

**Yunesit'in Government
Consolidated Financial Statements**

March 31, 2017

**Yunesit'in Government
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For the year ended March 31, 2017

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Management's Responsibility

To the Members of Yunesit'in Government:

The accompanying consolidated financial statements of Yunesit'in Government are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and fair 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 Yunesit'in Government 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 fulfils 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 First Nation's external auditors.

MNP LLP is appointed by the Chief and Council on behalf of the Members 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.

August 18, 2017

Russell Myers Ross
Nation Administrator

Independent Auditors' Report

To the Members of Yunesit'in Government:

We have audited the accompanying consolidated financial statements of Yunesit'in Government, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows and related schedules 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 unqualified audit opinion.

Opinion

In our opinion the consolidated financial statements present fairly, in all material respects, the financial position of Yunesit'in Government as at March 31, 2017 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Prince George, British Columbia

August 18, 2017

MNP LLP

Chartered Professional Accountants

Yunesit'in Government
Consolidated Statement of Financial Position
As at March 31, 2017

	2017	2016
Financial assets		
Cash resources	676,133	249,253
Accounts receivable (Note 3)	456,725	368,246
Restricted cash (Note 4)	163,020	148,020
Portfolio investment (Note 5)	1	1
Funds held in trust (Note 6)	141,703	137,984
Total of financial assets	1,437,582	903,504
Liabilities		
Accounts payable and accruals (Note 8)	354,676	264,963
Deferred revenue (Note 9), (Note 16)	-	233,974
Demand loan (Note 10)	89,341	95,749
Long-term debt (Note 11)	145,351	172,532
Total liabilities	589,368	767,218
Net financial assets	848,214	136,286
Contingencies (Note 12)		
Guarantee (Note 13)		
Commitments (Note 14)		
Non-financial assets		
Tangible capital assets (Schedule 1)	11,506,317	9,857,087
Prepaid expenses	6,796	15,907
Total non-financial assets	11,513,113	9,872,994
Accumulated surplus (Note 15)	12,361,327	10,009,280

Approved on behalf of the Council

Russell Myers Ross

Chief

Alphonse

Councilor

Yunesit'in Government
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2017

	<i>Schedules</i>	<i>2017 Budget (Note 21)</i>	<i>2017</i>	<i>2016</i>
Revenue				
Indigenous and Northern Affairs Canada (Note 16)		2,354,982	4,871,923	3,775,664
First Nations Health Authority (Note 17)		565,465	586,285	561,862
Investment Revenue - Yunesit'in Development Enterprises		-	995,353	864,549
Other revenue		81,030	533,643	597,919
Cariboo Chilcotin Aboriginal Training Employment Centre		-	89,096	75,387
Canada Mortgage and Housing Corporation		40,625	12,905	12,905
First Nations Education Steering Committee Society		-	143,361	65,344
Rentals		-	52,366	44,030
Funds held in trust income		-	3,719	3,823
		3,042,102	7,288,651	6,001,483
Expenses				
Training and Employment	3	-	143,550	96,361
Administration	4	411,869	815,611	653,762
Education	5	845,303	1,018,743	988,831
Nation Programs	6	595,962	573,171	578,932
Health	7	507,182	552,669	533,575
Capital Projects	8	-	51,734	35,142
Natural Resources	9	55,657	7,410	41,908
Public Works	10	131,089	585,538	513,360
Social Housing	11	37,993	32,012	59,368
Investment Fund	13	-	1,156,166	702,257
Total expenses (Schedule 2)		2,585,055	4,936,604	4,203,496
Annual surplus		457,047	2,352,047	1,797,987
Accumulated surplus, beginning of year		10,009,280	10,009,280	8,211,293
Accumulated surplus, end of year		10,466,327	12,361,327	10,009,280

Yunesit'in Government
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2017

	2017 Budget (Note 21)	2017	2016
Annual surplus	457,047	2,352,047	1,797,987
Purchases of tangible capital assets	-	(2,063,006)	(2,194,132)
Amortization of tangible capital assets	29,835	392,053	376,838
Write down of tangible capital asset	-	21,723	-
Acquisition of prepaid expenses	-	-	(15,907)
Use of prepaid expenses	-	9,111	-
Increase (decrease) in net financial assets	486,882	711,928	(35,214)
Net financial assets, beginning of year	136,286	136,286	171,500
Net financial assets, end of year	623,168	848,214	136,286

Yunesit'in Government
Consolidated Statement of Cash Flows
For the year ended March 31, 2017

	2017	2016
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	2,352,047	1,797,987
Non-cash items		
Amortization	392,053	376,838
Funds held in trust income	(3,719)	(3,823)
Write down of tangible capital asset	21,723	-
	2,762,104	2,171,002
Changes in working capital accounts		
Accounts receivable	(88,479)	(85,976)
Accounts payable and accruals	89,713	(31,973)
Deferred revenue	(233,974)	166,695
Prepaid expenses	9,111	(15,907)
	2,538,475	2,203,841
Financing activities		
Repayment of long-term debt	(27,181)	(26,731)
Decrease (increase) in restricted cash	(15,000)	25,731
Repayment of demand loan	(6,408)	(29,207)
	(48,589)	(30,207)
Capital activities		
Purchases of tangible capital assets	(2,063,006)	(2,194,132)
Increase (decrease) in cash resources	426,880	(20,498)
Cash resources, beginning of year	249,253	269,751
Cash resources, end of year	676,133	249,253

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

1. Operations

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

2. Significant accounting policies

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

Reporting entity

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

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

- Yunesit'in Government CMHC Social Housing Program
- Yunesit'in Development Enterprises

All inter-entity balances have been eliminated on consolidation.

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.

Cash resources

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Portfolio investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

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

Tangible capital assets are amortized over their expected useful life of the assets using the declining balance and straight line methods. In the year of acquisition, amortization is taken at one-half the rates. See below for amortization rates of specific assets categories.

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings	declining balance	4 %
Community infrastructure	declining balance	2 %
Machinery and equipment	declining balance	20-30 %
Housing	straight-line	4 %
Assets under construction	No amortization	

Funds held in trust

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

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

Net financial assets

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

Asset classification

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

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Revenue recognition

i) **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 a liability. In such circumstances, the First 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 First Nation recognizes revenue of the Capital and Revenue trusts when earned.

iii) **Canada Mortgage and Housing Corporation ("CMHC") and First Nations Health Authority ("FNHA")**

CMHC and FNHA 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.

vi) **Other revenue**

Revenue such as administration fee, contract revenue and other revenue is recognized when performance is achieved, amounts are reasonably estimated and collection is reasonably assured.

Measurement uncertainty (use of estimates)

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 expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectability 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 estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations of the period 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 First 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 an asset's service potential is reduced. Impairment is measured as the amount by which the asset's 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 First 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.

Employee future benefits

The First Nation's employee future benefit programs consist of defined contribution pension plans. The First Nation's contributions to the defined contribution plans are expensed as incurred.

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Segments

The First Nation conducts its business through a number of reportable segments as described in Note 19. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2017.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2017, no liability for contaminated sites exists.

3. Accounts receivable

	2017	2016
Indigenous and Northern Affairs Canada	102,940	100,000
Other government agencies	39,909	48,429
Members	134,695	101,371
Other receivables	271,230	207,291
	<hr/>	<hr/>
Less: allowance for doubtful accounts	548,774	457,091
	92,049	88,845
	<hr/>	<hr/>
	456,725	368,246

4. Restricted cash

Under the terms of the agreement with the Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in the amount of \$9,556 annually (2016 - \$9,556). These funds, along with the 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 the Credit Union Deposit Insurance Corporation, in investments guaranteed by the Canadian government, or in investments as agreed upon by the Canadian Mortgage and Housing Corporation.

At year end, the replacement reserve is adequately funded (2016 - adequately funded).

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

5. Portfolio Investment

The First Nation has an investment in the following entity:

	<i>Investment cost</i>	<i>2017 Total investment</i>
Portfolio investment:		
River West Forest Productions Ltd.	1	1
		<i>2016</i>
		<i>Total investment</i>
Portfolio investment:		
River West Forest Productions Ltd.	1	1

The First Nation owns 22% of the issued common shares in River West Forest Products Ltd. River West Forest Products Ltd. (the "Company") is a Canadian controlled private corporation incorporated under the laws of the Province of British Columbia. The Company operates a sawmill in the Chilcotin area west of William Lake, British Columbia. The Company was inactive and had no operations as at March 31, 2016 and March 31, 2017.

6. Funds held in trust

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

	<i>2017</i>	<i>2016</i>
Balance, beginning of year	137,984	134,161
Interest	2,652	2,782
Special (BC)	1,067	1,041
Balance, end of year	141,703	137,984

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 Section 63 to 69 of the *Indian Act*.

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

7. Bank indebtedness

The First Nation has access to a banking overdraft amounting to a maximum of \$400,000, made up of \$150,000 for Yunesit'in Development Enterprise and \$250,000 for the First Nation (2016 – \$400,000). Each overdraft account bears interest at prime plus 0.5% (2016 – 0.5%). At March 31, 2017 the Bank of Montreal's prime rate of interest was 2.7% There is currently no amounts (2016 - NIL) drawn as overdraft.

8. Accounts payable and accruals

Included in accounts payable and accruals is \$58,953 payable to INAC for overpaid arrangements.

9. Deferred revenue

The First Nation has recorded the following externally restricted surpluses as deferred revenue to be used in the completion of ongoing projects:

	2017	2016
Deferred funding contributions		
Road Upgrade - CPMS #5565	-	41,297
Asset Condition Reporting System - CPMS #8805	-	20,217
Mould Renovations - CPMS #8834	-	2,816
Housing Renovations - CPMS #8501	-	2,528
Mould Renovations - CPMS #10287	-	421
Teacherages - CPMS #11595	-	166,695
	-	233,974

10. Demand loan

	2017	2016
Bank of Montreal demand loan bearing interest at prime (2.70%) plus 0.50% per annum, repayable in monthly blended payments of \$534. The loan is secured by a charge against a First Nation owned housing unit with a net book value of \$115,700 (2016 - \$120,616).	89,341	95,749

11. Long-term debt

	2017	2016
All Nations Trust Phase IV bearing interest at 1.43% per annum (2016 - 1.67%), repayable in monthly blended payments of \$2,472 (2016 - \$2,487). The loan has a renewal date of April 1, 2022, maturing April 1, 2022, and secured by a Government of Canada ministerial guarantee.	145,351	172,532

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

	Principal
2018	27,769
2019	28,168
2020	28,574
2021	28,985
2022	29,402

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

12. Contingencies

The First Nation may be contingently liable with respect to Ministerial guarantees for "On Reserve Housing Loans" to various financial institutions in the amount of \$145,351 (2016 - \$172,532). These guarantees are in addition to CMHC mortgages.

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. It has not yet been determined to what extent any funding amounts related to the year ended March 31, 2017 might be recovered.

13. Guarantee

The First Nation is a guarantor on a Bank of Montreal mortgage loan made to Ralph Myers in the amount of \$195,660. The interest rate is a fixed rate of 4.24% per annum. Balance outstanding at March 31, 2017 is \$182,928 (2016 - NIL).

As at March 31, 2017, no liability (2016 - nil) has been recorded associated with this guarantee.

14. Commitments

The First Nation has entered into various lease agreements with estimated minimum annual payments over the next three years as follows:

2018	15,396
2019	15,396
2020	10,525

15. Accumulated surplus

Accumulated surplus consists of the following fund balances:

	2017	2016
Operating Fund	828,835	170,585
Ottawa Revenue Trust Fund	141,703	137,984
Housing Replacement Reserve	119,164	111,905
Equity in tangible capital assets	11,271,625	9,588,806
	<hr/> 12,361,327	<hr/> 10,009,280

16. Indigenous and Northern Affairs Canada ("INAC") funding reconciliation

	2017	2016
Direct First Nation Funding		
INAC revenue per confirmation	4,731,751	3,942,359
Deferred revenue from prior year	233,974	67,279
Deferred revenue to subsequent year	-	(233,974)
Recoveries payable or paid during the year to INAC	(93,802)	-
	<hr/> 4,871,923	<hr/> 3,775,664

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

17. First Nations Health Authority ("FNHA") funding reconciliation

	2017	2016
Direct First Nation Funding		
FNHA revenue per confirmation	565,465	566,598
Revenue recorded in the prior year	-	(4,736)
Crisis response funding	20,820	-
	586,285	561,862

18. Economic dependence

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

19. Segments

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

1. Training and Employment:

Includes the Cariboo Chilcotin Aboriginal Training Employment Centre funding and related expenses.

2. Administration:

Includes general operations, support, and financial management of Yunesit'in Government.

3. Education:

Includes revenue and expenses related to primary, secondary and post secondary education of the members of Yunesit'in Government.

4. Nation Programs:

Includes revenue and expenses related to programs to support the Yunesit'in Government community.

5. Health:

Includes activities related to the provision of health services to the members of the Yunesit'in Government community.

6. Capital Projects:

Includes revenue and expenses related to capital projects.

7. Natural Resources:

Includes activities related to forest and range.

8. Public Works:

Includes activities related to maintenance of infrastructure owned by the First Nation.

9. Social Housing:

Includes revenue and expenses relating to the operation of Yunesit'in Government CMHC Social Housing Program.

10. Trust Fund:

Includes interest revenue from funds held in trust.

11. Investment Funds:

Includes activities related to the growth of revenue producing projects within Yunesit'in Development Enterprises

Yunesit'in Government
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

20. Impairment of long-lived assets

During the current year, a house owned by the First Nation was destroyed during a fire. As a result, buildings was written down from its carrying amount of \$21,723 to its estimated fair value of nil. The resulting impairment loss of \$21,723 has been recorded in repairs and maintenance.

21. Budget information

The disclosed budget information has been approved by the Chief and Council of the Yunesit'in Government on October 19, 2016.

Budgets were not prepared for the following segments:

- Training and Employment
- Capital Projects
- Trust Fund
- Investment Fund

As such, the budget figures in the Consolidated Statement of Operations and Accumulated Surplus are not presented for the same scope of activities as the actual results.

Budget figures in the Consolidated Statement of Operations and Accumulated Surplus are presented using the same basis of accounting as the actual results. A reconciliation of these amounts to the amounts budgeted is as follows:

Budgeted annual surplus approved by Chief and Council	416,335
Adjusted for:	
Internal administration fees	35,712
Internal transfers	5,000
Budgeted annual surplus, per the Statement of Operations and Accumulated Surplus	457,047