

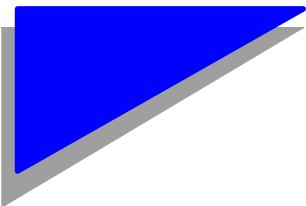
Financial Statements of

NEW WESTMINSTER INDIAN BAND

Year ended March 31, 2015

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Independent Auditor's Report

To the Chief of New Westminster Indian Band,

We have audited the accompanying financial statements of New Westminster Indian Band, which comprise the statements of financial position as at March 31, 2015 and the statements of operations, change in net financial debt and cash flows for the year ended, and a summary of significant accounting policies and other explanatory information.

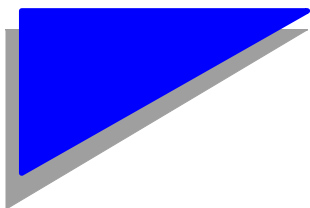
Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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



**Vohora
& Company**

Chartered Accountants LLP

Independent Auditor's Report (continued)

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

Basis for Qualified Opinion

The Band pays for numerous expenses in cash, the completeness and classification of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these expenses was limited to the amounts recorded in the records of the Band and we were not able to determine whether any adjustments might be necessary to expenses, excess of revenue over expenditures, current assets, current liabilities and accumulated surplus.

Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding cash expenditures, as described in the preceding paragraph, these financial statements present fairly, in all material respects, the statements of financial position of New Westminster Indian Band as at March 31, 2015 and the statements of operations, change in net financial debt and cash flows for the year ended are prepared, in all material respects, in accordance with Canadian public sector accounting standards.

August 5, 2015
Vancouver, BC

Vohora & Company
Chartered Accountants LLP

NEW WESTMINSTER INDIAN BAND
Statement of Financial Position
As at March 31, 2015
\$

| | <i>Note</i> | March 31, 2015 | March 31, 2014 |
|--|-------------|-------------------|-------------------|
| Financial assets | | | |
| Cash and cash equivalents | | 5,335 | 3,249 |
| Accounts receivable | | 16,443 | - |
| | | <u>21,778</u> | <u>3,249</u> |
| Liabilities | | | |
| Accounts payable & accrued liabilities | | 304,997 | 43,325 |
| Deferred revenue | 7 | 6,250 | 1,250 |
| | | <u>311,247</u> | <u>44,575</u> |
| Net financial debt | | <u>(289,469)</u> | <u>(41,326)</u> |
| Accumulated deficit | | <u>(289,469)</u> | <u>(41,326)</u> |

The accompanying notes and supplementary schedules are an integral part of these financial statements.

Signature 
Rhonda Larrabee, Chief

NEW WESTMINSTER INDIAN BAND
Statement of Operations
For the Year ended March 31, 2015
\$

| | <i>Note</i> | 2015 | 2014 |
|--|-------------|------------------|-----------------|
| Revenues | | | |
| Government funding | 10 | 35,135 | 114,529 |
| | | <u>35,135</u> | <u>114,529</u> |
| Expenses | 10 | | |
| General and administrative | | 5,103 | 8,298 |
| Insurance | | 881 | 2,307 |
| Meetings and ceremonial | | 5,999 | 6,698 |
| Professional fees | | 269,735 | 72,827 |
| Utilities | | 1,560 | 1,390 |
| Wages & honoraria | | - | 12,000 |
| | | <u>283,278</u> | <u>103,520</u> |
| Annual surplus (deficit) | | <u>(248,143)</u> | <u>11,009</u> |
| Accumulated deficit at beginning of year | | (41,326) | (52,335) |
| Accumulated deficit at end of year | | <u>(289,469)</u> | <u>(41,326)</u> |

The accompanying notes and supplementary schedules are an integral part of these financial statements.

NEW WESTMINSTER INDIAN BAND
Statement of Change in Net Financial Debt
For the Year ended March 31, 2015
\$

| | 2015 | 2014 |
|---|-----------|----------|
| Annual surplus (deficit) | (248,143) | 11,009 |
| Decrease in net financial debt | (248,143) | 11,009 |
| Net financial debt at beginning of year | (41,326) | (52,335) |
| Net financial debt at end of year | (289,469) | (41,326) |

The accompanying notes and supplementary schedules are an integral part of these financial statements.

NEW WESTMINSTER INDIAN BAND
Statement of Cash Flows
For the Year ended March 31, 2015
\$

| | 2015 | 2014 |
|-------------------------------------|----------|-----------|
| Operating activities | | |
| Cash receipts from funding bodies | 23,692 | 115,779 |
| Cash paid to suppliers | (21,606) | (120,686) |
| Cash flow from operating activities | 2,086 | (4,907) |
| Financing activities | | |
| Interfund transfer | - | - |
| Cash flow from financing activities | - | - |
| Increase (decrease) in cash flow | 2,086 | (4,907) |
| Cash - Beginning of year | 3,249 | 8,156 |
| Cash - End of year | 5,335 | 3,249 |

The accompanying notes and supplementary schedules are an integral part of these financial statements.

NEW WESTMINSTER INDIAN BAND

Notes to Financial Statements (continued)

Year ended March 31, 2015

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1. Authority and Purpose

The New Westminster Indian Band (the "Band"), also known as the Qayqayt First Nation, was originally formed in 1879. The Band now only consists of nine members, which makes it one of the smallest First Nation Bands in Canada and the only one registered without a land base. The Band and its members are recognized as part of the Canadian Indian Act. As such, the Band receives funding from the Government of Canada that is exempt from income taxes under the Income Tax Act.

2. Summary of significant accounting policies

(a) Basis of accounting:

These financial statements have been prepared using guidelines issued by Aboriginal Affairs and Northern Development Canada which include compliance with Canadian public sector accounting standards as issued by the Canadian Institute of Chartered Accountants.

(b) Cash and cash equivalents

Cash and cash equivalents include term deposits with a term to maturity of three months or less at the date of purchase.

(c) Financial instruments

The Band's financial instruments consist of cash and accounts payable and accrued liabilities.

Financial instruments are recorded at fair value on initial recognition. They are subsequently recorded at cost less any impairment losses if other than temporary.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Band determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Band expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

NEW WESTMINSTER INDIAN BAND

Notes to Financial Statements (continued)

Year ended March 31, 2015

\$

2. Summary of significant accounting policies (continued)

(d) Revenue recognition

The Band recognized revenue and contributions in the period which the transactions or events that give rise to the revenue occur. Funding from external parties is reported as per the terms of the funding agreement. Other revenue is recognized when earned.

(e) Use of estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, and related disclosures. Key areas where management has made estimates and assumptions include those related to the determination of the fair value of financial instruments and determining the nature and extent of accrued liabilities. Actual results could differ from those estimates.

(f) Budget figures

Budget figures have not been provided and therefore are not presented in the financial statements.

(g) Future accounting standards

In June 2010, PSAB issued PS 3260, *Liability for Contaminated Sites*. PS 3260 establishes recognition, measurement and disclosure standards for liabilities relating to contaminated sites of governments. The main features of the standard are as follows:

- § A liability should be recognized when contamination exceeds an accepted environmental standard and the entity is directly responsible, or accepts responsibility for the damage.
- § A liability should be measured at the entity's best estimate of the costs directly attributable to remediation of the contamination; and
- § Outstanding site assessments do not negate the requirement to assess whether a liability exists.

The Band is assessing the impact of PS 3260, which will be adopted for fiscal year ending March 31, 2015.

NEW WESTMINSTER INDIAN BAND

Notes to Financial Statements (continued)

Year ended March 31, 2015

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6. Financial instruments

The Band's financial instruments consist of cash and accounts payable and accrued liabilities. Unless otherwise noted, it is the Chief's opinion that the Band is not exposed to significant interest, currency, credit or other price risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

(a) Financial assets and liabilities recorded at fair value are comprised of the following:

| | 2015 | 2014 |
|--|-------|-------|
| Financial assets designated to fair value category | | |
| Cash and cash equivalents | 5,335 | 3,249 |

The fair value of cash and cash equivalents approximate their carrying values, unless otherwise noted.

(b) Financial assets and liabilities recorded at cost / amortized cost are comprised of the following:

| | 2015 | 2014 |
|--|---------|--------|
| Accounts payable and accrued liabilities | 304,997 | 43,325 |

7. Deferred revenue

Deferred revenue is comprised of funds received in relation to the Land Use Assessment that have not yet been spent in the fiscal year-end.

8. Contingent liabilities

The Band may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of business. In the event that any such claims or litigation are resolved against the Band, such outcomes or resolutions could have a material effect on the business, financial condition, or results of operations of the Band. At March 31, 2015, the Band has no claims or possible claims against them that are outstanding.

The Band has sought legal representation with respect to claims against the Government of Canada. The result of these claims is not determinable as at March 31, 2015. The legal fees payable during the current year are in relation to these claims and, given the significant nature of the expenses, the Band has applied for an insurance policy between their legal representation and a third party insurer. If the Band qualifies for this insurance, it would result in the Band not having to pay these fees if they were not to win the claims. We have not written-down any amount of the amount payable, if any were required, since the results of the claims are not determinable at this time.

NEW WESTMINSTER INDIAN BAND

Notes to Financial Statements (continued)

Year ended March 31, 2015

\$

9. Comparative figures

Comparative information has not been audited. Certain comparative figures have been reclassified to conform with the presentation adopted for the current year.

10. Segment disclosures

The presentation by segment is based on the same accounting policies as described in Note 2, summary of significant accounting policies. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results for the year are as follows:

| | General & Administrative | Research & Negotiations | Land Use Assessment | 2015 | 2014 |
|------------------------------------|-----------------------------|----------------------------|------------------------|------------------|----------------|
| AANDC – Band Support Funding | 25,572 | - | - | 25,572 | 25,572 |
| AANDS – Specific & Special Claims | - | - | - | - | 45,207 |
| AANDC – Planning & Risk Management | - | - | - | - | 25,000 |
| Other – Planning & Risk Management | 3,000 | - | - | 3,000 | 18,750 |
| Other | 6,563 | - | - | 6,563 | - |
| | 35,135 | - | - | 35,135 | 114,529 |
| General and administrative | 5,103 | - | - | 5,103 | 8,298 |
| Insurance | 881 | - | - | 881 | 2,307 |
| Meetings and ceremonial | 5,999 | - | - | 5,999 | 6,698 |
| Professional fees | 8,063 | 261,672 | - | 269,735 | 72,827 |
| Utilities | 1,560 | - | - | 1,560 | 1,390 |
| Wages & honoraria | - | - | - | - | 12,000 |
| | 21,606 | 261,672 | - | 283,278 | 103,520 |
| | 13,529 | (261,672) | - | (248,143) | 11,009 |

NEW WESTMINSTER INDIAN BAND
Schedule 1 - Government Funding
Year Ended March 31, 2015
\$

SCHEDULE 1

| | General & Administrative | Research & Negotiations | Land Use Assessment | 2015 | 2014 |
|----------------------------|---|--|--------------------------------|---------------|---------------|
| AANDC | | | | | |
| Band Support Funding | 25,572 | - | - | 25,572 | 25,572 |
| Specific & Special Claims | - | | - | - | 45,207 |
| Planning & Risk Management | - | - | | - | 25,000 |
| | 25,572 | - | - | 25,572 | 95,779 |

NEW WESTMINSTER INDIAN BAND
Schedule 2 - Program Revenue and Expenditures Schedules
Year Ended March 31, 2015
\$

SCHEDULE 2

| | <u>2015</u> | <u>2014</u> |
|--|-------------------------|------------------------|
| Revenues | | |
| AANDC | | |
| Band Support Funding | 25,572 | 25,572 |
| Specific & Special Claims | - | 45,207 |
| Planning & Risk Management | - | 25,000 |
| Other | | |
| Planning & Risk Management | 3,000 | 18,750 |
| Consulting | 6,563 | - |
| Total Revenues | <u>35,135</u> | <u>114,529</u> |
| Expenditures | | |
| General and administrative | 5,103 | 8,298 |
| Insurance | 881 | 2,307 |
| Meetings and ceremonial | 5,999 | 6,698 |
| Professional fees | 269,735 | 72,827 |
| Utilities | 1,560 | 1,390 |
| Wages & honoraria | - | 12,000 |
| Total Expenditures | <u>283,278</u> | <u>103,520</u> |
| Surplus (Deficit) | | |
| Cumulative Surplus - beginning of year | (41,326) | (52,335) |
| Cumulative Surplus - end of year | <u>(289,469)</u> | <u>(41,326)</u> |

NEW WESTMINSTER INDIAN BAND
Schedule 3 - Schedule of Federal Government Funding
Year Ended March 31, 2015
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SCHEDULE 3

| Federally Funded Programs and Services Directly/Indirectly Funded by the Government of Canada | Federal Funding Received A | Unexpected Federal Funding, Beginning of Year B | Adjustments/Tr ansfers C | Total Federal Funding Available A+B+C = D | Federal Funding Expended E (OPTION 1) | Unexpected Federal Funding, End of Year D-E = F (OPTION 1) |
|---|----------------------------------|--|--------------------------------|--|---|---|
| Aboriginal Affairs and Northern Development Canada | | | | | | |
| -Band Support Funding | 25,572 | - | - | 25,572 | 25,572 | - |
| - Specific & Special Claims Submission | - | - | - | - | - | - |
| - Planning & Risk Management | - | - | - | - | - | - |
| Subtotal for AANDC | 25,572 | - | - | 25,572 | 25,572 | - |
| Grand Total | 25,572 | - | - | 25,572 | 25,572 | - |