

DZAWADA'ENUXW FIRST NATION

FINANCIAL STATEMENTS

MARCH 31, 2018

**DZAWADA'ENUXW FIRST NATION
FINANCIAL STATEMENTS
MARCH 31, 2018**

Management's Responsibility for Financial Reporting	1
Independent Auditors' Report	2
Financial Statements	
Statement of Financial Position	3
Statement of Revenue, Expenditures and Accumulated Surplus	4
Statement of Change in Net Financial Assets (Debt)	5
Statement of Cash Flows	6
Notes to Financial Statements	7

**DZAWADA'ENUXW FIRST NATION
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
MARCH 31, 2018**

The accompanying financial statements of Dzawada'enuxw First Nation are the responsibility of management and have been approved by the Council.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, Moeller Matthews, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Dzawada'enuxw First Nation and meet when required.


On behalf of Dzawada'enuxw First Nation:



Council Chair

23/10/18

Date



Band Manager

23/10/18

Date

Independent Auditors' Report

To the Members of Dzawada'enuxw First Nation

We have audited the accompanying financial statements of Dzawada'enuxw First Nation, which comprise the statement of financial position as at March 31, 2018, and the statements of revenue, expenditures and accumulated surplus, change in net financial assets (debt), cash flows and the related schedules 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 First Nation'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 First Nation'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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Dzawada'enuxw First Nation as at March 31, 2018, and the results of its operations, the changes in its net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Campbell River, British Columbia
October 23, 2018



Chartered Professional Accountants

DZAWADA'ENUXW FIRST NATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	2018	2017
	\$	\$
Financial Assets		
Cash (Note 2)	1,915,747	1,697,923
Accounts receivable (Note 3)	1,631,804	649,308
Investments in Government Business Partnerships (Note 4)	115,448	-
Trust funds held by Federal Government (Note 5)	43,889	41,719
	<u>3,706,888</u>	<u>2,388,950</u>
Liabilities		
Accounts payable (Note 6)	913,172	682,785
Deferred revenue (Note 7)	2,033,780	2,212,144
Long-term debt (Note 8)	106,625	306,615
	<u>3,053,577</u>	<u>3,201,544</u>
Net financial assets (debt)	<u>653,311</u>	<u>(812,594)</u>
Non-financial Assets		
Tangible capital assets (Note 11)	2,864,638	3,248,004
Prepaid expenses (Note 12)	110,880	128,192
	<u>2,975,518</u>	<u>3,376,196</u>
Accumulated Surplus	<u>3,628,829</u>	<u>2,563,602</u>

Approved on behalf of the Dzawada'enuxw First Nation

 , Council Chair

 , Band Manager

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

DZAWADA'ENUXW FIRST NATION
STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenue			
Federal Government:			
Indigenous and Northern Affairs Canada	4,352,256	5,914,468	3,060,922
Health Canada	9,712	9,712	-
Canada Mortgage and Housing Corporation	29,403	96,571	114,002
Ottawa Trust	-	2,170	2,013
Intertribal Health Authority	564,556	523,798	607,510
Province of British Columbia	217,250	127,457	46,597
First Nation Health Authority	86,846	89,512	87,846
North Vancouver Island Aboriginal Training Society	11,964	14,164	37,571
First Nations Education Steering Committee	105,297	53,452	62,413
Rental Income	55,725	83,857	58,336
Interest income	3,680	6,147	2,681
Other	743,695	569,574	326,740
	6,180,384	7,490,882	4,406,631
Expenditures			
Band Government	619,829	1,051,534	761,529
Education	827,536	546,272	802,744
Health	568,023	459,699	609,375
Economic Development	203,043	235,716	73,232
Public Works	1,063,925	1,584,945	1,333,904
Community and Social Services	329,815	246,298	256,425
Housing	2,153,433	2,301,191	1,065,556
	5,765,604	6,425,655	4,902,765
Annual surplus (deficit)	414,780	1,065,227	(496,134)
Accumulated surplus at beginning of year	2,563,602	2,563,602	3,059,736
Accumulated surplus at end of year	2,978,382	3,628,829	2,563,602

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

DZAWADA'ENUXW FIRST NATION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)
FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget (unaudited)	2018 Actual	2017 Actual
	\$	\$	\$
Annual surplus (deficit)	414,780	1,065,227	(496,134)
Acquisition of tangible capital assets	-	(76,124)	(62,064)
Amortization of tangible capital assets	-	459,490	439,832
	-	383,366	377,768
Acquisition of prepaid asset	-	(110,880)	(128,192)
Use of prepaid asset	-	128,192	105,575
	-	17,312	(22,617)
Increase (decrease) in net financial assets	414,780	1,465,905	(140,983)
Net debt at beginning of year	(812,594)	(812,594)	(671,611)
Net debt at end of year	(397,814)	653,311	(812,594)

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

DZAWADA'ENUXW FIRST NATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
	\$	\$
Cash flows from		
Operating activities		
Annual surplus (deficit)	1,065,227	(496,134)
Items not affecting cash		
Amortization of tangible capital assets	459,490	439,832
Gain on disposal of tangible capital assets	-	(5,500)
Income from government business partnership	(115,414)	-
	1,409,303	(61,802)
Change in non-cash operating working capital		
Accounts receivable	(982,502)	(194,541)
Prepaid expenses	17,312	(22,617)
Accounts payable	230,392	334,693
Deferred revenue	(178,364)	649,947
Trust funds held by Federal Government	(2,170)	(2,013)
	493,971	703,667
Capital activities		
Purchase of tangible capital assets	(76,124)	(62,065)
Proceeds on disposal of tangible capital assets	-	5,500
	(76,124)	(56,565)
Financing activities		
Proceeds of long-term debt	-	145,000
Repayment of long term debt	(199,989)	(72,456)
	(199,989)	72,544
Investing activities		
Investment in government business partnership	(34)	-
Increase in cash and cash equivalents	217,824	719,646
Cash and cash equivalents, beginning of year	1,697,923	978,277
Cash and cash equivalents, end of year	1,915,747	1,697,923

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

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

1. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Principles of consolidation

The following investments in government business partnerships are included in the financial statements using the modified equity basis of accounting.

Under the modified equity method of accounting, only the investment in the government business partnerships and the partnership's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the Dzawada'enuxw First Nation.

Government business partnerships accounted for on a modified equity basis include:

1. Musgamagw Dzawada'enuxw Fisheries Group Limited Partnership (33.33%)

(b) Reporting entity

The Dzawada'enuxw First Nation reporting entity includes the Dzawada'enuxw First Nation government and all related entities that are controlled by the First Nation.

(c) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Dzawada'enuxw First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	25 years
Automotive equipment	5 years
Computer equipment	3 years
Furniture and equipment	5 years
Infrastructure	25 years

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

1. Basis of Presentation and Significant Accounting Policies (continued)

(d) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(e) Measurement uncertainty

In preparing the financial statements for the Dzawada'enuxw First Nation, management is required 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 period. Items requiring the use of significant estimates include amortization and the allowance for doubtful accounts. Actual results could differ from these estimates.

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

2. Cash

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Dzawada'enuxw First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the replacement reserve.

Cash and cash equivalents is comprised of the following:

	2018 \$	2017 \$
Externally restricted		
Replacement reserve	15,502	-
Unrestricted		
Operations	1,705,457	1,517,568
Capital projects	2,409	2,409
Social housing	191,194	176,761
Flood donations	1,185	1,185
	1,900,245	1,697,923
	1,915,747	1,697,923

3. Accounts receivable

	2018 \$	2017 \$
Due from members	354,074	308,991
Aboriginal Affairs and Northern Development Canada	1,117,578	241,770
Canada Mortgage and Housing Corporation	77,459	147,513
North Vancouver Island Aboriginal Training Society	-	3,265
Province of British Columbia	-	15,000
Fist Nations Education Steering Committee	5,656	-
Other amounts	175,807	21,458
	1,720,493	737,997
Allowance for doubtful accounts	(88,689)	(88,689)
	1,631,804	649,308

4. Investments in Government Business Partnerships

- ♦ Musgamagw Dzawada'enuxw Fisheries Group Limited Partnership (33.33%)

	2018 \$	2017 \$
Musgamagw Dzawada'enuxw Fisheries Group Limited Partnership (33.33%)	115,448	-

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

4. Investments in Government Business Partnerships, continued

	Musgamagw Dzawada'enux w Fisheries Group Limited Partnership (33.33%)	2018 Total	2017 Total
	\$	\$	\$
Cash	162,417	162,417	-
Accounts receivable	189,227	189,227	-
Tangible capital assets	93,770	93,770	-
Prepaid expenses	3,500	3,500	-
Other assets	190,654	190,654	-
Total assets	639,568	639,568	-
	\$	\$	\$
Accounts payable	14,601	14,601	-
Deferred revenue	274,711	274,711	-
Other liabilities	3,877	3,877	-
Total liabilities	293,189	293,189	-
	Musgamagw Dzawada'enux w Fisheries Group Limited Partnership (33.33%)	2018 Total	2017 Total
	\$	\$	\$
Revenue	561,088	561,088	-
Expenses	214,709	214,709	-

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

5. Trust funds held by federal government

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	March 31, 2017	Additions, 2018	Withdrawals, 2018	March 31, 2018
	\$	\$	\$	\$
Revenue	30,203	2,012	158	32,373
Capital	11,516	-	-	11,516
	41,719	2,012	158	43,889

6. Accounts payable

	2018	2017
	\$	\$
Government remittances payable	11,402	16,361
Wages and benefits payable	53,665	43,510
Amounts owed to members	20,899	12,609
Trade payables	827,206	610,305
	913,172	682,785

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

7. Deferred revenue

	March 31, 2017 \$	Additions, 2018 \$	Recognized, 2018 \$	March 31, 2018 \$
INAC - Capital				
ACRS - 12453 / 700	67,710	-	-	67,710
ACRS - 12453 / 710	63,875	-	-	63,875
ACRS - 12453 / 720	3,933	-	-	3,933
Roads and bridges - 11392 / 765	1,135	-	(1,135)	-
Housing admin - 11534 / 811	3,675	-	-	3,675
Renovations - school roof - 11004 / 750	404,509	-	(404,509)	-
Electrical systems - 11246 / 825	144,225	161,947	(144,225)	161,947
Building 16 - 9-00126254 / 810	100,000	-	(100,000)	-
Water System Upgrade - 11939 / 765	-	80,424	-	80,424
	789,062	242,371	(649,869)	381,558
INAC - Other				
Post secondary education program	102,391	69,584	(102,391)	69,584
Adult education	32,973	32,652	(32,973)	32,652
Service delivery	19,966	24,590	(19,966)	24,590
Private tuition	2,571	2,571	(2,571)	2,571
School Sprinkler Project	23,142	-	(23,142)	-
Membership	2,881	7,733	(2,881)	7,733
Student accomodation	25,707	19,793	(25,707)	19,793
Student transportation	12,717	-	(12,717)	-
Teacher residence	8,889	9,920	(8,889)	9,920
Band support	-	130,000	-	130,000
Instructional Services	11,711	70,000	-	81,711
BHP - allowance	-	1,727	-	1,727
BHP - guidance	-	5,390	-	5,390
BHP - ancillary support	-	6,884	-	6,884
BHP - Computer education	-	442	-	442
Hydro 2009 - 2011	-	92,920	-	92,920
	242,948	474,206	(231,237)	485,917
Other				
Province of British Columbia - FRA	690,538	-	(37,457)	653,081
Province of British Columbia - RDF	90,000	-	(90,000)	-
Province of British Columbia - VC 17	14,264	-	-	14,264
Province of British Columbia - VC 18	-	100,000	-	100,000
Other amounts	385,332	273,037	(259,409)	398,960
	1,180,134	373,037	(386,866)	1,166,305
	2,212,144	1,089,614	(1,267,972)	2,033,780

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

8. Long-term debt

	2018 \$	2017 \$
Royal Bank of Canada (social housing); demand loan repayable at \$2,085 per month including interest at 2.28% per annum, secured by buildings	50,665	74,232
Royal Bank of Canada (social housing); demand loan repayable at \$2,825 per month including interest at 1.86% per annum, secured by buildings	55,960	87,383
Royal Bank of Canada	-	145,000
	106,625	306,615

Principal portion of long-term debt due within the next three years:

2019	55,941
2020	48,798
2021	1,886
	106,625

9. Accumulated surplus

	2018 \$	2017 \$
Equity in tangible capital assets (operating) - restricted	2,735,600	3,069,952
Equity in tangible capital assets (social housing) - restricted	22,413	16,437
Equity in Ottawa Trust - restricted	43,889	41,719
Replacement reserve - restricted	28,111	15,485
Operating surplus (deficit) - unrestricted	809,753	(579,991)
	3,639,766	2,563,602

10. Contingent Liabilities

Dzawada'enuxw First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Dzawada'enuxw First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Dzawada'enuxw First Nation's financial statements.

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

11. Tangible Capital Assets

	Cost			Accumulated amortization					
	Balance, beginning of year \$	Additions \$	Disposals \$	Balance, end of year \$	Balance, beginning of year \$	Amortization \$	Accumulated amortization on disposals \$	Balance, end of year \$	2018 net book value \$
Buildings	7,943,318	-	-	7,943,318	6,510,667	258,220	-	6,768,887	1,174,431
Automotive equipment	137,501	52,062	-	189,563	48,329	40,337	-	88,666	100,897
Computer equipment	119,933	1,230	(2,440)	118,723	103,772	10,848	(2,440)	112,180	6,543
Furniture and equipment	243,987	22,832	-	266,819	225,252	9,004	-	234,256	32,563
Infrastructure	4,266,108	-	-	4,266,108	2,574,823	141,081	-	2,715,904	1,550,204
	12,710,847	76,124	(2,440)	12,784,531	9,462,843	459,490	(2,440)	9,919,893	2,864,638

	Cost			Accumulated amortization					
	Balance, beginning of year \$	Additions \$	Disposals \$	Balance, end of year \$	Balance, beginning of year \$	Amortization \$	Accumulated amortization on disposals \$	Balance, end of year \$	2017 Net book value \$
Buildings	7,943,318	-	-	7,943,318	6,250,246	260,421	-	6,510,667	1,432,651
Automotive equipment	122,775	48,136	(33,410)	137,501	65,268	16,471	(33,410)	48,329	89,172
Computer equipment	113,215	6,718	-	119,933	91,665	12,107	-	103,772	16,161
Furniture and equipment	236,777	7,210	-	243,987	215,500	9,752	-	225,252	18,735
Infrastructure	4,266,108	-	-	4,266,108	2,433,742	141,081	-	2,574,823	1,691,285
	12,682,193	62,064	(33,410)	12,710,847	9,056,421	439,832	(33,410)	9,462,843	3,248,004

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

12. Prepaid expenses

	2018	2017
	\$	\$
Hydro diesel fuel	95,879	89,328
Social assistance	15,001	13,422
Tetra Tech	-	25,442
	110,880	128,192

13. Budgeted Figures

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Band Council.

14. Economic Dependence

Dzawada'enuxw First Nation receives a significant portion of its revenue pursuant to a funding agreement with Aboriginal Affairs and Northern Development Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

15. Pension Plan

Dzawada'enuxw First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5.5% of their salary. Dzawada'enuxw First Nation contributes 5.5% to the members contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. Dzawada'enuxw First Nation contributed \$14,790 (2017 - \$20,542) for its retirement benefits. Dzawada'enuxw First Nation does not have any other obligations with regards to the pension plan as at March 31, 2018.

16. Contractual Obligations

The nature of Dzawada'enuxw First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments. Significant contractual obligations that can be reasonably estimated are as follows:

2019	13,873
2020	13,873
2021	13,873
2022	13,873
	55,492

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

17. Segmented information

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies as detailed in Note 1. The following table presents the revenue generated by major revenue type and expenses incurred by main object. The segment results for the year are as follows:

	2018 Budget	Band Government 2018 Actual	2017 Actual	2018 Budget	Education 2018 Actual	2017 Actual	2018 Budget	Health 2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous and Northern Affairs Canada	342,069	288,712	358,645	813,796	594,900	662,946	-	-	-
Ottawa Trust	-	2,170	2,013	-	-	-	-	-	-
Province of British Columbia	15,000	7,457	9,937	-	-	-	-	-	-
Intertribal Health Authority	-	-	-	-	-	-	564,556	523,798	607,510
Other revenue	455,255	50,307	19,387	195,708	130,838	163,969	41,373	21,002	60,251
Total revenue	812,324	348,646	389,982	1,009,504	725,738	826,915	605,929	544,800	667,761
Expenses									
Amortization	-	410,477	20,278	-	-	168,013	-	-	60,773
Consultants	33,268	28,198	45,749	7,791	1,366	60,368	10,503	13,445	-
Materials and supplies	2,895	1,603	11,476	37,429	17,158	27,049	39,083	14,767	12,816
Programs	-	-	22,452	44,812	29,698	38,858	146,328	149,846	158,767
Wages and benefits	332,299	302,618	344,151	315,752	258,820	299,524	190,390	162,525	214,661
Other expenses	251,367	308,640	317,424	421,752	239,230	208,932	181,719	119,115	162,358
Total expenses	619,829	1,051,536	761,530	827,536	546,272	802,744	568,023	459,698	609,375
Annual surplus (deficit)	192,495	(702,891)	(371,548)	181,968	179,465	24,171	37,906	85,101	58,386

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

17. Segmented information, continued

	Economic Development			Public Works			Community and Social Services		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous and Northern Affairs Canada	-	-	-	924,747	2,742,812	923,311	211,739	128,140	202,907
Health Canada	-	-	-	-	-	-	9,712	9,712	-
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	-	3	-
Province of British Columbia	102,250	120,000	10,924	100,000	-	25,736	-	-	-
Other revenue	100,793	288,402	68,275	39,178	129,368	99,059	110,775	108,728	79,091
Total revenue	203,043	408,402	79,200	1,063,925	2,872,180	1,048,106	332,226	246,583	281,998
Expenses									
Amortization	-	-	282	-	-	141,473	-	-	-
Consultants	4,938	2,296	5,000	1,046,989	680,589	381,235	3,249	-	11,000
Materials and supplies	17,621	31,480	18,531	-	48,736	48,589	16,927	16,846	13,141
Fuel	-	-	-	-	348,421	326,560	-	-	-
Programs	-	-	-	-	-	-	3,655	11,126	47,639
Wages and benefits	27,532	27,882	85	-	124,340	124,028	58,212	48,891	31,965
Other expenses	152,952	174,059	49,333	16,936	382,858	312,019	247,772	169,435	152,680
Total expenses	203,043	235,717	73,231	1,063,925	1,584,944	1,333,904	329,815	246,298	256,425
Annual surplus (deficit)	-	172,686	5,969	-	1,287,235	(285,798)	2,411	285	25,573

DZAWADA'ENUXW FIRST NATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

17. Segmented information, continued

	2018 Budget	Housing 2018 Actual	2017 Actual	2018 Budget	Consolidated totals 2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$
Revenues						
Indigenous and Northern Affairs Canada	2,059,905	2,159,905	913,113	4,352,256	5,914,469	3,060,922
Health Canada	-	-	-	9,712	9,712	-
Canada Mortgage and Housing Corporation	29,403	96,568	114,002	29,403	96,571	114,002
Ottawa Trust	-	-	-	-	2,170	2,013
Province of British Columbia	-	-	-	217,250	127,457	46,597
Intertribal Health Authority	-	-	-	564,556	523,798	607,510
Other revenue	64,125	88,060	85,554	1,007,207	816,705	575,586
Total revenue	2,153,433	2,344,533	1,112,669	6,180,384	7,490,882	4,406,631
Expenses						
Amortization	-	49,013	49,013	-	459,490	439,832
Consultants	-	-	17,285	1,106,738	725,894	520,637
Materials and supplies	283	-	1,344	114,238	130,590	132,946
Fuel	-	-	-	-	348,421	326,560
Programs	-	-	-	194,795	190,670	267,716
Wages and benefits	-	-	19,977	924,185	925,076	1,034,391
Other expenses	2,153,150	2,252,178	977,937	3,425,648	3,645,515	2,180,683
Total expenses	2,153,433	2,301,191	1,065,556	5,765,604	6,425,656	4,902,765
Annual surplus (deficit)	-	43,342	47,113	414,780	1,065,226	(496,134)

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To Dzawada'enuxw First Nation:

At the request of the Dzawada'enuxw First Nation, we have reviewed the Schedule of Remuneration and Expenses of Unelected Senior Officials of the Dzawada'enuxw First Nation for the year ended March 31, 2018 prepared in accordance with the provisions of Section 7.3 of the Indigenous and Northern Affairs Canada Reporting Guide - Financial Reporting Requirements. The schedule has been prepared by management of the Dzawada'enuxw First Nation.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this schedule in accordance with the expenses described in Note 15, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying schedule based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on this schedule.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that this Schedule is not, in all material respects, in accordance with the provisions of Section 7.3 of the Indigenous and Northern Affairs Canada Reporting Guide - Financial Reporting Requirements.

Campbell River, B.C.
October 23, 2018


Chartered Professional Accountants

DZAWADA'ENUXW FIRST NATION
SCHEDULE OF REMUNERATION AND EXPENSES
(CHIEF AND COUNCILLORS)
YEAR ENDED MARCH 31, 2018

<u>Name of Individual</u>	<u>Position Title</u>	<u>Number of Months</u>	<u>Remuneration</u>	<u>Expenses</u>
			\$	\$
Willie Moon	Council Chair	12	30,773	16,799
Tania Dick	Councillor	12	6,400	7,534
Lucy Puglas	Councillor	12	31,784	6,122
Melissa Willie	Councillor	12	6,450	11,843
Midori Nicolson	Councillor	12	32,070	6,571

**RECONCILIATION OF
Indigenous and Northern Affairs Canada
REVENUE
AS PER FUNDING CONFIRMATION (GCIMS)
WITH REVENUE FROM STATEMENT OF OPERATIONS
2017/2018 FISCAL YEAR**

Recipient Name	Recipient #
DZAWADA'ENUXW FIRST NATION	636
INAC Revenue per Audited Consolidated Statement of Operations	\$5,914,467
Explanations:	Adjustments:
	Add / (Subtract)
	\$
less: Prior Year Deferred Revenue	(\$1,032,010)
add: Current Year Deferred Revenue	\$867,475
P/Y RECOVERY - DEPT 350	\$34,116
P/Y RECOVERY - DEPT 102	\$813
RECOVER FROM DEFERRED REVENUE (Roads and Bridges)	\$1,135
RECOVER FROM DEFERRED REVENUE (Fire Protection)	\$23,142
NTMD-001 Cap Planning (Previously recorded as A/R)	\$29,397
Rounding	\$3
Net Adjustments	(\$75,929)
Net Budget per INAC Funding Confirmation (1)	\$5,838,538

(1) Includes Current year end payable from AANDC
Excludes BCTC Treaty Loans
Excludes Recoveries for the prior year
Includes Reimbursements for the prior year

An Excel electronic copy is available for down loading at www.afoabc.org/audit