

Toosey Indian Band
Consolidated Financial Statements
March 31, 2017

Toosey Indian Band Contents

For the year ended March 31, 2017

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Management's Responsibility

To the Members of Toosey Indian Band:

The accompanying consolidated financial statements of Toosey Indian Band are the responsibility of management and have been approved by the Chief and Council.

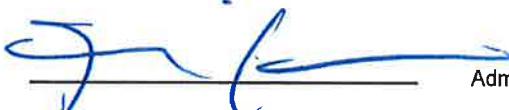
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate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

Toosey Indian Band Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Chief and Council are also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by 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 16, 2017



Administrator

Independent Auditors' Report

To the Members of Toosey Indian Band:

We have audited the accompanying consolidated financial statements of Toosey Indian Band, which comprise the consolidated statement of financial position as at March 31, 2017, 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 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 qualified audit opinion.

Basis for Qualified Opinion

Toosey Indian Band did not prepare an approved budget for the year ending March 31, 2017. Canadian Public Sector Accounting Standards requires the approved budget to be presented in the consolidated statements of operations and accumulated surplus and change in net financial assets.

We were unable to obtain sufficient appropriate audit evidence about the carrying amount of Toosey Indian Band's investment in Chilcotin Plateau Enterprises Ltd. as at March 31, 2017 and March 31, 2016 and Toosey Indian Band's share of Chilcotin Plateau Enterprises Ltd. net income for the year as the financial information was not audited and was not prepared for a fiscal period that coincides with the Nation. Consequently, we were unable to determine whether any adjustments to investments in Band business entities, loss from investment in Band business entities, annuals surplus and accumulated surplus were necessary.

We were unable to obtain sufficient appropriate audit evidence regarding the completeness, accuracy and occurrence of amounts recorded as other revenue. Consequently, we are unable to determine whether any adjustments to other revenue, annual surplus and accumulated surplus are necessary.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Toosey Indian Band as at March 31, 2017 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.

Prince George, British Columbia

August 16, 2017

MNP LLP

Chartered Professional Accountants

Toosey Indian Band
Consolidated Statement of Financial Position
As at March 31, 2017

	2017	2016
Financial assets		
Cash and cash equivalents	894,830	754,319
Accounts receivable (Note 3)	246,467	156,610
Inventory for resale	66,639	45,047
Restricted cash (Note 4)	129,817	120,165
Investments in Band business entities (Note 5)	87,304	173,164
Funds held in trust (Note 7)	100,607	97,945
Total financial assets	1,525,664	1,347,250
Liabilities		
Accounts payable and accruals (Note 9)	412,784	467,305
Long-term debt (Note 10)	161,847	121,273
Total liabilities	574,631	588,578
Net financial assets	951,033	758,672
Non-financial assets		
Tangible capital assets (Schedule 1)	8,862,621	7,420,965
Prepaid expenses	-	14,097
Total non-financial assets	8,862,621	7,435,062
Accumulated surplus (Note 11)	9,813,654	8,193,734

Approved on behalf of the Council



Chief



Councillor

Toosey Indian Band
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2017

	<i>Schedules</i>	2017	2016
Revenue			
Indigenous and Northern Affairs Canada (Note 16)		2,610,773	1,436,774
First Nation Health Authority		677,893	509,368
Canada Mortgage and Housing Corporation		8,904	8,904
Toosey Enterprises		1,857,433	1,835,985
Province of British Columbia		474,058	105,058
Other revenue		351,391	217,367
Rental income		64,460	48,270
Revenue trust funds		2,662	2,752
Interest income		2,827	1,207
Loss from investment in Band business entities		(85,861)	(29,997)
		5,964,540	4,135,688
Program expenses			
Administration	3	725,572	574,285
Social Housing	4	385,653	165,577
Health	5	497,634	340,443
Community Infrastructure	6	96,203	75,014
Economic Development	7	1,855,759	1,776,646
Education and Training	8	166,198	155,279
Capital Projects	9	406,693	382,756
Social Programs	10	210,908	251,864
		4,344,620	3,721,864
Annual surplus		1,619,920	413,824
Accumulated surplus, beginning of year		8,193,734	7,779,910
Accumulated surplus, end of year		9,813,654	8,193,734

Toosey Indian Band
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2017

	2017	2016
Annual surplus	1,619,920	413,824
Purchases of tangible capital assets	(1,861,127)	(682,561)
Amortization of tangible capital assets	419,471	391,886
Change in prepaid expenses	14,097	4,733
Increase in net financial assets	192,361	127,882
Net financial assets, beginning of year	758,672	630,790
Net financial assets, end of year	951,033	758,672

Toosey Indian Band
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	1,619,920	413,824
Non-cash items		
Amortization	419,471	391,886
Loss from investments in Band business entities	85,861	29,997
Earnings on funds held in trust	(2,662)	(2,751)
	2,122,590	832,956
Changes in working capital accounts		
Accounts receivable	(89,858)	(3,849)
Prepaid expenses	14,097	4,733
Restricted cash	(9,652)	-
Accounts payable and accruals	(54,520)	136,698
Deferred revenue	-	(850)
Inventory	(21,593)	13,175
	1,961,064	982,863
Financing activities		
Proceeds of long-term debt	70,000	-
Repayment of long-term debt	(29,426)	(19,333)
Advances to investments in Nation business entities	-	(117,562)
Changes in restricted cash	-	(549)
	40,574	(137,444)
Capital activities		
Purchases of tangible capital assets	(1,861,127)	(682,561)
Increase in cash and cash equivalents		
Cash and cash equivalents, beginning of year	754,319	591,461
Cash and cash equivalents, end of year	894,830	754,319

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

1. Operations

Toosey Indian Band (the "Band") is located in the province of British Columbia, and provides various services to its members. Toosey Indian Band 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 including the following significant accounting policies:

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the Band reporting entity, except for Band business entities. Trusts administered on behalf of third parties by Toosey Indian Band are excluded from the Band reporting entity.

The Band has consolidated the assets, liabilities, revenue and expenses of the following entity:

- Toosey Enterprises

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Toosey Indian Band business entities, owned or controlled by the Band's Chief and Council but not dependent on the Band 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 the business entity accounting principles are not adjusted to conform to those of the Band. Thus, the Band'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. The Nation uses the modified equity basis for the following entity:

- Chilcotin Plateau Enterprises 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.

Net financial assets

The Band's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Band is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, 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.

Cash and cash equivalents

Cash and cash equivalent 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.

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Revenue recognition

Funds held in trust

The Band recognizes revenue of the Capital and Revenue Trust Fund at time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Government Transfers

The Band 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 Band recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

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 the funding agreements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

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.

Other Revenue

Other revenue are recognized when goods are sold, amounts are reasonably estimated and collection is reasonably assured.

Investments

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

Long-term investments in entities that are controlled by the Band are accounted for using the modified equity method.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Funds held in trust

Funds held in trust on behalf of Band members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust monies consist of:

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

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

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 Band, such as reserve land, forests, water and mineral resources are not recognized in the Band's consolidated financial statements.

Amortization

Tangible capital assets are amortized annually at rates intended to amortize the cost of the assets over their estimated useful lives. In the year of acquisition, amortization is taken at one-half of the following rates:

	Method	Rate
Buildings and Infrastructure	declining balance	5 %
Computer Equipment	declining balance	30 %
Contracting Equipment	declining balance	30 %
Farming Equipment	declining balance	20 %
Equipment	declining balance	20 %
Mobile Equipment	declining balance	30 %
Storage Tanks	declining balance	5 %

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Band 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. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. 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. Fair value is measured using prices for similar items. Any impairment is included in surplus for the year.

The Band 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.

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, and amounts due from related Band entities and departments, are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. 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 for which the Nation is responsible.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the surplus of the period in which they become known.

Segments

The Band conducts its business through eight reportable segments as described in Note 12. These operating segments are established by senior management to facilitate the achievement of the Band'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.

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

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 Band 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 Band 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 Band 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.

Recent accounting pronouncements

PS 2200 Related Party Disclosures

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 *Related Party Disclosures*.

This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted. The Band does not expect the application of the new Standard to have a material effect on the consolidated financial statements.

PS 3210 Assets

In June 2015, new PS 3210 *Assets* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section provides guidance for applying the definition of assets set out in PS 1000 Financial Statement Concepts. The main features of this standard are as follows:

Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained. Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions. The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services. A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset, if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits. A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries. An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Band does not expect application of the new Standard to have a material effect on the consolidated financial statements.

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

PS 3320 Contingent Assets

In June 2015, new PS 3320 *Contingent Assets* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset. Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date. Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date. Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made. When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Band does not expect application of the new Standard to have a material effect on the consolidated financial statements.

PS 3380 Contractual Rights

In June 2015, new PS 3380 *Contractual Rights* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right. Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right. Disclosures should include descriptions about nature, extent, and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Band does not expect application of the new Standard to have a material effect on the consolidated financial statements.

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

PS 3430 Restructuring Transactions

In June 2015, new PS 3430 *Restructuring Transactions* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

A restructuring transaction is defined separately from an acquisition. The key distinction between the two is the absence of an exchange of consideration in a restructuring transaction. A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration. Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments. The increase in net assets or net liabilities resulting from recognition and derecognition of individual assets and liabilities received from all transferors, and transferred to all recipients in a restructuring transaction, is recognized as revenue or as an expense. Restructuring-related costs are recognized as expenses when incurred. Individual assets and liabilities received in a restructuring transaction are initially classified based on the accounting policies and circumstances of the recipient at the restructuring date. The financial position and results of operations prior to the restructuring date are not restated. Disclosure of information about the transferred assets, liabilities and related operations prior to the restructuring date by the recipient is encouraged but not required.

The Section is effective for new restructuring transactions that occur in fiscal periods beginning on or after April 1, 2018. Earlier application is encouraged. The Band does not expect application of the new Standard to have a material effect on the consolidated financial statements.

3. Accounts receivable

	2017	2016
Indigenous and Northern Affairs Canada	72,767	37,267
Gas bar receivables	37,303	22,637
First Nation Education Steering Committee	-	37,562
GST receivable	14,858	6,349
Other receivables	121,539	52,795
	246,467	156,610

4. Restricted cash

Under the terms of the agreements with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in the amount of \$7,891 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, the replacement reserve is fully funded (2016 - fully funded).

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

5. Investments in Band business entities

The Band has investments in the following entities:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
Wholly-owned Businesses:				
Chilcotin Plateau Enterprises Ltd.	(76,240)	249,403	(85,861)	87,302
Portfolio Investments – Recorded at Cost				
Dene Development Corporation (33.3%)	1	-	-	1
River West Forest Products Ltd. (22%)	1	-	-	1
	(76,238)	249,403	(85,861)	87,304
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
Wholly-owned Businesses:				
Chilcotin Plateau Enterprises Ltd.	(63,370)	249,403	(12,871)	173,162
Portfolio Investments – Recorded at Cost				
Dene Development Corporation (33.3%)	1	-	-	1
River West Forest Products Ltd. (22%)	1	-	-	1
	(63,368)	249,403	(12,871)	173,164

The following financial information for the Band's business enterprise is not audited.

Summary financial information for each Band business enterprise, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>Chilcotin Plateau Enterprises Ltd. As at December 31, 2016</i>
Assets	
Accounts receivable	8,340
Investments	50
Property, plant and equipment	<u>74,506</u>
Total assets	82,896
Liabilities	
Bank indebtedness	64,483
Accounts payable and accruals	41,031
Long-term debt	22,592
Advances from related parties	<u>116,891</u>
Total liabilities	244,997
Net deficit	(162,101)
Total revenue	1,118,430
Total expenses	<u>1,204,291</u>
Net loss	(85,861)

The Band's business enterprise has a different year-end than March 31, 2017. The Band uses the business enterprise year-end financial statements to account for its investment in Chilcotin Plateau Enterprises Ltd.

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

6. Related party transactions

The related party balance disclosed in Note 5 is unsecured, non-interest bearing and has no set repayment terms.

7. Funds held in trust

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

	2017	2016
Capital Trust		
Balance, beginning and end of year	2,149	2,149
Revenue Trust		
Balance, beginning of year	95,796	93,045
Interest	1,883	1,974
BC Special	779	777
Balance, end of year	98,458	95,796
	100,607	97,945

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*.

8. Revolving credit facility

The Band holds three revolving credit facilities to a maximum of \$60,000, available with the Royal Bank of Canada, bearing interest at Royal Bank of Canada prime plus 2%. There are no specified terms of repayment. The credit facilities are secured by a general security agreement and a Band Council Resolution signed by Chief and Council. As at March 31, 2017, \$3,000 was drawn on the Royal Bank of Canada line of credit (2016 - \$1,000) and is included in cash and cash equivalents.

9. Accounts payable and accruals

	2017	2016
Trade payables and accruals	211,792	158,068
INAC recoveries	200,989	309,237
	412,781	467,305

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

10. Long-term debt

	2017	2016
All Nations Trust Company - Mortgage payable bearing interest at 1.43% (2016 - 1.67%) per annum, repayable in monthly blended payments of \$1,792, maturing on February 1, 2022 and is secured by a Ministerial Guarantee.	101,608	121,273
Royal Bank of Canada - Term loan bearing interest at prime plus 1.3%, repayable in monthly blended payments of \$1,289, renewable on June 27, 2017. Secured by a general security agreement.	60,239	-
	161,847	121,273

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	33,257
2019	34,134
2020	35,038
2021	35,971
2022	23,447

11. Accumulated surplus

Accumulated surplus consists of the following:

	2017	2016
Ottawa Trust Funds	100,607	97,945
Tangible Capital Assets	8,700,774	7,299,692
Operating Fund	799,479	501,868
Toosey Enterprise Fund	87,303	173,164
Replacement Reserve Fund	125,491	121,065
	9,813,654	8,193,734

Toosey Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

12. Segments

The Band 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:

Administration

Includes general operations, support and financial management of Toosey Indian Band.

Social Housing Fund

Includes revenue and expenditures relating to the operation of Toosey Indian Band's social housing program.

Health

Includes activities related to the provision of health services for Toosey Indian Band.

Community Infrastructure

Includes revenue and expenditures relating to the delivery of community services to members of Toosey Indian Band.

Social Programs

Includes revenue and expenditures relating to the delivery of social assistance to members of Toosey Indian Band.

Economic Development

Includes activities related to the growth of revenue producing projects within Toosey Indian Band.

Education and Training

Includes revenue and expenses related to post secondary education of the members of Toosey Indian Band.

Capital Projects

Includes revenue and expenditures of capital projects.

13. Budget information

Canadian public sector accounting (PSA) standards require the disclosure of budget information for comparison to the Band's actual revenue and expenses. The consolidated budgeted revenue and expenses have not been reported in these consolidated financial statements. While having no effect on reported revenue, expenses, and annual surplus, omission of this information is considered a departure from PSA standards.

14. Economic dependence

Toosey Indian Band receives substantially all 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 Band to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these funding agreements.

15. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

16. Indigenous and Northern Affairs Canada funding reconciliation

	2017	2016
INAC revenue per confirmation	2,513,230	1,662,326
INAC (recoveries) reimbursements	97,543	(225,552)
<u>INAC Revenue per Statement of Operations</u>	<u>(2,610,773)</u>	<u>(1,436,774)</u>
	- - -	- - -

Toosey Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Buildings and Infrastructure</i>	<i>Computer Equipment</i>	<i>Contracting Equipment</i>	<i>Farming Equipment</i>	<i>Equipment</i>	<i>Mobile Equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	10,828,471	19,265	177,415	16,206	119,705	324,272	11,485,334
Acquisition of tangible capital assets	-	-	136,000	45,598	-	-	181,598
Disposal of tangible capital assets	-	-	(59,000)	-	-	-	(59,000)
Balance, end of year	10,828,471	19,265	254,415	61,804	119,705	324,272	11,607,932
Accumulated amortization							
Balance, beginning of year	3,530,766	17,281	176,663	16,166	66,615	283,274	4,090,765
Annual amortization	364,885	595	20,626	9,127	10,618	12,300	418,151
Accumulated amortization on disposals	-	-	(59,000)	-	-	-	(59,000)
Balance, end of year	3,895,651	17,876	138,289	25,293	77,233	295,574	4,449,916
Net book value of tangible capital assets	6,932,820	1,389	116,126	36,511	42,472	28,698	7,158,016
2016 Net book value of tangible capital assets	7,297,705	1,984	752	40	53,090	40,998	7,394,569

Toosey Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Subtotal</i>	<i>Storage Tanks</i>	<i>Assets under construction (work in progress)</i>	<i>2017</i>	<i>2016</i>
Cost					
Balance, beginning of year	11,485,334	82,247	-	11,567,581	10,885,020
Acquisition of tangible capital assets	181,598	-	1,679,529	1,861,127	682,561
Disposal of tangible capital assets	(59,000)	-	-	(59,000)	-
Balance, end of year	11,607,932	82,247	1,679,529	13,369,708	11,567,581
Accumulated amortization					
Balance, beginning of year	4,090,765	55,851	-	4,146,616	3,754,730
Annual amortization	418,151	1,320	-	419,471	391,886
Accumulated amortization on disposals	(59,000)	-	-	(59,000)	-
Balance, end of year	4,449,916	57,171	-	4,507,087	4,146,616
Net book value of tangible capital assets	7,158,016	25,076	1,679,529	8,862,621	7,420,965
2016 Net book value of tangible capital assets	7,394,569	26,396	-	7,420,965	

Toosey Indian Band
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2017

	2017	2016
Consolidated expenses by object		
Administration (recovery) from capital projects	4,093	(111,267)
Advertising	1,850	2,424
Amortization	419,471	391,886
Bad debts	-	36,829
Bank charges and interest	12,013	8,653
Contracted services	250,654	172,480
Furniture and equipment	18,218	12,144
Groceries	8,860	6,059
Honouraria	141,975	222,928
Insurance	73,036	72,512
Interest on long-term debt	3,912	2,168
Office supplies and expenses	17,765	38,861
Professional development	-	4,203
Professional fees	57,644	41,191
Rent	500	573
Repairs and maintenance	276,991	38,439
Salaries and benefits	1,007,042	816,099
Social assistance	147,720	199,368
Special events	24,688	18,376
Student expenses	139,484	132,976
Supplies	26,327	15,972
Telephone	20,321	12,774
Toosey Enterprises cost of goods sold	1,578,919	1,474,537
Training	12,438	20,421
Travel	24,103	11,600
Utilities	35,382	33,483
Vehicle	41,214	46,175
	4,344,620	3,721,864

Toosey Indian Band
Administration
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	353,559	223,987
Other revenue	122,431	184,622
Interest income	829	956
Province of British Columbia	474,058	105,058
Revenue trust funds	2,662	2,752
	953,539	517,375
Expenses		
Administration (recovery)	(36,240)	(151,827)
Advertising	1,600	725
Bank charges and interest	3,679	3,668
Contracted services	72,643	142,207
Furniture and equipment	1,326	9,017
Groceries	590	2,447
Honouraria	136,575	200,550
Interest on long-term debt	1,972	-
Office supplies and expenses	10,461	24,596
Professional development	-	2,101
Professional fees (recovery)	30,163	(33,559)
Rent	-	573
Repairs and maintenance	5,960	7,900
Salaries and benefits	424,611	305,691
Special events	1,760	2,321
Supplies	3,186	4,405
Telephone	17,387	10,129
Training	4,566	2,396
Travel	15,905	4,956
Utilities	10,226	11,039
Vehicle	19,202	24,950
	725,572	574,285
Annual surplus (deficit)	227,967	(56,910)

Toosey Indian Band
Social Housing
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Canada Mortgage and Housing Corporation	8,904	8,904
Indigenous and Northern Affairs Canada	-	48,000
Other revenue	202,962	6,471
Rental income	64,460	48,270
Interest income	1,802	-
	278,128	111,645
Expenses		
Administration	560	998
Bank charges and interest	431	358
Contracted services	12,029	-
Furniture and equipment (recovery)	1,965	(336)
Groceries	157	-
Honouraria	-	6,875
Insurance	66,988	73,497
Interest on long-term debt	1,940	2,168
Office supplies and expenses	200	1,013
Professional fees	3,300	27,921
Repairs and maintenance	261,328	17,681
Salaries and benefits	34,938	13,740
Social assistance	-	20,936
Special events	280	64
Student expenses	-	385
Supplies	242	172
Training	-	105
Travel	1,295	-
	385,653	165,577
Annual deficit	(107,525)	(53,932)

Toosey Indian Band
Health
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
First Nations Health Authority	677,893	509,368
Other revenue	21,563	23,054
Interest income	67	65
	699,523	532,487
Expenses		
Administration	39,772	38,023
Advertising	-	1,699
Bank charges and interest	480	551
Contracted services	141,505	11,122
Fuel and Tabacco	160	-
Furniture and equipment	11,794	2,282
Groceries	8,114	3,612
Honouraria	5,400	15,303
Insurance	4,320	-
Office supplies and expenses	779	2,392
Professional development	-	2,101
Professional fees	24,181	19,357
Rent	500	-
Repairs and maintenance	1,185	737
Salaries and benefits	192,026	177,516
Social assistance	9,966	9,832
Special events	16,377	8,300
Student expenses	480	-
Supplies	12,050	9,705
Telephone	76	-
Training	7,872	15,227
Travel	1,772	3,381
Utilities	-	50
Vehicle	18,825	19,253
	497,634	340,443
Annual surplus	201,889	192,044

Toosey Indian Band
Community Infrastructure
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	121,425	125,594
Expenses		
Contracted services	5,895	5,915
Furniture and equipment	-	1,027
Repairs and maintenance	4,520	-
Salaries and benefits	67,362	52,662
Utilities	15,239	13,439
Vehicle	3,187	1,971
	96,203	75,014
Annual surplus	25,222	50,580

Toosey Indian Band
Economic Development
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	17,509	17,046
Loss from investment in Band business entities	(85,861)	(29,997)
Interest income	126	186
Toosey Enterprises	<u>1,857,433</u>	1,835,985
	1,789,207	1,823,220
Expenses		
Advertising	250	-
Amortization	14,554	12,365
Bad debts	-	36,829
Bank charges and interest	6,364	3,097
Contracted services	18,582	13,236
Furniture and equipment	1,085	153
Insurance (recovery)	1,728	(985)
Office supplies and expenses	5,889	10,186
Professional fees	-	18,663
Repairs and maintenance	2,221	8,971
Salaries and benefits	202,470	186,004
Special events	233	-
Student expenses	-	300
Supplies	10,849	1,690
Telephone	2,858	2,645
Toosey Enterprises cost of sales	<u>1,578,759</u>	1,474,537
Utilities	9,917	8,955
	1,855,759	1,776,646
Annual surplus (deficit)	(66,552)	46,574

Toosey Indian Band
Education and Training
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	144,127	153,934
Other revenue	203	3,221
	144,330	157,155
 Expenses		
Administration	-	1,205
Furniture and equipment	2,048	-
Office supplies and expenses	20	589
Salaries and benefits	18,688	17,302
Special events	1,306	626
Student expenses	139,004	132,291
Travel	5,132	3,266
	166,198	155,279
 Annual surplus (deficit)	(21,868)	1,876

Toosey Indian Band
Capital Projects
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	1,718,312	589,258
Other revenue	4,233	-
	1,722,545	589,258
Expenses		
Amortization	404,916	379,521
Office supplies and expenses	-	85
Repairs and maintenance	1,777	3,150
	406,693	382,756
Annual surplus	1,315,852	206,502

Toosey Indian Band
Social Programs
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017	2016
Revenue		
Indigenous and Northern Affairs Canada	255,841	278,955
Interest income	4	-
	255,845	278,955
Expenses		
Administration	-	335
Bank charges and interest	1,060	979
Honouraria	-	200
Office supplies and expenses	416	-
Professional fees	-	8,808
Salaries and benefits	66,947	63,183
Social assistance	137,753	168,600
Special events	4,732	7,065
Training	-	2,694
	210,908	251,864
Annual surplus	44,937	27,091

Toosey Indian Band
Schedule of Remuneration and Expenses
Elected Officials
For the year ended March 31, 2017
(Unaudited)