

**Toosey Indian Band  
Consolidated Financial Statements**  
*March 31, 2018*

# Toosey Indian Band Contents

For the year ended March 31, 2018

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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 13, 2018



Administrator

## Independent Auditors' Report

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

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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, 2018. 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. Our audit opinion on the financial statements for the year ended March 31, 2017 was also modified accordingly because of this departure from Canadian Public Sector Accounting Standards.

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 Toosey Indian Band's Loss from investment in Band business entities for the year ended March 31, 2017 as the financial information for the March 31, 2017 fiscal year was not available to be audited. Therefore, we were unable to determine if there should be adjustments to Investments in Band business entities and Accumulated Surplus at March 31, 2017 and March 31, 2018, and earnings (loss) from investment in Band business entities for the years ended March 31, 2017 and 2018. Our audit opinion on the financial statements for the year ending March 31, 2017 was also modified accordingly because of the possible effects of this limitation in scope.

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

Prince George, British Columbia

August 13, 2018

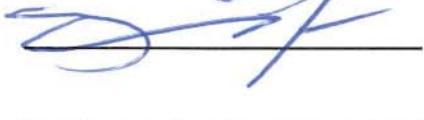
**MNP LLP**

Chartered Professional Accountants

**Toosey Indian Band**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2018*

	2018	2017
<b>Financial assets</b>		
Cash and cash equivalents	544,056	894,830
Accounts receivable (Note 3)	89,396	246,467
Inventory for resale	60,233	66,639
Restricted cash (Note 4)	130,125	129,817
Investments in Band business entities (Note 5)	683,792	87,304
Funds held in trust (Note 6)	103,640	100,607
<b>Total financial assets</b>	<b>1,611,242</b>	<b>1,525,664</b>
<b>Liabilities</b>		
Accounts payable and accruals (Note 8)	433,497	412,784
Deferred revenue	94,500	-
Long-term debt (Note 9)	128,670	161,847
<b>Total liabilities</b>	<b>656,667</b>	<b>574,631</b>
<b>Net financial assets</b>	<b>954,575</b>	<b>951,033</b>
<b>Contingencies (Note 10)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	8,837,194	8,862,621
Prepaid expenses	15,590	-
<b>Total non-financial assets</b>	<b>8,852,784</b>	<b>8,862,621</b>
<b>Accumulated surplus (Note 11)</b>	<b>9,807,359</b>	<b>9,813,654</b>

Approved on behalf of the Council:



Chief

Councillor



Councillor



Councillor

**Toosey Indian Band**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2018*

	<i>Schedules</i>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous Services Canada (Note 15)		860,002	2,610,773
First Nation Health Authority		451,938	677,893
Canada Mortgage and Housing Corporation		8,787	8,904
Toosey Enterprises		2,140,009	1,857,433
Province of British Columbia		261,323	474,058
Other revenue		514,836	351,391
Rental income		86,240	64,460
Administration fees		618,669	-
Revenue trust funds (Note 6)		3,033	2,662
Interest income		2,178	2,827
Earnings (loss) from investment in Band business entities		59,488	(85,861)
		<b>5,006,503</b>	5,964,540
<b>Program expenses (Schedule 2)</b>			
Administration	3	1,348,886	725,572
Social Housing	4	180,374	385,653
Health	5	486,525	497,634
Community Infrastructure	6	81,513	96,203
Economic Development	7	2,292,728	1,855,759
Education and Training	8	98,578	166,198
Capital Projects	9	352,597	406,693
Social Programs	10	171,597	210,908
		<b>5,012,798</b>	4,344,620
<b>Annual surplus (deficit)</b>		<b>(6,295)</b>	1,619,920
<b>Accumulated surplus, beginning of year</b>		<b>9,813,654</b>	8,193,734
<b>Accumulated surplus, end of year</b>		<b>9,807,359</b>	9,813,654

**Toosey Indian Band**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Annual surplus (deficit)</b>		
Purchases of tangible capital assets	(6,295)	1,619,920
Amortization of tangible capital assets	(382,127)	(1,861,127)
Acquisition of prepaid expenses	407,555	419,471
Use of prepaid expenses	(15,591)	-
	-	14,097
<b>Increase in net financial assets</b>	<b>3,542</b>	192,361
<b>Net financial assets, beginning of year</b>	<b>951,033</b>	758,672
<b>Net financial assets, end of year</b>	<b>954,575</b>	951,033

**Toosey Indian Band**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	(6,295)	1,619,920
Non-cash items		
Amortization	407,555	419,471
Earnings (loss) from investments in Band business entities	(59,488)	85,861
Earnings on funds held in trust	(3,033)	(2,662)
	<b>338,739</b>	2,122,590
Changes in working capital accounts		
Accounts receivable	157,071	(89,858)
Prepaid expenses	(15,591)	14,097
Restricted cash	(308)	(9,652)
Accounts payable and accruals	20,713	(54,520)
Inventory	6,406	(21,593)
Deferred revenue	94,500	-
	<b>601,530</b>	1,961,064
<b>Financing activities</b>		
Proceeds of long-term debt	-	70,000
Repayment of long-term debt	(33,177)	(29,426)
	<b>(33,177)</b>	40,574
<b>Capital activities</b>		
Purchases of tangible capital assets	(382,127)	(1,861,127)
<b>Investing activities</b>		
Advances to related Nation entities	(537,000)	-
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(350,774)</b>	140,511
<b>Cash and cash equivalents, beginning of year</b>	<b>894,830</b>	754,319
<b>Cash and cash equivalents, end of year</b>	<b>544,056</b>	894,830

**Toosey Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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**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
- Social Housing

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, 2018*

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**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, 2018*

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**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:

	<b>Method</b>	<b>Rate</b>
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 (deficit) 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 (deficit) 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, 2018*

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**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, 2018.

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. As at March 31, 2018, no liability for contaminated sites exists.

***Changes in Accounting Policies***

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

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

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

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

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

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

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

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

PS 3380 Contractual Rights establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Section are as follows:

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

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

**Toosey Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

**3. Accounts receivable**

	<b>2018</b>	<b>2017</b>
Indigenous Services Canada	-	72,767
Gas bar receivables	44,563	37,303
GST receivable	-	14,858
Other receivables	44,833	121,539
	<b>89,396</b>	<b>246,467</b>

**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 (2017 - fully funded).

**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>	<b>2018</b>
<b>Wholly-owned Businesses:</b>				
Chilcotin Plateau Enterprises Ltd.	(76,240)	786,403	(26,373)	683,790
<b>Portfolio Investments – Recorded at Cost</b>				
Dene Development Corporation (33.3%)	1	-	-	1
River West Forest Products Ltd. (22%)	1	-	-	1
	<b>(76,238)</b>	<b>786,403</b>	<b>(26,373)</b>	<b>683,792</b>

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<b>2017</b>
<b>Wholly-owned Businesses:</b>				
Chilcotin Plateau Enterprises Ltd.	(76,240)	249,403	(85,861)	87,302
<b>Portfolio Investments – Recorded at Cost</b>				
Dene Development Corporation (33.3%)	1	-	-	1
River West Forest Products Ltd. (22%)	1	-	-	1
	<b>(76,238)</b>	<b>249,403</b>	<b>(85,861)</b>	<b>87,304</b>

**Toosey Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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**5. Investments in Band business entities** *(Continued from previous page)*

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, 2017 (Unaudited)</i>	
<b>Assets</b>	
Cash	7,123
Accounts receivable	15,000
Inventory	17,000
Investments	5,050
Prepaid expenses	163,743
Property, plant and equipment	355,425
Loan receivable	250,000
<b>Total assets</b>	<b>813,341</b>
<b>Liabilities</b>	
Accounts payable and accruals	708,447
Long-term debt	90,615
Advances from related parties	116,891
<b>Total liabilities</b>	<b>915,953</b>
<b>Net deficit</b>	<b>(102,612)</b>
<b>Total revenue</b>	<b>3,912,479</b>
<b>Total expenses</b>	<b>3,852,991</b>
<b>Net income</b>	<b>59,488</b>

The Band's business enterprise has a different year-end than March 31, 2018. The Band uses the business enterprise year-end financial statements to account for its investment in Chilcotin Plateau Enterprises Ltd.

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

**Toosey Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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**6. 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.

	<b>2018</b>	<b>2017</b>
<b>Capital Trust</b>		
Balance, beginning and end of year	<b>2,149</b>	2,149
<b>Revenue Trust</b>		
Balance, beginning of year	98,458	95,796
Interest	2,246	1,883
BC Special	787	779
Balance, end of year	<b>101,491</b>	98,458
	<b>103,640</b>	100,607

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*.

**7. 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, 2018, \$0 was drawn on the Royal Bank of Canada line of credit (2017 - \$3,000) and is included in cash and cash equivalents.

**8. Accounts payable and accruals**

	<b>2018</b>	<b>2017</b>
Trade payables and accruals	253,513	211,796
Indigenous Services Canada recoveries	179,984	200,989
	<b>433,497</b>	412,785

**Toosey Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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**9. Long-term debt**

	<b>2018</b>	<b>2017</b>
All Nations Trust Company mortgage payable bearing interest at 1.43% (2017 - 1.43%) per annum, repayable in monthly blended payments of \$1,782, maturing on February 1, 2022, secured by a Ministerial Guarantee	81,409	101,608
Royal Bank of Canada term loan bearing interest at prime plus 1.30%, repayable in monthly blended payments of \$1,289, renewable June 2018, secured by a general security agreement, prime was 3.45% on March 31, 2018	47,261	60,239
	<b>128,670</b>	161,847

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:

2019	33,801
2020	34,797
2021	35,830
2022	24,242

**10. Contingencies**

The Band is involved in a specific claim for compensation of use for certain property. The effects of any contingent claims relating to this dispute are not determinable at the date of this report.

The Band 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, 2018 might be recovered.

**11. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2018</b>	<b>2017</b>
Ottawa Trust Funds	103,640	100,607
Tangible Capital Assets	8,708,520	8,700,774
Operating Fund	200,947	799,478
Toosey Enterprise Fund	683,792	87,304
Replacement Reserve Fund	110,460	125,491
	<b>9,807,359</b>	9,813,654

**Toosey Indian Band**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2018*

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**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 a significant portion of its revenue from Indigenous Services Canada (ISC) as a result of funding agreements entered into with the Government of Canada. These funding agreements are administered by ISC 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. Indigenous Services Canada (ISC) funding reconciliation**

	<b>2018</b>	<b>2017</b>
ISC revenue per confirmation	869,855	2,513,230
ISC (recoveries) reimbursements	(9,853)	97,543
 ISC Revenue per Statement of Operations and Accumulated Surplus	 860,002	 2,610,773

**16. Comparative figures**

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

**Toosey Indian Band**

**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

For the year ended March 31, 2018

	<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>
<b>Cost</b>							
Balance, beginning of year	<b>10,828,471</b>	<b>19,265</b>	<b>254,415</b>	<b>61,804</b>	<b>119,705</b>	<b>324,272</b>	<b>11,607,932</b>
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	<b>10,828,471</b>	<b>19,265</b>	<b>254,415</b>	<b>61,804</b>	<b>119,705</b>	<b>324,272</b>	<b>11,607,932</b>
<b>Accumulated amortization</b>							
Balance, beginning of year	<b>3,895,651</b>	<b>17,876</b>	<b>138,289</b>	<b>25,293</b>	<b>77,233</b>	<b>295,574</b>	<b>4,449,916</b>
Annual amortization	<b>346,641</b>	<b>417</b>	<b>34,838</b>	<b>7,302</b>	<b>8,493</b>	<b>8,610</b>	<b>406,301</b>
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	<b>4,242,292</b>	<b>18,293</b>	<b>173,127</b>	<b>32,595</b>	<b>85,726</b>	<b>304,184</b>	<b>4,856,217</b>
<b>Net book value of tangible capital assets</b>	<b>6,586,179</b>	<b>972</b>	<b>81,288</b>	<b>29,209</b>	<b>33,979</b>	<b>20,088</b>	<b>6,751,715</b>
2017 Net book value of tangible capital assets	<b>6,932,820</b>	<b>1,388</b>	<b>116,126</b>	<b>36,510</b>	<b>42,472</b>	<b>28,699</b>	<b>7,158,015</b>

**Toosey Indian Band**

**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2018*

	<i>Subtotal</i>	<i>Storage Tanks</i>	<i>Assets under construction (work in progress)</i>	<i>2018</i>	<i>2017</i>
<b>Cost</b>					
Balance, beginning of year	11,607,932	82,247	1,679,530	13,369,709	11,567,581
Acquisition of tangible capital assets	-	-	382,127	382,127	1,861,127
Disposal of tangible capital assets	-	-	-	-	(59,000)
Balance, end of year	11,607,932	82,247	2,061,657	13,751,836	13,369,708
<b>Accumulated amortization</b>					
Balance, beginning of year	4,449,916	57,171	-	4,507,087	4,146,616
Annual amortization	406,301	1,254	-	407,555	419,471
Accumulated amortization on disposals	-	-	-	-	(59,000)
Balance, end of year	4,856,217	58,425	-	4,914,642	4,507,087
<b>Net book value of tangible capital assets</b>	<b>6,751,715</b>	<b>23,822</b>	<b>2,061,657</b>	<b>8,837,194</b>	<b>8,862,621</b>
2017 Net book value of tangible capital assets	7,158,015	25,077	1,679,529	8,862,621	

**Toosey Indian Band**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Consolidated expenses by object</b>		
Administration	118,190	4,093
Advertising	4,096	1,850
Amortization	407,555	419,471
Bad debts	107,684	-
Bank charges and interest	21,036	12,013
Contracted services	451,562	250,654
Furniture and equipment	1,582	18,218
Groceries	11,034	8,860
First Nations Health Authority funding repaid	55,090	-
Honouraria	66,771	141,975
Insurance	82,371	73,036
Interest on long-term debt	3,928	3,912
Office supplies and expenses	66,744	17,765
Professional development	2,857	-
Professional fees	131,308	57,644
Rent	3,241	500
Repairs and maintenance	120,949	276,991
Salaries and benefits	977,173	1,007,042
Social assistance	126,844	147,720
Special events	20,328	24,688
Student expenses	72,452	139,484
Supplies	108,380	26,327
Telephone	14,725	20,321
Toosey Enterprises cost of goods sold	1,920,074	1,578,919
Training	15,251	12,438
Travel	31,189	24,103
Utilities	40,437	35,382
Vehicle	29,948	41,214
	<b>5,012,799</b>	<b>4,344,620</b>

**Toosey Indian Band**  
**Administration**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	319,722	353,559
Administration fees	618,669	-
Province of British Columbia	261,323	474,058
Other revenue	242,912	122,431
Rental income	14,191	-
Revenue trust funds	3,033	2,662
Interest income	1,414	829
	<b>1,461,264</b>	<b>953,539</b>
<b>Expenses</b>		
Administration	69,123	2,248
Advertising	675	1,600
Bad debts	110,050	-
Bank charges and interest	4,622	3,679
Contracted services	439,735	34,155
Furniture and equipment	-	1,326
Groceries	4,458	590
Honouraria	55,670	136,575
Insurance	7,500	-
Interest on long-term debt	2,491	1,972
Office supplies and expenses	41,651	10,461
Professional development	2,857	-
Professional fees	77,108	30,163
Rent	539	-
Repairs and maintenance	22,074	5,960
Salaries and benefits	418,773	424,611
Special events	575	1,760
Supplies	62,624	3,186
Telephone	8,982	17,387
Training	126	4,566
Travel	1,760	15,905
Utilities	14,495	10,226
Vehicle	2,998	19,202
	<b>1,348,886</b>	<b>725,572</b>
<b>Annual surplus before transfers</b>	<b>112,378</b>	227,967
<b>Transfers between programs</b>	<b>(424)</b>	-
<b>Annual surplus</b>	<b>111,954</b>	<b>227,967</b>

**Toosey Indian Band**  
**Social Housing**  
**Schedule 4 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	24,624	-
Canada Mortgage and Housing Corporation	8,787	8,904
Other revenue	186,535	202,962
Rental income	70,886	64,460
Interest income	327	1,802
	<b>291,159</b>	278,128
<b>Expenses</b>		
Administration	2,674	560
Bank charges and interest	-	431
Contracted services	-	12,029
Furniture and equipment	616	1,965
Groceries	-	157
Insurance	68,934	66,988
Interest on long-term debt	1,437	1,940
Office supplies and expenses	82	200
Professional fees	3,000	3,300
Rent	1,240	-
Repairs and maintenance	80,684	261,328
Salaries and benefits	22,981	34,938
Special events	-	280
Supplies	251	242
Travel (recovery)	(1,696)	1,295
Vehicle	171	-
	<b>180,374</b>	385,653
<b>Annual surplus (deficit)</b>	<b>110,785</b>	(107,525)

**Toosey Indian Band**  
**Health**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
First Nations Health Authority	451,938	677,893
Other revenue	22,253	21,563
Interest income	126	67
	<b>474,317</b>	<b>699,523</b>
<b>Expenses</b>		
Administration	45,193	39,772
Advertising	2,996	-
Bank charges and interest	932	480
Contracted services	7,946	141,505
Fuel and Tabacco	-	160
Furniture and equipment	966	11,794
Groceries	6,576	8,114
First Nations Health Authority funding repaid	55,090	-
Honouraria	11,101	5,400
Insurance	-	4,320
Office supplies and expenses	1,118	779
Professional fees	38,061	24,181
Rent	-	500
Repairs and maintenance	5,156	1,185
Salaries and benefits	199,359	192,026
Social assistance	13,057	9,966
Special events	13,814	16,377
Student expenses	218	480
Supplies	27,831	12,050
Telephone	2,110	76
Training	13,666	7,872
Travel	17,071	1,772
Utilities	75	-
Vehicle	24,188	18,825
	<b>486,524</b>	<b>497,634</b>
<b>Annual surplus</b>	<b>(12,207)</b>	<b>201,889</b>

**Toosey Indian Band**  
**Community Infrastructure**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	122,283	121,425
Other revenue	33,780	-
Rental income	1,163	-
	<b>157,226</b>	121,425
<b>Expenses</b>		
Administration	1,200	-
Bank charges and interest	766	-
Contracted services	1,440	5,895
Insurance	5,937	-
Office supplies and expenses	1,235	-
Rent	1,462	-
Repairs and maintenance	6,472	4,520
Salaries and benefits	37,414	67,362
Supplies	1,499	-
Training	1,460	-
Travel	4,710	-
Utilities	15,611	15,239
Vehicle	2,307	3,187
	<b>81,513</b>	96,203
<b>Annual surplus before transfers</b>	<b>75,713</b>	25,222
<b>Transfers between programs</b>	<b>339</b>	-
<b>Annual surplus</b>	<b>76,052</b>	25,222

**Toosey Indian Band**  
**Economic Development**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	17,399	17,509
Toosey Enterprises	2,140,009	1,857,433
Earnings (loss) from investment in Band business entities	59,488	(85,861)
Interest income	310	126
	<b>2,217,206</b>	1,789,207
<b>Expenses</b>		
Advertising	425	250
Amortization	54,958	14,554
Bad debts (recovery)	(2,366)	-
Bank charges and interest	13,844	6,364
Contracted services	2,442	18,582
Furniture and equipment	-	1,085
Insurance	-	1,728
Office supplies and expenses	22,658	5,889
Professional fees	10,213	-
Repairs and maintenance	6,564	2,221
Salaries and benefits	230,260	202,470
Special events	-	233
Supplies	16,175	10,849
Telephone	3,632	2,858
Toosey Enterprises cost of sales	1,920,074	1,578,759
Travel	3,310	-
Utilities	10,255	9,917
Vehicle	284	-
	<b>2,292,728</b>	1,855,759
<b>Annual deficit</b>	<b>(75,522)</b>	(66,552)

**Toosey Indian Band**  
**Education and Training**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	142,816	144,127
Other revenue	29,356	203
	<b>172,172</b>	144,330
 <b>Expenses</b>		
Furniture and equipment	-	2,048
Office supplies and expenses	-	20
Salaries and benefits	19,714	18,688
Special events	600	1,306
Student expenses	72,233	139,004
Travel	6,031	5,132
	<b>98,578</b>	166,198
 <b>Annual surplus (deficit)</b>	<b>73,594</b>	(21,868)

**Toosey Indian Band**  
**Capital Projects**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	24,937	1,718,312
Other revenue	-	4,233
	<b>24,937</b>	<b>1,722,545</b>
<b>Expenses</b>		
Amortization	352,597	404,916
Repairs and maintenance	-	1,777
	<b>352,597</b>	<b>406,693</b>
<b>Annual surplus (deficit) before transfers</b>	<b>(327,660)</b>	1,315,852
<b>Transfers between programs</b>	<b>85</b>	-
<b>Annual surplus (deficit)</b>	<b>(327,575)</b>	1,315,852

**Toosey Indian Band**  
**Social Programs**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Indigenous Services Canada	208,221	255,841
Interest income	-	4
	<b>208,221</b>	255,845
 <b>Expenses</b>		
Bank charges and interest	872	1,060
Office supplies and expenses	-	416
Professional fees	2,927	-
Salaries and benefits	48,671	66,947
Social assistance	113,788	137,753
Special events	5,339	4,732
	<b>171,597</b>	210,908
 <b>Annual surplus</b>	<b>36,624</b>	44,937