of such payments cannot be determined at this time. None of these amounts have been recorded in the books of account. However, they will be netted against funds obtained from outside sources, as discussed in b) above.

On-reserve housing

The Band has guaranteed certain band member loans. The total amount guaranteed amounts to \$119,860 (2016 - \$119,860) with \$62,767 being outstanding at March 31, 2017 (2016 - \$70,226).

12 BUDGET INFORMATION

The Budget information disclosed has been approved by Council.

13 EXPENSES BY OBJECT

	2017	2016
Administration fees	\$ 3,248	\$ 2,925
Allowances	206,319	225,737
Amortization	477,256	452,303
Bad debts	425	1,355
Fuel, propane and oil	457,914	434,092
Honorarium	61,854	82,280
Insurance	79,043	77,533
Interest on long-term debt	17,311	18,506
Material and supplies	546,713	414,779
Other	243,404	245,094
Professional fees	479,863	515,472
Repairs and maintenance	64,890	43,736
Service contracts	950,946	997,243
Social assistance payments	280,139	316,659
Telephone	28,493	27,180
Travel, training and workshops	328,275	278,921
Wages and benefits	1,413,746	1,226,221
TOTAL EXPENSES BY OBJECT	\$ 5,639,839	\$ 5,360,036

XENI GWET'IN FIRST NATIONS GOVERNMENT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

14 EMPLOYEE BENEFITS

Xeni Gwet'in First Nations Government sponsors a defined contribution plan providing pension benefits for certain employees. Under the plan, Xeni Gwet'in First Nations Government matches the employee's contributions. During the year, Xeni Gwet'in First Nations Government contributed \$17,240 (2016 - \$16,292) and this employer's portion is recorded as employee benefits in the period when the benefit is earned.

15 SEGMENT DISCLOSURE

Xeni Gwet'in First Nations Government provides a wide range of services. Services are delivered through distinguishable functional segments for which financial information is available and is evaluated regularly by Council and management in allocating resources and assessing results.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

2017	Economic development	Education	Social development	Capital facilities and community	Social Housing	Enterprises	Eniyud health services	Band support	Total
REVENUE									
INAC	\$ 31 000	\$ 329 916	\$ 561 872	\$ 1 693 027	\$ -	\$ -	\$ -	\$ 466 630	\$ 3 082 445
Other	161,770	6,839	21,872	490,650	141,598	1,203,442	1,263,918	606,897	3,896,986
	192,770	336,755	583,744	2,183,677	141,598	1,203,442	1,263,918	1,073,527	6,979,431
EXPENSES									
Amortization	-				60 545	17 488	70 808	328 415	477 256
Operating expenses	163 533	303,378	389 951	572 406	81 053	938 173	615 448	684 895	3 748 837
Wages & benefits	75,151	39,968	57,913	45,786		261,812	446,119	486,997	1,413,746
	238,684	343,346	447,864	618,192	141,598	1,217,473	1,132,375	1,500,307	5,639,839
SURPLUS (DEFICIT)	\$ (45 914)	\$ (6 591)	\$ 135 880	\$ 1 565 485	\$ -	\$ (14 031)	\$ 131 543	\$ (426 780)	\$ 1 339 592

2016	Economic development	Education	Social development	Capital facilities and community	Social Housing	Enterprises	Eniyud health services	Band support	Total
REVENUE									
INAC	\$ (100)	\$ 214 557	\$ 286 930	\$ 707 954	\$ -	\$ -	\$ -	\$ 330,369	\$ 1 539 710
Other	198,198	7,381	9,887	10,400	142,645	1,124,599	1,630,601	565,671	3,689,382
	198,098	221,938	296,817	718,354	142,645	1,124,599	1,630,601	896,040	5,229,092
EXPENSES									
Amortization			-		59 454	12 932	46 655	333,262	452 303
Operating expenses	217 610	332 654	433 989	647,352	83 191	843 438	451 166	672 112	3 681 512
Wages & benefits	100,435	39,371	31,626	39,375		265,476	372,012	377,926	1,226,221
	318,045	372,025	465,615	686,727	142,645	1,121,846	869,833	1,383,300	5,360,036
SURPLUS (DEFICIT)	\$ (119 947)	\$ (150 087)	\$ (168 798)	\$ 31 627	\$ -	\$ 2 753	\$ 760 768	\$ (487 260)	\$ (130 944)