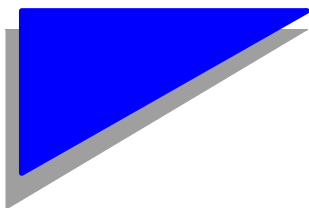


**Vohora** LLP  
*CPAs & Business Advisors*

**NEW WESTMINSTER INDIAN BAND**  
**Financial Statements**  
**Year Ended March 31, 2017**



**Vohora** LLP  
*CPAs & Business Advisors*

**NEW WESTMINSTER INDIAN BAND**  
**Index to Financial Statements**  
**Year Ended March 31, 2017**

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## INDEPENDENT AUDITOR'S REPORT

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To the Chief of New Westminster Indian Band

We have audited the accompanying financial statements of New Westminster Indian Band, which comprise the statement of financial position as at March 31, 2017 and the statements of operations and accumulated deficit and cash flows for the year then 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 and fair presentation 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

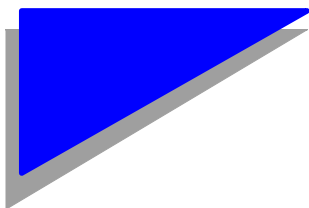
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable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

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.



**Vohora** LLP

*CPAs & Business Advisors*

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**INDEPENDENT AUDITOR'S REPORT (*continued*)**

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Qualified 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 a March 31, 2017 and the statements of operations, changes in net financial debt and cash flows for the year ended are prepared, in all material respects, in accordance with Canadian public accounting standards.

Vancouver, BC  
February 24, 2018

***Vohora LLP***

Chartered Professional Accountants

**NEW WESTMINSTER INDIAN BAND**  
**Statement of Financial Position**  
**March 31, 2017**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash	\$ 375	\$ 2,671
<b>LIABILITIES</b>		
Accounts payable & accrued liabilities	12,000	6,000
Deferred revenue	6,250	6,250
	18,250	12,250
<b>NET FINANCIAL DEBT</b>	(17,875)	(9,579)
<b>NON-FINANCIAL ASSETS</b>		
Inventory	-	-
Prepaid expenses	-	-
Tangible capital assets	-	-
<b>ACCUMULATED DEFICIT</b>	\$ (17,875)	\$ (9,579)

**APPROVED BY**

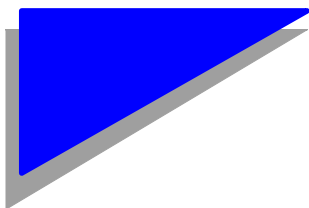
\_\_\_\_\_ *Chief*

**NEW WESTMINSTER INDIAN BAND**  
**Statement of Operations and Accumulated Deficit**  
**Year Ended March 31, 2017**

	2017	2016
<b>REVENUES</b>		
Contributions	\$ 26,559	\$ 26,309
<b>EXPENSES</b>		
General and administrative	98	864
Insurance	760	-
Meetings and ceremonial	-	24
Professional fees	6,000	7,103
Salaries - employees	28,000	36,600
	<u>34,858</u>	<u>44,591</u>
<b>DEFICIT FROM OPERATIONS</b>	(8,299)	(18,282)
<b>OTHER INCOME</b>		
Interest income	<u>3</u>	<u>9</u>
<b>ANNUAL DEFICIT</b>	(8,296)	(18,273)
<b>ACCUMULATED SURPLUS (DEFICIT) - BEGINNING OF YEAR</b>	<u>(9,579)</u>	<u>8,694</u>
<b>ACCUMULATED DEFICIT - END OF YEAR</b>	<u>\$ (17,875)</u>	<u>\$ (9,579)</u>

**NEW WESTMINSTER INDIAN BAND**  
**Statement of Cash Flows**  
**Year Ended March 31, 2017**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	\$ 26,559	\$ 42,752
Cash paid to suppliers and employees	(28,858)	(45,425)
Interest received	3	9
<b>DECREASE IN CASH FLOW</b>	<b>(2,296)</b>	<b>(2,664)</b>
Cash - beginning of year	2,671	5,335
<b>CASH - END OF YEAR</b>	<b>\$ 375</b>	<b>\$ 2,671</b>



**NEW WESTMINSTER INDIAN BAND**

**Notes to Financial Statements**

**Year Ended March 31, 2017**

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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.

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2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

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

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in term deposits that are valued at cost plus accrued interest and have a term to maturity of three months or less at the date of purchase.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealised gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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 of losses of 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 conditions that indicate the need for 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.

*(continues)*

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**NEW WESTMINSTER INDIAN BAND**

**Notes to Financial Statements**

**Year Ended March 31, 2017**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Budget figures

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

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3. 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.

	2017	2016
<b>(a) Financial assets recorded at fair value are comprised of the following:</b>		
Cash	\$ 375	\$ 2,671

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

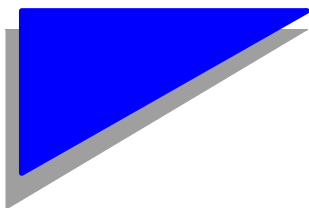
<b>(b) Financial liabilities recorded at cost / amortized cost are comprised of the following:</b>		
Accounts payable & accrued liabilities	\$ 12,000	\$ 6,000

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4. 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.

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**NEW WESTMINSTER INDIAN BAND**

**Notes to Financial Statements**

**Year Ended March 31, 2017**

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5. CONTINGENT LIABILITY

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, 2017, 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, 2017. The legal fees payable during the prior year are in relation to these claims and, given the significant nature of the expenses, the Band had 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.

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**NEW WESTMINSTER INDIAN BAND**

**Notes to Financial Statements**

**Year Ended March 31, 2017**

**6. 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	2017	2016
<b>Revenues</b>					
INAC -Band					
Support					
Funding	\$ 26,309	\$ -	\$ -	\$ 26,309	\$ 26,309
Other -Donations	250	-	-	250	-
Other -Interest					
Income	3	-	-	3	9
	26,562	-	-	26,562	26,318
<b>Expenditures</b>					
General and					
administrative	98	-	-	98	865
Insurance	760	-	-	760	-
Meetings and					
ceremonial	-	-	-	-	24
Professional fees	6,000	-	-	6,000	7,103
Wages and					
honoraria	28,000	-	-	28,000	36,600
	34,858	-	-	34,858	44,592
	\$ (8,296)	\$ -	\$ -	\$ (8,296)	\$ (18,274)

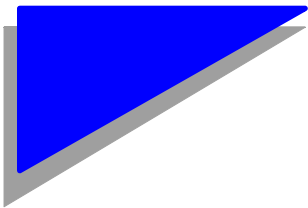
**NEW WESTMINSTER INDIAN BAND**  
**Government Funding**  
**Year Ended March 31, 2017**

**(Schedule 1)**

	General Fund 2017	Research & Negotiations Fund 2017	Land Use Assessment 2017	<b>Total 2017</b>	Total 2016
<b>INAC</b>					
Band Support Funding	\$ 26,309	\$ -	\$ -	\$ <b>26,309</b>	\$ 26,309

**NEW WESTMINSTER INDIAN BAND**  
**Program Revenue and Expenditures Schedules** (Schedule 2)  
**Year Ended March 31, 2017**

	2017	2016
<b>REVENUES</b>		
Indigenous and Northern Affairs Canada		
Band Support Funding	\$ 26,309	\$ 26,309
Other		
Donations	250	-
	<u>26,559</u>	<u>26,309</u>
<b>EXPENDITURES</b>		
General and administrative	98	865
Insurance	760	-
Meetings and ceremonial	-	24
Professional fees	6,000	7,103
Salaries - employees	28,000	36,600
	<u>34,858</u>	<u>44,592</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<u>\$ (8,299)</u>	<u>\$ (18,283)</u>



**NEW WESTMINSTER INDIAN BAND**  
**Schedule of Federal Government Funding**  
**Year Ended March 31, 2017**

**(Schedule 3)**

	Federal Funding Received A	Unexpected Federal Funding, Beginning of Year B	Adjustments / Transfers C	Total Federal Funding Available A+B+C=D	Federal Funding Expended E	Unexpected Federal Funding, End of Year D-E=F
<b>Indigenous and Northern Affairs Canada</b>						
Band Support Funding	\$ 26,309	\$ -	\$ -	\$ 26,309	\$ 26,309	\$ -