

**Soowahlie Indian Band**  
**Consolidated Financial Statements**  
*March 31, 2017*

# Soowahlie Indian Band Contents

For the year ended March 31, 2017

---

	Page
<b>Management's Responsibility</b>	
<b>Independent Auditors' Report</b>	
<b>Consolidated Financial Statements</b>	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
<b>Notes to the Consolidated Financial Statements</b> .....	5
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	17
Schedule 2 - Schedule of Consolidated Expenses by Object.....	20
Schedule 3 - Administration.....	21
Schedule 4 - Capital Fund.....	23
Schedule 5 - Education and Employment.....	24
Schedule 6 - Health.....	25
Schedule 7 - Non-Profit Housing.....	26
Schedule 8 - Maintenance.....	27
Schedule 9 - Ottawa Trust.....	28
Schedule 10 - Social Development.....	29

---

## **Management's Responsibility**

---

To the Members of Soowahlie Indian Band:

The accompanying consolidated financial statements of Soowahlie 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.

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

MNP LLP is appointed by the Chief and Council 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 and separately with, both the Council and management to discuss their audit findings.

July 25, 2017

*Original Signed by Brenda Wallace*

---

Chief

*Original Signed by Marcella Commodore*

---

Councillor

---

## Independent Auditors' Report

---

To the Members of Soowahlie Indian Band:

We have audited the accompanying consolidated financial statements of Soowahlie Indian Band, 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 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 audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Soowahlie Indian Band 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.

Chilliwack, British Columbia

July 25, 2017

*MNP LLP*

Chartered Professional Accountants

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

	<b>2017</b>	<b>2016</b>
<hr/>		
<b>Financial Assets</b>		
Cash and cash equivalents	1,140,967	576,043
Restricted cash (Note 3)	5,041	5,041
Accounts receivable (Note 4)	96,904	31,801
CMHC subsidy receivable	1,408	7,213
Rent receivable (Note 5)	11,290	13,067
Investments (Note 6)	1,890,046	1,773,075
Funds held in trust (Note 7)	14,938	64,216
	<hr/>	<hr/>
	<b>3,160,594</b>	<b>2,470,456</b>
<hr/>		
<b>Liabilities</b>		
Accounts payable and accruals (Note 8)	461,970	98,141
Long-term debt (Note 9)	230,285	329,391
Capital lease obligations (Note 10)	115,110	-
	<hr/>	<hr/>
	<b>807,365</b>	<b>427,532</b>
<hr/>		
<b>Net financial assets</b>	<b>2,353,229</b>	<b>2,042,924</b>
<b>Contingencies (Note 11)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	2,804,461	2,784,309
	<hr/>	<hr/>
<b>Accumulated surplus (Note 12)</b>	<b>5,157,690</b>	<b>4,827,233</b>
<hr/>		

Approved on behalf of the Council

Original Signed by Brenda Wallace

Chief

Original Signed by Marcella Commodore

Councillor

# Soowahlie Indian Band

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2017*

	Schedules	2017 Budget	2017	2016
<b>Revenue</b>				
Indigenous and Northern Affairs Canada		488,245	2,663,790	1,150,250
First Nations Health Authority		415,052	437,655	465,396
Canada Mortgage and Housing Corporation		-	41,708	32,452
I.N.A.C. recovery		-	(219,426)	(1,640)
Earnings from investment in Nation business entities		-	515,922	1,052,517
Gravel royalties		-	292,269	130,903
Rental income		-	114,651	126,634
Campsite fees		75,000	88,713	66,526
Other revenue		20,000	87,060	67,299
CMHC retrofit initiative		-	72,500	-
Fish sales		55,000	54,417	36,946
School District #33 - 2015 Reimbursement for overpayment		-	-	60,851
Sto:lo Aboriginal Skills and Employment Training		22,571	53,733	63,606
New Relationship Trust		-	24,400	5,000
Taxation		-	14,365	14,246
First Nations Education Steering Committee Society		-	11,716	18,066
Revenue trust fund distributions		-	8,441	17,435
Interest income		1,000	4,342	3,644
Travel and honoraria reimbursements		-	3,247	1,450
BC Hydro		2,000	2,000	2,000
BC special distribution		-	861	866
BC Hydro ILM		-	-	120,000
		<b>1,078,868</b>	<b>4,272,364</b>	<b>3,434,447</b>
<b>Expenses</b>				
Administration	3	453,158	541,760	573,368
Capital Fund	4	-	204,736	169,946
Education and Employment	5	748,909	574,610	460,732
Health	6	282,392	418,658	432,092
Non-Profit Housing	7	-	37,387	45,632
Maintenance	8	172,744	1,847,958	152,242
Social Development	10	-	316,797	322,858
		<b>1,657,203</b>	<b>3,941,906</b>	<b>2,156,870</b>
<b>Surplus</b>		<b>(578,335)</b>	<b>330,457</b>	<b>1,277,577</b>
<b>Accumulated surplus, beginning of year</b>		<b>4,827,233</b>	<b>4,827,233</b>	<b>3,549,656</b>
<b>Accumulated surplus, end of year</b>		<b>4,248,898</b>	<b>5,157,690</b>	<b>4,827,233</b>

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

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

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Annual surplus</b>	<b>(578,335)</b>	<b>330,457</b>	1,277,577
Purchases of tangible capital assets	-	<b>(109,778)</b>	(14,000)
Acquisition of equipment under capital lease	-	<b>(115,110)</b>	-
Amortization of tangible capital assets	-	<b>204,736</b>	169,946
	-	<b>(20,152)</b>	155,946
<b>Increase in net financial assets</b>	<b>(578,335)</b>	<b>310,305</b>	1,433,523
<b>Net financial assets, beginning of year</b>	<b>2,042,924</b>	<b>2,042,924</b>	609,401
<b>Net financial assets, end of year</b>	<b>1,464,589</b>	<b>2,353,229</b>	2,042,924

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

**Soowahlie Indian Band**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus	330,457	1,277,577
Non-cash items		
Amortization	204,736	169,946
Decrease (increase) in funds held in trust	49,278	(19,722)
Equity earnings from investments	(515,922)	(1,052,517)
Bad Debt	35,307	217,067
	<b>103,856</b>	<b>592,351</b>
Changes in working capital accounts		
Accounts receivable	(100,410)	(1,270)
CMHC subsidy receivable	5,805	(4,509)
Rent receivable	1,777	(34,528)
Accounts payable and accruals	363,829	(93,514)
	<b>374,857</b>	<b>458,530</b>
<b>Financing activities</b>		
Repayment of long-term debt	(99,106)	(109,424)
Withdrawal from investments	398,951	-
	<b>299,845</b>	<b>(109,424)</b>
<b>Capital activities</b>		
Purchases of tangible capital assets	(109,778)	(14,000)
<b>Increase in cash resources</b>	<b>564,924</b>	<b>335,106</b>
<b>Cash resources, beginning of year</b>	<b>581,084</b>	<b>245,978</b>
<b>Cash resources, end of year</b>	<b>1,146,008</b>	<b>581,084</b>
<b>Cash resources are composed of:</b>		
Cash	1,140,967	576,043
Restricted Cash	5,041	5,041
	<b>1,146,008</b>	<b>581,084</b>
<b>Supplementary cash flow information</b>		
Interest paid	15,262	29,560

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



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

---

**1. Operations**

The Soowahlie Indian Band (the "Band") is located in the Province of British Columbia and provides various services to its members. The Band includes the Band's government and all related entities that are accountable to the Band and are either owned or controlled by the Band.

**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:

***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.

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

**Revenue recognition**

**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.

**Externally restricted revenue**

The Band recognizes externally restricted inflows as revenue in the period the resources are used for the purposes specified in accordance with an agreement or legislation. Until this time, the Band records externally restricted inflows in deferred revenue.

**Funds held in Ottawa Trust**

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

**Own source revenues**

Own source revenues derived from such sources as housing rents, resource based revenues, campsite revenue, fish sales, interest income and other revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**Tax revenue**

The Band recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the Band evaluates the tax receivable for collectibility and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

**Investments**

The Band uses the modified equity method to account for its investments in various business partnerships and corporations whereby the acquisition cost is increased by the Band's proportionate share of earnings.

**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.

**Funds held in Ottawa Trust Fund**

Funds held in trust on behalf of the Band 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 funds consist of:

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

**Soowahlie 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 based on historical cost accounting records for all tangible capital assets. Contributed tangible assets are recorded at their fair value at the date of contribution.

**Amortization**

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

	Method	Rate
Buildings	straight-line	40 years
Housing	straight-line	25 years
Computers	straight-line	5 years
Vehicles	straight-line	13 years
Equipment	straight-line	10 years
Bridges	straight-line	40 years
Water system infrastructure	straight-line	75 years
Water system buildings and reservoirs	straight-line	45 years
Roadway system	straight-line	60 years
Gate	straight-line	10 years
Capital lease - equipment	straight-line	5 years

**Measurement uncertainty**

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, rent receivable and amounts due from related parties, are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

**Tax receivable**

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. Tax receivables are evaluated as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

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

**Reporting entity**

The financial statements consolidate the financial activities of all entities and departments comprising the Band reporting entity, except for Band business entities.

The Band has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- Th'Ewali Forestry Ltd.
- Th'Ewali Fisheries Ltd.
- Th'Ewali Resources Ltd.
- Social Housing
- Health

All inter-entity balances have been eliminated on consolidation.

The Band business entities, owned or controlled by the Band's 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.

**Segments**

The Band conducts its business through a number of reportable segments as described in note 14. 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.

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. As at March 31, 2017, management has determined no liability is required to be recorded.

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

***Future accounting policies***

**PS 2200 Related Party Disclosures**

This accounting pronouncement is effective for the 2018 fiscal year and defines related party and establishes disclosures required for related party transactions. Management is assessing the impact of the adoption of these standards, which is not known or can be reasonably estimated at this time.

**PS 3210 Assets**

This accounting pronouncement is effective for the 2018 fiscal year and provides guidance for applying the definitions of assets set out in PS 1000 Financial Statement Concepts and establishes general disclosure standards for assets. Management is assessing the impact of the adoption of these standards, which is not known or can be reasonably estimated at this time.

**PS 3320 Contingent Assets**

This accounting pronouncement is effective for the 2018 fiscal year and establishes disclosure standards on contingent assets. Management is assessing the impact of the adoption of these standards, which is not known or can be reasonably estimated at this time.

**PS 3380 Contractual Rights**

This accounting pronouncement is effective for the 2018 fiscal year and defines and establishes disclosure standards on contractual rights. Management is assessing the impact of the adoption of these standards, which is not known or can be reasonably estimated at this time.

**PS 3420 Inter-entity Transactions**

This accounting pronouncement is effective for the 2018 fiscal year and establishes 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 a recipient's perspective. Management is assessing the impact of the adoption of these standards, which is not known or can be reasonably estimated at this time.

**PS 3450 Financial Instruments**

This accounting pronouncement establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative instruments. It is effective for fiscal years beginning on or after April 1, 2019, with early adoption encouraged. Management is assessing the impact of the adoption of these standards, which is not known or can be reasonably estimated at this time.

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

---

**3. Restricted cash**

Restricted cash consists of the following:

	<b>2017</b>	2016
Replacement reserve	<b>5,041</b>	5,041

---

Under agreements with Canada Mortgage and Housing Corporation (CMHC), The Band established the following replacement reserve, funded by an annual allocation of \$19,239 (2016 - \$23,428), to ensure replacement of buildings financed by CMHC. At March 31, 2017, \$5,041 (2016 - \$5,041) has been set aside to fund this reserve. The unfunded portion at March 31, 2017 was \$221,753 (2016 - \$324,634).

In accordance with terms of the agreements, CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

**4. Accounts receivable**

Accounts receivable includes loans to Band members in the amount of \$15,646 (2016 - \$22,001). The loans do not have specific terms of repayment. Loans to Band members are presented net of allowance for doubtful accounts of \$23,749 (2016 - \$23,749).

**5. Rent Receivable**

Rent receivable is presented net of allowance for doubtful accounts of \$510,783 (2016 - \$475,476).

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

**6. Investments**

The Band has investments in the following entities:

	%	2017	2016
Centre Creek Limited Partnership	1/9	124,052	123,145
Centre Creek Management Limited - share capital	1/9	10	10
Ch-ihl-kway-uhk Tribe Society	1/9	57,110	54,115
Ts'elxweyeqw Tribe Limited Partnership	1/7	1,708,873	1,595,804
Ts'elxweyeqw Tribe Management Ltd. - share capital	1/7	1	1
		<b>1,890,046</b>	<b>1,773,075</b>

Consolidated financial information for Centre Creek Limited Partnership and Centre Creek Management Limited is as follows:

	2017	2016
Current assets	46,860	43,053
Property and equipment	2,424,286	2,461,132
	<b>2,471,146</b>	<b>2,504,185</b>
Current liabilities	30,155	556,521
Long-term debt	883,120	393,734
	<b>913,275</b>	<b>950,255</b>
Equity, beginning of year	1,549,544	1,563,309
Net income (loss)	8,327	(9,379)
	<b>1,557,871</b>	<b>1,553,930</b>
	<b>2,471,146</b>	<b>2,504,185</b>

	2017	2016
Revenue	104,483	100,900
Expenses	96,156	110,279
Net income (loss)	8,327	(9,379)

The Band's investment in Centre Creek Limited Partnership was established for the purpose of purchasing or acquiring real and personal properties located in Chilliwack River Valley. The partnership is also responsible for managing the acquired properties.

The Band's investment in Centre Creek Management Limited was established as the general partner of Centre Creek Limited Partnership.

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

---

**6. Investments** *(Continued from previous page)*

The financial information for Ch-ihl-kway-uhk Tribe Society is as follows:

	<b>2017</b>	2016
Current assets	<b>403,411</b>	372,067
Capital assets	<b>135</b>	181
Due from Centre Creek Limited Partnership	<b>128,897</b>	128,897
	<b>532,443</b>	501,145
<hr/>		
Current liabilities	<b>18,453</b>	14,105
<hr/>		
Net assets, beginning of year	<b>487,040</b>	463,560
Excess of revenue over expenses	<b>26,950</b>	23,480
Net assets, end of year	<b>513,990</b>	487,040
	<b>532,443</b>	501,145

	<b>2017</b>	2016
Revenue	<b>68,234</b>	57,942
Expenses	<b>41,284</b>	34,462
Excess of revenue over expenses	<b>26,950</b>	23,480

The Band's investment in Ch-ihl-kway-uhk Tribe Society was established for the purpose of property rentals.



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

**6. Investments** *(Continued from previous page)*

Consolidated financial information for Ts'elxweyeqw Tribe Limited Partnership, Ts'elxweyeqw Tribe Management Ltd. and Ts'elxweyeqw Forestry Limited Partnership is as follows:

	2017	2016
Current assets	<b>15,264,074</b>	13,452,984
Term deposits	<b>70,786</b>	-
Property and equipment	<b>18,933</b>	23,976
Due from related parties	<b>4,191,169</b>	74,595
	<b>19,544,962</b>	13,551,555
<hr/>		
Current liabilities	<b>771,375</b>	-
Due to related parties	<b>1,936,741</b>	-
	<b>2,708,116</b>	-
<hr/>		
Share capital	<b>7</b>	7
Equity, beginning of year	<b>15,505,069</b>	6,321,221
Partner withdrawals	<b>(3,283,778)</b>	-
Net income	<b>4,615,548</b>	7,230,327
Equity, end of year	<b>16,836,839</b>	13,551,548
	<b>19,544,962</b>	13,551,555

	2017	2016
Revenue	<b>6,209,232</b>	8,779,580
Expenses	<b>1,593,684</b>	1,549,253
Net income	<b>4,615,548</b>	7,230,327

The Band's investment in Ts'elxweyeqw Tribe Limited Partnership was established for the purpose of managing the activities of the Ts'elxweyeqw Forestry Limited Partnership to ensure the protection of the tribe's interests and heritage.

The Band's investment in Ts'elxweyeqw Tribe Management Ltd. was established as the general partner of Ts'elxweyeqw Tribe Limited Partnership and Ts'elxweyeqw Forestry Limited Partnership.

The Band's investment in Ts'elxweyeqw Forestry Limited Partnership was established for the purpose of developing, operating and participating in various forestry operations and activities in and around Chilliwack, B.C.

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

---

**7. Funds held in trust**

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

	<b>2017</b>	2016
<b>Capital Trust</b>		
Balance, beginning of year	<b>14,783</b>	14,783
<hr/>		
<b>Revenue Trust</b>		
Balance, beginning of year	<b>49,433</b>	29,711
Interest	<b>451</b>	1,421
Rental Income	<b>8,441</b>	17,435
BC Special Distribution	<b>861</b>	866
Revenue account balance under FNLM	<b>(52,247)</b>	-
Semi-annual interest transfer	<b>(6,784)</b>	-
<hr/>		
Balance, end of year	<b>155</b>	49,433
<hr/>		
	<b>14,938</b>	64,216
<hr/>		

**8. Accounts payable and accruals**

Included in accounts payable and accruals are government remittances payable of \$12,666 (2016 - \$9,238).

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

**9. Long-term debt**

	<b>2017</b>	<b>2016</b>
Project VI - All Nations Trust Company mortgage - payments of \$1,216 per month, including interest at 1.68% per annum; secured by Ministerial Guarantee of the Minister of Indigenous and Northern Affairs Canada; due on March 1, 2018.	<b>14,465</b>	28,691
Project VII - All Nations Trust Company mortgage - payments of \$1,500 per month, including interest at 1.05% per annum; secured by Ministerial Guarantee of the Minister of Indigenous and Northern Affairs Canada; due on July 1, 2019.	<b>41,477</b>	59,175
Project VIII - All Nations Trust Company Mortgage	-	20,740
Project IX - All Nations Trust Company mortgage - payments of \$2,064 per month, including interest at 1.11% per annum; secured by Ministerial Guarantee of the Minister of Indigenous and Northern Affairs Canada; due April 1, 2021.	<b>174,343</b>	197,723
RBC Demand Loan	-	23,062
	<b>230,285</b>	329,391

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

2018	55,062
2019	41,041
2020	29,448
2021	23,722
2022	23,987

**10. Capital lease obligations**

The Band has entered into a capital lease agreement with an option to purchase for \$1 at the end of the lease.

	<b>2017</b>	<b>2016</b>
Obligation under capital lease payable in equal monthly installments of \$3,597, due November 2019, with John Deere Loader Backhoe, having a net book value of \$103,599, pledged as collateral.	<b>115,110</b>	-

Minimum lease payments related to the obligation under capital lease are as follows:

2018	43,166
2019	43,166
2020	28,778
	115,110
Balance of obligation	115,110

**11. Contingent liabilities**

The Band is contingently liable in respect of guaranteed housing mortgages, which total \$230,285 (2016 - \$306,329).

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

---

**12. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2017</b>	2016
Equity in Ottawa Trust Funds	<b>14,938</b>	64,216
Equity in CMHC replacement reserve	<b>386,773</b>	367,534
Equity in tangible capital assets	<b>2,459,066</b>	2,430,111
Unrestricted surplus	<b>2,296,913</b>	1,965,372
	<b>5,157,690</b>	4,827,233

**13. Economic dependence**

The Band 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 Band to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these funding agreements.

**14. Segments**

The Band receives revenues and incurs expenses from many different projects and sources. For management and reporting purposes, the revenues, expenses and surplus or deficit are organized by segments. Schedules 3 - 10 disclose the Band's revenues and expenses in the following segments:

*Administration*

Includes general operations, support, and financial management of the Band.

*Capital Projects*

Includes revenue and expenditures related to capital projects.

*Education and employment*

Includes revenues and expenses related to various levels of education programs and growth and revenue producing projects for the members of the Band.

*Health*

Includes activities related to the provision of health services within the Band.

*Housing*

Includes rent collection and maintenance related to the mortgaged and non-mortgaged homes owned by the Band.

*Maintenance*

Includes revenues and expenditures related to conservation and stewardship of the Band's land and resources.

*Ottawa Trust*

Includes funds held in trust by the Government of Canada on behalf of the Band.

*Social Development*

Includes revenues and expenses relating to the social assistance of the members of the Band.

**Soowahlie Indian Band**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2017*

	<i>Buildings</i>	<i>Housing</i>	<i>Equipment</i>	<i>Roads</i>	<i>Water System Infrastructure</i>	<i>Water System Buildings and Reservoirs</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	1,510,688	2,625,940	57,768	778,866	1,392,639	178,887	6,544,788
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	1,510,688	2,625,940	57,768	778,866	1,392,639	178,887	6,544,788
<b>Accumulated amortization</b>							
Balance, beginning of year	744,119	2,280,028	37,810	364,464	406,550	91,758	3,924,729
Annual amortization	38,742	78,838	2,968	13,007	18,522	3,971	156,048
Balance, end of year	782,861	2,358,866	40,778	377,471	425,072	95,729	4,080,777
<b>Net book value of tangible capital assets</b>	<b>727,827</b>	<b>267,074</b>	<b>16,990</b>	<b>401,395</b>	<b>967,567</b>	<b>83,158</b>	<b>2,464,011</b>
2016 Net book value of tangible capital assets	766,569	345,912	19,958	414,402	1,073,219	142,114	2,764,190

**Soowahlie Indian Band**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2017*

	<i>Subtotal</i>	<i>Bridges</i>	<i>Computers</i>	<i>Vehicles</i>	<i>Gate</i>	<i>Subtotal</i>
<b>Cost</b>						
Balance, beginning of year	6,544,788	437,273	10,318	33,951	-	7,026,330
Acquisition of tangible capital assets	-	-	4,411	31,788	59,192	95,391
Balance, end of year	6,544,788	437,273	14,729	65,739	59,192	7,121,721
<b>Accumulated amortization</b>						
Balance, beginning of year	3,924,729	295,159	10,318	11,816	-	4,242,022
Annual amortization	156,048	10,932	882	5,055	5,919	178,836
Balance, end of year	4,080,777	306,091	11,200	16,871	5,919	4,420,858
<b>Net book value of tangible capital assets</b>	<b>2,464,011</b>	<b>131,182</b>	<b>3,529</b>	<b>48,868</b>	<b>53,273</b>	<b>2,700,863</b>
2016 Net book value of tangible capital assets	2,764,190	-	22,135	-	-	2,786,325

**Soowahlie Indian Band**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2017*

	<i>Subtotal</i>	<i>Capital Lease - Equipment</i>	<i>2017</i>	<i>2016</i>
<b>Cost</b>				
Balance, beginning of year	7,026,330	-	7,026,330	7,012,330
Acquisition of tangible capital assets	95,391	129,499	224,890	14,000
Balance, end of year	7,121,721	129,499	7,251,220	7,026,330
<b>Accumulated amortization</b>				
Balance, beginning of year	4,242,022	-	4,242,022	4,072,075
Annual amortization	178,836	25,901	204,737	169,946
Balance, end of year	4,420,858	25,901	4,446,759	4,242,021
<b>Net book value of tangible capital assets</b>	<b>2,700,863</b>	<b>103,598</b>	<b>2,804,461</b>	<b>2,784,309</b>
2016 Net book value of tangible capital assets	2,786,325	-	2,784,309	

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

	2017	2016
<b>Consolidated expenses by object</b>		
Aboriginal diabetes initiative	17,837	16,932
Administration	587	12,717
Amortization	204,736	169,946
Bad debts	35,307	217,067
Bank charges and interest	12,812	11,841
Basic needs	266,697	253,965
Brighter futures	39,181	39,485
CMHC retrofit initiative expense	130,500	-
Canada prenatal nutrition program	8,800	7,128
Child out of parent home allowance	4,430	4,313
Clerical support services	6,933	6,600
Community events	52,947	28,463
Community health nursing	22,614	32,700
Community health representative	36,950	35,052
Consulting	278,217	5,916
Donations and funeral costs	5,647	6,832
Drinking water safety program	12,430	-
Elections	6,250	3,050
First nation health authority	-	3,588
Graduation grant	3,500	1,500
Health facilities and capital program	31,016	30,120
Health planning and management	81,839	104,649
Home and Community Care	67,229	42,993
Home care nursing	6,738	6,304
Honoraria	44,843	25,376
In-home care	2,492	23,206
Insurance	50,345	47,570
Inter-departmental elimination of administration	(57,635)	(48,842)
Interest on long-term debt	2,450	17,739
Internet and telephone	26,928	19,582
Medical transportation	3,705	6,697
Member distributions	37,134	16,924
Mental health crisis management	33,212	39,948
NNADAP	41,597	37,884
Office equipment lease	15,735	3,906
Other expenses	2,433	2,001
Post-secondary	99,015	125,268
Professional fees	33,246	21,448
Rent	29,545	-
Repairs and maintenance	1,345,614	100,251
STC wage contribution homemaker	590	14,720
Salaries and benefits	407,355	368,516
Solvent abuse	5,553	5,292
Special needs	11,861	8,478
Special projects	15,971	3,250
Supplies	65,538	36,957
Training	41,410	28,705
Travel	9,664	15,214
Tuition agreements	294,010	168,049
Utilities	24,902	16,348
Vehicle	8,601	4,230
Youth activities	12,595	6,992
	<b>3,941,906</b>	<b>2,156,870</b>



**Soowahlie Indian Band  
Administration**

**Schedule 3 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	163,378	225,886
I.N.A.C. recovery	(29,671)	-
Earnings from investment in Nation business entities	515,922	1,052,517
Gravel royalties	292,269	130,903
Campsite fees	88,713	66,526
Fish sales	54,417	36,946
Other revenue	18,984	23,605
Taxation	14,365	14,246
Rental income	7,836	10,090
Interest income	3,505	1,960
Travel and honoraria reimbursements	3,247	1,450
BC Hydro	2,000	2,000
BC Hydro ILM	-	120,000
	<b>1,134,965</b>	<b>1,686,129</b>
<b>Expenses</b>		
Administration	(1,851)	7,964
Administration charged to other functions	(57,635)	(48,842)
Bad debts	35,307	217,067
Bank charges and interest	12,812	11,786
Basic needs	-	954
Community events	27,824	12,135
Consulting	28,211	(1,834)
Donations and funeral costs	5,647	3,106
Elections	6,250	3,050
Graduation grant	3,500	1,500
Honoraria	32,668	25,376
Insurance	21,182	31,008
Interest on long-term debt	689	1,419
Internet	4,117	2,197
Member distributions	37,134	16,424
Office equipment lease	15,259	1,895
Office supplies	37,010	12,454
Professional fees	12,000	17,248
Rent	29,545	-
Repairs and maintenance	50,737	33,047
Salaries and benefits	152,083	157,065
Special projects	4,490	1,000
Supplies	10,685	12,844
Telephone	20,838	15,875
Training	23,604	17,565
Travel	4,734	8,869
Utilities	16,381	9,059
Vehicle	3,064	3,000
Youth activities	5,475	137
	<b>541,760</b>	<b>573,368</b>
<b>Surplus before transfers</b>	<b>593,205</b>	<b>1,112,761</b>

*Continued on next page*

**Soowahlie Indian Band  
Administration**

**Schedule 3 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2017*

---

	<i>2017</i>	<i>2016</i>
<b>Surplus before transfers</b>	<b>593,205</b>	1,112,761
<b>Transfers between programs</b>	<b>(215,398)</b>	(14,000)
<b>Surplus</b>	<b>377,807</b>	1,098,761
<b>Accumulated surplus, beginning of year</b>	<b>2,051,435</b>	952,674
<b>Accumulated surplus, end of year</b>	<b>2,429,242</b>	2,051,435

---

**Soowahlie Indian Band  
Capital Fund**

**Schedule 4 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2017*

---

	<i>2017</i>	<i>2016</i>
<b>Expenses</b>		
Amortization	<b>204,736</b>	169,946
<b>Deficit before transfers</b>	<b>(204,736)</b>	(169,946)
<b>Transfers between programs</b>	<b>233,691</b>	98,616
<b>Surplus (deficit)</b>	<b>28,955</b>	(71,330)
<b>Accumulated surplus, beginning of year</b>	<b>2,430,111</b>	2,501,441
<b>Accumulated surplus, end of year</b>	<b>2,459,066</b>	2,430,111

---

**Soowahlie Indian Band**  
**Education and Employment**

**Schedule 5 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	505,892	446,218
I.N.A.C. recovery	(154,032)	-
Canada Mortgage and Housing Corporation	11,880	-
Sto:lo Aboriginal Skills and Employment Training	53,733	63,606
Other revenue	31,769	17,554
New Relationship Trust	24,400	5,000
First Nations Education Steering Committee Society	11,716	18,066
Other revenue 8	-	60,851
	<b>485,358</b>	<b>611,295</b>
<b>Expenses</b>		
Bank charges and interest	-	50
Basic needs	-	89
Community events	2,440	2,984
Consulting	12,570	7,750
Office supplies	5,357	9,567
Post-secondary	99,015	121,297
Repairs and maintenance	431	-
Salaries and benefits	137,677	134,497
Special projects	8,481	-
Training	9,880	9,850
Travel	3,599	4,299
Tuition agreements	294,010	168,049
Youth activities	1,150	2,300
	<b>574,610</b>	<b>460,732</b>
<b>Surplus (deficit)</b>	<b>(89,252)</b>	<b>150,563</b>
<b>Accumulated surplus (deficit), beginning of year</b>	<b>109,911</b>	<b>(40,652)</b>
<b>Accumulated surplus, end of year</b>	<b>20,659</b>	<b>109,911</b>

**Soowahlie Indian Band  
Health**

**Schedule 6 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
First Nations Health Authority	437,655	465,396
Other revenue	9,182	17,421
	<b>446,837</b>	<b>482,817</b>
<b>Expenses</b>		
Aboriginal diabetes initiative	17,837	16,932
Brighter futures	39,181	39,485
Canada prenatal nutrition program	8,800	7,128
Community health representative	36,950	35,052
Drinking water safety program	12,430	-
Home care nursing	6,738	6,304
Mental health crisis management	33,212	39,948
NNADAP	41,597	37,884
Solvent abuse	5,553	5,292
Clerical support services	6,933	6,600
Community health nursing	22,614	32,700
First nation health authority	-	3,588
Health facilities and capital program	31,016	30,120
Health planning and management	81,839	104,649
Home and Community Care	67,229	42,993
Medical transportation	3,705	6,697
Other expenses	2,434	2,000
STC wage contribution homemaker	590	14,720
	<b>418,658</b>	<b>432,092</b>
<b>Surplus</b>	<b>28,179</b>	<b>50,725</b>
<b>Accumulated surplus (deficit), beginning of year</b>	<b>19,498</b>	<b>(31,227)</b>
<b>Accumulated surplus, end of year</b>	<b>47,677</b>	<b>19,498</b>

**Soowahlie Indian Band**  
**Non-Profit Housing**

**Schedule 7 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Canada Mortgage and Housing Corporation	29,828	32,452
Rental income	106,815	116,544
Interest income	387	262
	<b>137,030</b>	149,258
<b>Expenses</b>		
Bank charges and interest	-	5
Insurance	25,457	14,247
Interest on long-term debt	1,761	16,319
Professional fees	4,100	4,100
Repairs and maintenance	6,069	10,961
	<b>37,387</b>	45,632
<b>Surplus before transfers</b>	<b>99,643</b>	103,626
<b>Transfers between programs</b>	<b>40,737</b>	(84,616)
<b>Surplus</b>	<b>140,380</b>	19,010
<b>Accumulated surplus, beginning of year</b>	<b>35,239</b>	16,229
<b>Accumulated surplus, end of year</b>	<b>175,619</b>	35,239

**Soowahlie Indian Band  
Maintenance**

**Schedule 8 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	1,643,685	120,412
CMHC retrofit initiative	72,500	-
Other revenue	27,125	8,718
	<b>1,743,310</b>	<b>129,130</b>
<b>Expenses</b>		
Administration	2,438	-
CMHC retrofit initiative expense	130,500	-
Community events	900	1,100
Consulting	237,435	-
Honoraria	12,100	-
Insurance	3,706	2,315
Internet	301	-
Office equipment lease	476	2,011
Office supplies	12,077	2,092
Professional fees	17,146	-
Repairs and maintenance	1,288,376	56,244
Salaries and benefits	117,547	76,954
Telephone	1,673	1,510
Training	7,986	-
Travel	1,239	1,497
Utilities	8,522	7,289
Vehicle	5,536	1,230
	<b>1,847,958</b>	<b>152,242</b>
<b>Deficit</b>	<b>(104,648)</b>	<b>(23,112)</b>
<b>Accumulated surplus, beginning of year</b>	<b>155,357</b>	<b>178,469</b>
<b>Accumulated surplus, end of year</b>	<b>50,709</b>	<b>155,357</b>

**Soowahlie Indian Band  
Ottawa Trust**

**Schedule 9 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2017*

---

	<i>2017</i>	<i>2016</i>
<b>Revenue</b>		
Interest income	<b>451</b>	1,421
BC special distribution	<b>861</b>	866
Revenue trust fund distributions	<b>8,441</b>	17,435
<b>Surplus</b>	<b>9,753</b>	19,722
<b>Accumulated surplus, beginning of year</b>	<b>64,216</b>	44,494
<b>Accumulated surplus, end of year</b>	<b>73,969</b>	64,216

---



**Soowahlie Indian Band**  
**Social Development**

**Schedule 10 - Consolidated Schedule of Revenue and Expenses and Accumulated Deficit**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	350,835	357,734
I.N.A.C. recovery	(35,723)	(1,640)
	<b>315,112</b>	<b>356,094</b>
<b>Expenses</b>		
Administration	-	4,753
Basic needs	266,697	252,922
Child out of parent home allowance	4,430	4,313
Community events	21,783	12,245
Donations and funeral costs	-	3,726
Honoraria	75	-
In-home care	2,492	23,206
Member distributions	-	500
Office supplies	409	-
Post-secondary	-	3,971
Professional fees	-	100
Salaries and benefits	48	-
Special needs	11,861	8,478
Special projects	3,000	2,250
Training	(60)	1,290
Travel	92	549
Youth activities	5,970	4,555
	<b>316,797</b>	<b>322,858</b>
<b>Surplus (deficit)</b>	<b>(1,685)</b>	<b>33,236</b>
<b>Accumulated deficit, beginning of year</b>	<b>(38,535)</b>	<b>(71,771)</b>
<b>Accumulated deficit, end of year</b>	<b>(40,220)</b>	<b>(38,535)</b>