

**Westbank First Nation**  
**Consolidated Financial Statements**  
For the year ended March 31, 2018

**Westbank First Nation**  
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For the year ended March 31, 2018

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## Management's Responsibility for the Consolidated Financial Statements

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The accompanying consolidated financial statements of Westbank First Nation are the responsibility of management and have been approved by the Chief and Administrator on behalf of Council.

The consolidated 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 First Nation Chief and 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 consolidated financial statements.

The First Nation Chief and 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 consolidated financial statements and the external auditor's report.

The external auditors, BDO Canada LLP Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Westbank First Nation and meet when required.

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\_\_\_\_\_  
Chief  
\_\_\_\_\_  
Administrator/Director of Operations



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## Independent Auditor's Report

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### To the Members of Westbank First Nation

We have audited the accompanying consolidated statement of financial position of Westbank First Nation as at March 31, 2018 and the consolidated statements of financial activities, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of consolidated 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 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 of 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 auditor's 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 First Nation'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 First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant 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, these consolidated financial statements present fairly, in all material respects, the financial position of Westbank First Nation as at March 31, 2018 and the results of its financial activities and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Unaudited Information**

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on page 44 through 64 of the Westbank First Nation Consolidated financial statements.

*BDO Canada LLP*

Chartered Professional Accountants

Kelowna, British Columbia  
June 25, 2018

## Westbank First Nation Consolidated Statement of Financial Position

March 31	2018	2017
<b>Financial Assets</b>		
Cash (Note 2)	\$ 18,500,152	\$ 13,787,003
Investments (Note 3)	31,813,760	31,950,702
Restricted cash (Note 4)	751,564	611,776
Accounts receivable	5,626,891	5,690,180
Funds held in trust (Note 5)	36,691	36,691
Deposit	-	75,000
Due from related parties (Note 6)	959,611	1,058,311
Investment in business enterprises (Note 7)	777,944	871,008
Investment in limited partnerships (Note 8)	8,410,032	7,626,463
	<b>66,876,645</b>	<b>61,707,134</b>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	4,312,894	4,541,245
Trust funds payable (Note 5)	36,691	36,691
Deferred revenue (Note 9)	2,388,337	699,747
Deferred development cost charges (Note 10)	11,624,926	9,856,967
Long term debt (Note 11)	12,087,448	12,813,736
	<b>30,450,296</b>	<b>27,948,386</b>
<b>Net Financial Assets</b>	<b>36,426,349</b>	<b>33,758,748</b>
<b>Non - Financial Assets</b>		
Tangible capital assets (Note 12)	72,545,416	71,818,373
Land inventory	1,967,803	1,942,402
Inventory	28,251	18,486
Prepaid expenses	385,072	39,067
	<b>74,926,542</b>	<b>73,818,328</b>
<b>Accumulated Surplus (Note 13)</b>	<b>\$ 111,352,891</b>	<b>\$ 107,577,076</b>

Approved on behalf of the Council:

 \_\_\_\_\_ Chief

 \_\_\_\_\_ Administrator/  
Director of Operations

## Westbank First Nation Consolidated Statement of Financial Activities

For the year ended March 31	Budget 2018	Actual 2018	Actual 2017
<b>Revenue</b>			
Department of Indigineous Services Canada	\$ 8,930,547	\$ 9,528,751	\$ 9,022,923
Ottawa Trust Funds	2,000	1,990	1,969
BC Ministry of Education	217,500	272,864	331,387
BC Ministry of Health	2,684,792	2,943,667	2,934,099
CMHC subsidy and additional financial contribution	226,136	237,771	232,375
Commercial rent	462,740	384,201	437,400
Daycare centre and education services	325,291	296,850	290,153
First Nation sales tax	2,537,578	2,523,007	2,497,369
Interest and penalties	304,500	619,025	548,021
Land registration fees	255,000	184,225	186,125
Ministry of Transportation	150,000	242,120	557,842
Miscellaneous	1,904,982	3,099,111	2,695,032
Operations, maintenance, parks and public works	708,000	589,800	258,603
Other government grants	856,087	1,144,704	1,194,850
Property taxation, net of homeowners grants	12,262,357	12,331,905	11,733,358
Residents - long term care facility maintenance	381,232	473,771	623,005
Social housing rent	386,563	378,175	372,138
Trading Post sales	766,700	570,314	-
Water, sewer, development charges and permits	1,560,750	1,714,399	1,648,408
Contributed assets	-	3,500	303,478
Income from business enterprises	-	8,724	681,138
Income from limited partnerships	-	631,413	589,526
	<b>34,922,755</b>	<b>38,180,287</b>	<b>37,139,199</b>
<b>Expenses (Note 25)</b>			
Administration	6,786,623	5,939,167	6,059,164
Education	2,994,249	3,085,541	2,786,667
Government services	2,399,871	2,552,413	2,449,152
Lands registry	332,311	278,385	275,177
Local government services	10,410,931	9,440,399	8,805,093
Long term care facility program	4,029,010	4,545,553	4,495,631
Membership services	1,013,449	1,039,185	914,875
Non-profit housing program	186,456	150,913	199,555
Sensisysten school society	1,035,119	993,568	954,885
Social development	5,240,876	2,878,016	2,719,565
The Trading Post	746,683	569,386	-
WFN Taxation program	244,635	430,624	425,320
Treaty negotiations fund	-	2,974	3,096
Loss (recovery) on Sneena Road Overlook Land	-	-	(300,000)
Amortization	437,822	2,498,348	2,357,996
	<b>35,858,035</b>	<b>34,404,472</b>	<b>32,146,176</b>
<b>Annual surplus</b>	<b>(935,280)</b>	<b>3,775,815</b>	<b>4,993,023</b>
<b>Accumulated surplus, beginning of year</b>	<b>107,577,076</b>	<b>107,577,076</b>	<b>102,584,053</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 106,641,796</b>	<b>\$ 111,352,891</b>	<b>\$ 107,577,076</b>

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

**Westbank First Nation**  
**Statement of Change in Net Financial Assets**

<b>For the year ended March 31</b>	Budget 2018	Actual 2018	Actual 2017
<b>Annual surplus</b>	\$ (935,280)	<b>\$ 3,775,815</b>	\$ 4,993,023
Acquisition of tangible capital assets (Note 12)	(12,144,000)	<b>(3,225,391)</b>	(5,343,365)
Amortization of tangible capital assets (Note 12)	437,822	<b>2,498,348</b>	2,357,996
Disposal of tangible capital assets (Note 12)	-	-	12,370
Change in prepaid expenses	-	<b>(346,005)</b>	281,617
Change in inventory	-	<b>(35,166)</b>	(25,439)
<b>Net change in net financial assets</b>	(12,641,458)	<b>2,667,601</b>	2,276,202
<b>Net financial assets, beginning of year</b>	33,758,748	<b>33,758,748</b>	31,482,546
<b>Net financial assets, end of the year</b>	\$ 21,117,290	<b>\$ 36,426,349</b>	\$ 33,758,748



## Westbank First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2018	2017
<b>Cash flows from operating activities</b>		
Cash receipts from Department of Indigenous Services Canada	\$ 9,528,751	\$ 9,022,923
Cash received from rate payers, water users and developers	17,896,177	16,909,495
Cash received from First Nation Sales Tax	2,523,007	2,497,369
Cash receipts from grants, other governments and own sources	10,438,168	7,341,322
Cash paid to employees and suppliers	(32,280,845)	(28,133,782)
Interest paid	(160,803)	(225,700)
Interest received	619,025	548,021
	<b>8,563,480</b>	<b>7,959,648</b>
<b>Cash flows from capital activities</b>		
Purchase of tangible capital assets	(3,221,891)	(5,039,886)
<b>Cash flows from investing activities</b>		
Decrease (increase) in related party receivable balance	98,701	(763,401)
Purchase of marketable securities	(17,085,880)	(15,011,610)
Proceeds from marketable securities	17,222,825	12,734,910
Cash from Ottawa Trust	1,990	1,969
	<b>237,636</b>	<b>(3,038,132)</b>
<b>Cash flows from financing activities</b>		
Repayment of long term debt	(1,778,874)	(6,641,663)
Issuance of long term debt	1,052,586	6,567,399
	<b>(726,288)</b>	<b>(74,264)</b>
<b>Net increase (decrease) in cash</b>	<b>4,852,937</b>	<b>(192,634)</b>
<b>Cash, beginning of year</b>	<b>14,398,779</b>	<b>14,591,413</b>
<b>Cash, end of year</b>	<b>\$ 19,251,716</b>	<b>\$ 14,398,779</b>
<b>Consisting of:</b>		
Cash	\$ 18,500,152	\$ 13,787,003
Restricted cash	751,564	611,776
	<b>\$ 19,251,716</b>	<b>\$ 14,398,779</b>

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

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## Westbank First Nation Summary of Significant Accounting Policies

**March 31, 2018**

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**Basis of Accounting** These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards prescribed for government entities as recommended by the CPA Public Sector Accounting Board except that they are prepared on a consolidated basis as they are for management purposes only.

**Reporting Entity** The Westbank First Nation ("First Nation") reporting entity includes the Westbank First Nation government and all related entities which are accountable for the administration of their financial affairs and resources to the First Nation and are either owned or controlled by the First Nation.

**Principles of Financial Reporting** The consolidated financial statements consolidate the assets, liabilities and financial activities for the following organizations which use accounting principles that lend themselves to consolidation with the Westbank First Nation Government:

- Westbank First Nation
- Pine Acres Home (Long Term Care Facility Program)
- Westbank First Nation Taxation
- Westbank First Nation Non-Profit Housing Program
- Westbank First Nation Negotiation Support Agreement
- Westbank First Nation Local Government Services
- The Trading Post
- Sensisyusten School
- 1046356 B.C. Ltd.

All inter-organization accounts and transactions have been eliminated on consolidation.

First Nation business enterprises, which are owned or controlled either directly or indirectly by the First Nation, are included in the consolidated financial statements using the modified equity method. These include:

- 459313 B.C. Ltd.
- Okanagan Lake Landing Inc.
- Ntityix Development Corp.
- Westbank First Nation Trust
- Senk'lip Holdings Ltd.

The following limited partnerships have been consolidated on a modified equity basis as they are government business partnerships:

- Ntityix Development Limited Partnership
- Lake Okanagan Wellness Clinic Limited Partnership

Long term investments in entities on which the Westbank First Nation does not hold significant influence are recorded at cost. If there has been a permanent decline in value, the investment is written down to its net realizable value.

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## Westbank First Nation Summary of Significant Accounting Policies

March 31, 2018

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**Short Term Deposits** Short term investments are recorded at the lower of cost or market value. Cost and market value are similar if not exactly the same as the First Nation invests in GIC's and other secured investments.

**Tangible Capital Assets** Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded based on the estimated useful life of the tangible capital asset commencing once the asset is available for productive use as follows:

Automotive equipment	5 - 20 years straight line basis
Buildings, landscaping and infrastructure	5 - 40 years straight line basis
Equipment and furniture	3 - 35 years straight line basis
Nature and recreation park	20 years straight line basis
Roads and sidewalks	6 - 113 years straight line basis
Sewer systems	35 - 80 years straight line basis
Water systems	25 - 80 years straight line basis
Construction in progress	nil years

**Land Inventory** Land inventory includes land held for resale or development. Costs incurred to hold land or costs incurred to develop land are capitalized.

**Budget Figures** The budget figures are from a March 27, 2017 financial plan by-law adopted by Chief and Council each year.

**Revenue Recognition** Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding agreements which relate to a subsequent period is recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met, is reported as deferred revenue until the resources are used for the purpose or purposes specified and classified as such on the statement of financial position.

Rental revenue is recognized on a straight line basis as it becomes receivable under the terms of the rental agreement.

Taxation revenues are accrued and recorded during the period that the related taxes apply. Sale of services and user fee revenues are recognized when the service or product is provided.

Revenues received from the Tax Collection Agreement are recognized when the advances are received from the Federal Government.

Other revenue is recognized as it is earned.

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## Westbank First Nation Summary of Significant Accounting Policies

March 31, 2018

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**Deferred Development  
Cost Charges**

Development cost charges received for specific developments occurring on Westbank First Nation land which are restricted by legislation, regulation or agreement and are not available for general government purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of financial activities in the year that the related expenses of the development are incurred.

**Financial Instruments**

The First Nation recognizes and measures financial assets and financial liabilities on the balance sheet when it becomes a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded on a trade date or settlement date basis. All financial instruments are measured at cost on initial recognition. Financial instruments are subsequently measured at amortized cost.

**Trusts Under  
Administration**

Trusts administered by the Westbank First Nation are included in these financial statements, which are offset by the amounts included in internally restricted equity.

**Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from managements best estimates as additional information becomes available in the future.

**Government Transfers**

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

## Westbank First Nation Notes to Consolidated Financial Statements

**March 31, 2018**

### 1. Economic Dependence

The Westbank First Nation received 25% (2017 - 24%) of its revenue pursuant to funding arrangements with the Department of Indigenous Services Canada (DISC).

### 2. Cash and Investments

Cash and investments include the following:

	2018	2017
Funds that the First Nation, by way of resolutions or the passing of by-laws, have designated or internally restricted for the following specific purposes:		
Capital projects to maintain services to taxpayers	\$ 393,761	\$ 56,762
Property taxation contingency reserve	13,852,073	13,381,902
Stabilization of annual taxation expenditures	996,341	1,733,980
Community benefit	3,576,462	3,383,057
Expenses for repairs of infrastructure, building and equipment	1,969,275	1,872,759
Expenses for land purchases	146,610	124,881
Business investments	13,047	12,991
Unanticipated expenditures in other programs or future community benefit to be determined	8,629,781	6,489,324
Total cash and investments internally restricted (Note 15)	29,577,350	27,055,656
Other cash and investments	20,736,562	18,682,049
	\$ 50,313,912	\$ 45,737,705

Cash and investments are represented by:

	2018	2017
Cash	\$ 18,500,152	\$ 13,787,003
Investments (Note 3)	31,813,760	31,950,702
	\$ 50,313,912	\$ 45,737,705

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**3. Investments**

Included in the amounts in Note 2 are short term investments with the following terms:

	<u>2018</u>	<u>2017</u>
Investment in All Nations Trust Company	<b>96,370</b>	96,370
GIC's:		
Interest paid at 1.66%, maturing on May 4, 2018	<b>1,042,083</b>	1,042,083
Interest paid at 1.50%, maturing on June 14, 2018	<b>1,043,920</b>	1,043,920
Interest paid at 2.15%, maturing on July 4, 2018	<b>1,285,854</b>	-
Interest paid at 1.50%, maturing on July 18, 2018	<b>1,670,845</b>	1,670,844
Interest paid at 1.50%, maturing on August 27, 2018	<b>710,500</b>	700,000
Interest paid at 2.00%, maturing on October 3, 2018	<b>11,425</b>	11,201
Interest paid at 2.15%, maturing on October 27, 2018	<b>921,883</b>	902,480
Interest paid at 1.90%, maturing on December 16, 2018	<b>1,047,388</b>	1,027,859
Interest paid at 2.00%, maturing on December 31, 2018	<b>1,570,560</b>	1,570,560
Interest paid at 1.40%, maturing on April 10, 2019	<b>601,435</b>	-
Interest paid at 1.30%, maturing on April 11, 2019	<b>229,297</b>	-
Interest paid at 1.40%, maturing on April 25, 2019	<b>429,610</b>	-
Interest paid at 1.91%, maturing on September 13, 2019	<b>698,251</b>	-
Interest paid at 2.00%, maturing on October 1, 2019	<b>574,850</b>	-
Interest paid at 1.65%, maturing on January 16, 2020	<b>1,588,135</b>	1,588,135
Interest paid at 2.25%, maturing on February 9, 2020	<b>570,038</b>	-
Interest paid at 1.65%, maturing on February 18, 2020	<b>318,213</b>	-
Interest paid at 1.65%, maturing on March 30, 2020	<b>863,515</b>	863,515
Interest paid at 1.70%, maturing on June 28, 2020	<b>1,076,147</b>	-
Interest paid at 1.40%, maturing on July 6, 2020	<b>623,838</b>	-
Balance carried forward	<b><u>\$ 16,974,157</u></b>	<b><u>\$ 10,516,967</u></b>

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**3. Investments (continued)**

	<u>2018</u>	<u>2017</u>
Balance brought forward	<b>\$ 16,974,157</b>	\$ 10,516,967
GIC's (continued):		
Interest paid at 1.96%, maturing on August 6, 2020	<b>1,023,693</b>	1,023,693
Interest paid at 2.00%, maturing on August 9, 2020	<b>1,062,769</b>	-
Interest paid at 1.75%, maturing on August 17, 2020	<b>458,276</b>	-
Interest paid at 2.30%, maturing on December 21, 2020	<b>1,000,000</b>	-
Interest paid at 2.20%, maturing on January 4, 2021	<b>526,429</b>	-
Interest paid at 2.45%, maturing on February 5, 2021	<b>1,243,720</b>	-
Interest paid at 2.45%, maturing on February 9, 2021	<b>621,860</b>	-
Interest paid at 2.50%, maturing on March 5, 2021	<b>518,253</b>	-
Interest paid at 1.65%, maturing on April 6, 2021	<b>600,842</b>	-
Interest paid at 1.60%, maturing on May 3, 2021	<b>1,043,055</b>	-
Interest paid at 1.60%, maturing on July 26, 2021	<b>1,147,890</b>	-
Interest paid at 1.75%, maturing on August 25, 2021	<b>814,000</b>	800,000
Interest paid at 1.95%, maturing on April 19, 2022	<b>1,487,453</b>	-
Interest paid at 1.75%, maturing on August 10, 2022	<b>1,084,614</b>	1,065,959
Interest paid at 1.75%, maturing on August 25, 2022	<b>407,000</b>	400,000
Interest paid at 2.05%, maturing on October 28, 2022	<b>860,769</b>	-
Interest paid at 1.89%, maturing on February 28, 2023	<b>551,257</b>	541,510
Interest paid at 2.04%, maturing on March 14, 2023	<b>387,723</b>	379,748
GIC's redeemed during the year	<b>-</b>	17,222,825
	<b><u>\$ 31,813,760</u></b>	<b><u>\$ 31,950,702</u></b>

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**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

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**4. Restricted Cash**

Certain cash has been externally restricted by federal or provincial government authorities for the following purposes:

	<b>2018</b>	2017
Non-Profit Housing program operating reserve	\$ 316,321	\$ 271,839
Non-Profit Housing program replacement reserve	130,743	37,274
Non-Profit Housing program replacement reserve marketable securities (i)	304,500	302,663
Restricted cash	\$ 751,564	\$ 611,776

(i) Restricted cash includes a GIC of \$300,000 (2017 - \$300,000) with interest paid at 1.90%. The GIC matures on August 27, 2018. \$4,500 (2017 - \$2,663) of interest is receivable as at March 31, 2018.

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**5. Funds Held in Trust**

	<b>2018</b>	2017
Non-profit housing	\$ 36,691	\$ 36,691

During the 2015 - 2016 fiscal year, a home in the non-profit housing program was bought out by a Westbank First Nation Member. The balance is being held in trust until the mortgage pertaining to that home matures in March 2019, at which point the funds in trust will be paid out to Canada Mortgage and Housing Corporation. These trust assets and liabilities do not affect the statement of operations for Westbank First Nation.

Funds held in trust and administered by the First Nation not presented on the statement of financial position are as follows:

	<b>2018</b>	2017
General membership (i)	\$ 17,135	\$ 17,145
Minors (i)	1,285,583	1,696,336
Long term care facility patients (i)	39,582	44,242
	\$ 1,342,300	\$ 1,757,723

(i) The First Nation holds and administers the above amounts in trust relating to deposits and other cash amounts on hand relating to other parties. At March 31, 2018 the liabilities which relate to these funds held in trust are fully funded.



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**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

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**6. Due (to) from Related Parties**

	<b>2018</b>	<b>2017</b>
Advances due (to) from related parties		
Lake Okanagan Wellness Clinic Limited Partnership	\$ (20)	\$ (20)
Ntityix Development Corp.	475,000	475,000
Senk'lip Holdings Ltd.	(1)	(1)
Ntityix Development Limited Partnership	(700)	(700)
Westbank First Nation Trust	435,332	434,032
1046356 B.C. Ltd.	50,000	150,000
	<b>\$ 959,611</b>	<b>\$ 1,058,311</b>

Advances due (to) from related parties are without interest and have no specific terms of repayment.

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**7. Investment in Business Enterprises**

	2018	2017
459313 B.C. Ltd.	\$ 1	\$ 1
Senk'lip Holdings Ltd.	1	1
The Trading Post	-	101,789
Ntityix Development Corp.	<b>596,014</b>	631,865
Westbank First Nation Trust	<b>181,928</b>	137,352
	<b>\$ 777,944</b>	<b>\$ 871,008</b>

The following summary discloses the condensed financial information of the business enterprises:

(a) Summary of Financial Position

	2018	2017
<b>Assets</b>		
Cash and short term investments	\$ 691,914	\$ 766,920
Accounts receivable	163,371	66,568
Inventory	12,900	19,156
Prepaid expenses	65,348	129,146
Due from related parties	338,167	338,167
Property, plant and equipment	38,426	73,430
Investment in Ntityix Development LP	194	1
Total Assets	<b>1,310,320</b>	1,393,388
<b>Liabilities</b>		
Accounts payable and accrued liabilities	80,703	72,176
Deferred revenue	16,340	16,173
Due to related parties	436,332	435,032
Total Liabilities	<b>533,375</b>	523,381
<b>Equity</b>		
Surplus	<b>776,945</b>	870,007
Total Equity	<b>\$ 776,945</b>	<b>\$ 870,007</b>

(b) Summary of Financial Activities

Total revenues	\$ 393,159	\$ 2,013,675
Total expenses	<b>384,435</b>	997,496
Net income for the year	<b>\$ 8,724</b>	<b>\$ 1,016,179</b>

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**8. Investment in Limited Partnerships**

	2018	2017
Ntityix Development Limited Partnership	\$ 8,410,012	\$ 7,626,443
Lake Okanagan Wellness Clinic Limited Partnership	20	20
	<b>\$ 8,410,032</b>	<b>\$ 7,626,463</b>

The following summary discloses the condensed financial information of the limited partnerships:

(a) Summary of Financial Position

	2018	2017
<b>Assets</b>		
Cash and short term investments	\$ 8,959,212	\$ 7,034,014
Accounts receivable	709,459	1,440,748
Prepaid expenses	24,791	30,358
Inventory	1,517	7,115
Long term investments	941	941
Property, plant and equipment	414,416	453,377
Due from related parties	3,082	1,848
Intangible assets	96,259	108,993
Deferred development cost	51,452	51,452
Long term lease	418,287	460,115
	<b>10,679,416</b>	9,588,961
<b>Total Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	488,178	307,397
Deferred revenue	14,861	14,081
Reforestation obligation	953,483	827,990
Due to related parties	813,040	813,040
	<b>2,269,562</b>	1,962,508
<b>Total Liabilities</b>		
<b>Equity</b>	<b>\$ 8,409,854</b>	<b>\$ 7,626,453</b>

(b) Summary of Financial Activities

Total revenues	\$ 8,060,536	\$ 11,522,961
Total expenses	7,277,888	10,372,795
	<b>\$ 782,648</b>	<b>\$ 1,150,166</b>
<b>Net income for the year</b>		

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

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**9. Deferred Revenue**

Deferred revenue represents monies received in advance for rent, in addition to contributions received from the federal, provincial and local governments along with other sources for specific projects or programs in which the expenditures have not yet been incurred.

	Balance, beginning of year	Contributions	Revenue Recognized	Balance, end of year
Prepayment of leases by related lessees.	\$ 127,500	\$ -	\$ (63,750)	\$ 63,750
Unexpended federal, provincial and local government grants and other items	171,479	306,602	(171,479)	306,602
Unearned limited partnership revenue	272,368	-	-	272,368
Unexpended Department of Indigenous Services Canada funding	-	1,601,007	-	1,601,007
Prepaid property taxes and utilities	128,400	144,610	(128,400)	144,610
<b>2018 Totals</b>	<b>\$ 699,747</b>	<b>\$ 2,052,219</b>	<b>\$ (363,629)</b>	<b>\$ 2,388,337</b>
2017 Totals	\$ 811,865	\$ 299,879	\$ (411,997)	\$ 699,747

**10. Deferred Development Cost Charges**

During the year, the First Nation collected and distributed development cost charges as follows:

	2018	2017
Development cost charges, beginning of year	\$ 9,856,967	\$ 9,078,751
Development cost charges received during the year	2,058,484	868,303
Interest earned	153,663	146,843
Contributions to projects	(444,188)	(236,930)
Development cost charges, end of year	<b>\$ 11,624,926</b>	\$ 9,856,967

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**11. Long Term Debt**

	<b>2018</b>	<b>2017</b>
Bank of Montreal, repayable \$744 per month plus interest at 2.39%, unsecured, maturing November 2018.	\$ 11,716	\$ 20,265
Bank of Montreal, repayable \$2,408 per month plus interest at prime, secured by land, due on demand.	<b>354,067</b>	371,820
Bank of Montreal, repayable \$20,028 per month including interest at 2.40%, unsecured, maturing November, 2019.	<b>2,622,623</b>	2,797,747
Bank of Montreal, repayable \$19,961 per month including interest at 2.47%, unsecured, maturing November, 2018.	<b>1,736,315</b>	-
Non-Profit Housing program mortgages, secured by a guarantee of the Indigenous and Northern Affairs Canada, varying interest rates from 1.01% to 2.35%, all maturing on or before January 1, 2043.	<b>5,037,701</b>	4,330,203
Promissory note, repayable to the Receiver General of Canada in discretionary lump sum payments, interest at the Consolidated Revenue Fund lending rate to Crown Corporations depending on the date of advance, scheduled to mature December 16, 2021.	<b>2,325,026</b>	2,325,026
Assumption of All Nations Trust Company loan, transferred to Non Profit Housing program	-	171,132
Demand loan, repaid in the year	-	2,797,543
	<b>\$ 12,087,448</b>	<b>\$ 12,813,736</b>
<b>Represented by:</b>		
General Government (General, Capital and Treaty)	<b>\$ 7,049,747</b>	\$ 8,483,533
Non-Profit Housing Program	<b>5,037,701</b>	4,330,203
	<b>\$ 12,087,448</b>	<b>\$ 12,813,736</b>

The estimated principal repayments based on the terms of the above loans for the next five years and thereafter are as follows, assuming loans are renewed under similar terms for the life of the loans:

2019	\$ 743,741
2020	748,314
2021	3,074,745
2022	748,322
2023	703,393
Thereafter	6,068,933
	<b>\$ 12,087,448</b>

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**12. Tangible Capital Assets**

	<b>2018</b>									
	Land	Buildings, landscaping and infrastructure	Social housing and equipment	Automotive equipment	Equipment and furniture	Nature and recreation park	Sewer and water systems	Roads and sidewalks	Construction in progress	Total
Cost, beginning of year	\$ 10,195,960	\$ 28,531,827	\$ 6,188,305	\$ 1,072,799	\$ 3,351,388	\$ 468,566	\$ 32,360,061	\$ 17,098,157	\$ 720,837	\$ 99,987,900
Additions	32,900	1,109,760	386,720	2,860	257,207	-	73,784	1,112,050	250,110	3,225,391
Disposals	-	-	-	-	(12,100)	-	-	-	-	(12,100)
Transfer from construction in progress	-	-	671,168	-	-	-	-	-	(671,168)	-
Cost, end of year	\$ 10,228,860	\$ 29,641,587	\$ 7,246,193	\$ 1,075,659	\$ 3,596,495	\$ 468,566	\$ 32,433,845	\$ 18,210,207	\$ 299,779	\$ 103,201,191
Accumulated amortization, beginning of year	\$ -	\$ 13,004,394	\$ 2,384,767	\$ 784,539	\$ 2,179,539	\$ 468,566	\$ 6,568,729	\$ 2,778,993	\$ -	\$ 28,169,527
Amortization	-	1,000,463	304,794	103,078	184,358	-	506,285	399,370	-	2,498,348
Disposals	-	-	-	-	(12,100)	-	-	-	-	(12,100)
Accumulated amortization, end of year	\$ -	\$ 14,004,857	\$ 2,689,561	\$ 887,617	\$ 2,351,797	\$ 468,566	\$ 7,075,014	\$ 3,178,363	\$ -	\$ 30,655,775
Net carrying amount, end of year	\$ 10,228,860	\$ 15,636,730	\$ 4,556,632	\$ 188,042	\$ 1,244,698	\$ -	\$ 25,358,831	\$ 15,031,844	\$ 299,779	\$ 72,545,416

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

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**13. Tangible Capital Assets (continued)**

		Buildings, landscaping and infrastructure	Social housing equipment and equipment	Automotive equipment	Equipment and furniture	Nature and recreation park	Sewer and water systems	Roads and sidewalks	Construction in progress	Total
Cost, beginning of year	\$10,195,960	\$ 24,729,771	\$ 5,439,981	\$ 1,034,362	\$ 3,360,815	\$ 468,566	\$ 31,913,614	\$ 16,566,949	\$ 990,699	\$ 94,700,717
Additions		3,559,723	-	38,437	46,755	-	446,447	531,208	720,795	5,343,365
Disposals	-	-	-	-	(56,182)	-	-	-	-	(56,182)
Transfer from construction in progress	-	242,333	748,324	-	-	-	-	-	(990,657)	-
Cost, end of year	\$10,195,960	\$ 28,531,827	\$ 6,188,305	\$ 1,072,799	\$ 3,351,388	\$ 468,566	\$ 32,360,061	\$ 17,098,157	\$ 720,837	\$ 99,987,900
Accumulated amortization, beginning of year	\$ -	\$ 12,055,905	\$ 2,122,288	\$ 664,681	\$ 2,067,121	\$ 468,566	\$ 6,043,198	\$ 2,433,584	\$ -	\$ 25,855,343
Amortization	-	948,489	262,479	119,858	156,230	-	525,531	345,409	-	2,357,996
Disposals	-	-	-	-	(43,812)	-	-	-	-	(43,812)
Accumulated amortization, end of year	\$ -	\$ 13,004,394	\$ 2,384,767	\$ 784,539	\$ 2,179,539	\$ 468,566	\$ 6,568,729	\$ 2,778,993	\$ -	\$ 28,169,527
Net carrying amount, end of year	\$10,195,960	\$ 15,527,433	\$ 3,803,538	\$ 288,260	\$ 1,171,849	\$ -	\$ 25,791,332	\$ 14,319,164	\$ 720,837	\$ 71,818,373

Represented by:

	2018		2017	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
General Government	\$ 26,135,936	\$ 9,814,560	\$ 25,805,386	\$ 9,114,012
Local Government Services	63,174,276	12,276,381	61,438,121	10,954,846
Non-Profit Housing Program	7,246,195	2,691,597	6,188,307	2,386,803
Long Term Care Facility Program	6,451,928	5,712,692	6,361,914	5,575,818
Sensisyusten School Society	192,856	160,545	192,856	136,732
	\$ 103,201,191	\$ 30,655,775	\$ 99,986,584	\$ 28,168,211
	\$ 72,545,416		\$ 71,818,373	

## Westbank First Nation Notes to Consolidated Financial Statements

**March 31, 2018**

### 13. Accumulated Surplus

The First Nation segregates its accumulated surplus into the following categories:

	2018	2017
Equity in tangible capital assets (Note 16)	\$ 67,144,639	\$ 66,927,660
Internally restricted equity (Note 15)	28,374,281	27,218,768
Operating surplus	5,813,464	4,180,213
Replacement reserve (Note 14)	486,700	439,699
Operating reserve (Note 17)	345,831	313,265
Business enterprises (Note 7)	777,944	871,008
Limited partnerships (Note 8)	8,410,032	7,626,463
	<b>\$ 111,352,891</b>	<b>\$ 107,577,076</b>

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Internally restricted equity represent funds set aside by Chief and Council for specific purposes.

### 14. Replacement Reserve

	Beginning Balance	Annual Allocation	Interest	Approved Expenses	Approved Adjustment	<b>Ending Balance</b>
Non-Profit Housing program	\$ 439,699	\$ 64,547	\$ 5,513	\$ (23,059)	\$ -	<b>\$ 486,700</b>

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the Replacement Reserve account is to be credited in the amount of \$64,547 (2017 - \$60,422) and the Operating Reserve account is to be credited in the amount of any surplus from the post 1996 phases. These funds, along with accumulated interest, must be held in separate bank accounts and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation from time to time. Effective November 2006, use of the funds in the account no longer require CMHC approval provided the items qualify as capital expenditures as specified in Schedule D Replacement Reserve Criteria. The operating reserve funds may only be used for the ongoing costs of the housing projects committed under the post 1996 phases. Accordingly, future years deficits may be recovered from the operating reserve. Withdrawals are credited to interest first and then principal.



**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**15. Internally Restricted Equity**

	Beginning Balance	Interest	Contributions (Transfers)	Net approved Expenditures	Ending Balance
<b>Local Government Services</b>					
Capital projects	\$ (345,597)	\$ 2,831	\$ 2,217,125	\$ (960,739)	\$ 913,620
Contingency	13,072,671	227,899	659,717	-	13,960,287
Stabilization	1,235,845	20,887	(837,691)	-	419,041
Building	222,854	-	15,674	-	238,528
Equipment	254,227	-	(109,707)	-	144,520
Infrastructure	881,812	-	497,425	(257,321)	1,121,916
	<u>\$ 15,321,812</u>	<u>\$ 251,617</u>	<u>\$ 2,442,543</u>	<u>\$ (1,218,060)</u>	<u>\$ 16,797,912</u>
<b>Westbank First Nation</b>					
Equipment	\$ 80,167	\$ 343	\$ -	\$ -	\$ 80,510
WFN taxation program	1,246,964	5,655	293,394	(219,645)	1,326,368
Business investments	12,991	56	-	-	13,047
WFN Trust building	10,638	46	-	-	10,684
Land purchases	124,881	625	21,104	-	146,610
Member benefits	1,271,444	3,290	342,898	(650,074)	967,558
Infrastructure	307,082	1,314	-	-	308,396
Archeology	1,017,888	4,853	122,872	(7,397)	1,138,216
Youth benefits	2,111,613	11,123	491,175	(5,007)	2,608,904
Westside road project	1,938,203	8,482	1,110,316	(1,080,437)	1,976,564
Campbell road project	748,164	3,279	17,643	-	769,086
Churchill project	1,146,505	2,326	32,130	(635,377)	545,584
Winfield Oyama accommodation	439,664	1,883	-	-	441,547
BC forest and range consultation	180,386	1,267	115,479	-	297,132
Replacement reserve (Property Management)	456,984	-	-	(25,515)	431,469
Medical centre	300,260	-	-	(300,260)	-
Property management	499,521	2,192	12,981	-	514,694
Economic development	3,601	-	-	(3,601)	-
	<u>\$ 11,896,956</u>	<u>\$ 46,734</u>	<u>\$ 2,559,992</u>	<u>\$ (2,927,313)</u>	<u>\$ 11,576,369</u>
<b>Total</b>	<u>\$ 27,218,768</u>	<u>\$ 298,351</u>	<u>\$ 5,002,535</u>	<u>\$ (4,145,373)</u>	<u>\$ 28,374,281</u>

The internal reserve funds are overfunded (underfunded) in the amount of \$1,203,069 (2017 - \$(163,112)) which is included in cash and investments (Note 2).

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**16. Equity in Tangible Capital Assets**

	2018	2017
<b>Balance</b> , beginning of year	\$ 66,927,660	\$ 64,167,011
Acquisition of tangible capital assets (Note 12)	3,225,391	5,343,365
Impairment loss (Note 12)	-	(12,370)
New capital debt assumed by Westbank First Nation	(1,052,586)	(974,774)
Repayment of long term debt	542,522	762,424
Amortization of tangible capital assets (Note 12)	(2,498,348)	(2,357,996)
<b>Balance</b> , end of year	\$ 67,144,639	\$ 66,927,660

**17. Operating Reserve**

	2018	2017
Fund balance, beginning of year	\$ 313,265	\$ 270,536
Add: Annual allocation	29,511	41,426
Interest earned	3,055	1,303
Fund balance, end of year	345,831	313,265
Funded restricted cash balance (Note 4)	316,321	271,839
Unfunded balance	\$ 29,510	\$ 41,426

Under the terms of the agreement with Canada Mortgage and Housing Corporation, any surplus from the post 1996 phases must be retained by Westbank First Nation in an operating reserve fund. These funds along with the accumulating interest are to be held in a separate bank account. The operating reserve may only be used for the ongoing costs of the housing projects committed under the post 1996 phases. Accordingly, future years deficits may be recovered from the operating reserve.

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## Westbank First Nation Notes to Consolidated Financial Statements

**March 31, 2018**

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### **18. Related Party Transactions**

During the year, transactions with business entities which the First Nation owns and controls, and that are not disclosed separately in these financial statements, are as follows:

- (a) Fees received for administration, finance and legal services total \$8,205 (2017 - \$46,370);
- (b) Rental revenue received in total of \$63,750 (2017 - \$69,503);
- (c) Fees paid for construction services of \$910,002 (2017 - \$4,271,044); and
- (d) Water, sewer and user fee revenue of \$43,215 (2017 - \$112,528).

These transactions are in the normal course of operations and are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties. The transactions not in the normal course of operations are recorded at the carrying amount.

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### **19. Deposits in Trust**

Westbank First Nation has deposits in trust with regards to an exchange of lands with the Province of British Columbia totaling \$145,554 (2017 - \$145,554). Also at March 31, 2018, Westbank First Nation has deposits held in trust for various other projects with a total value of \$104,079 (2017 - \$434,534).

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### **20. Credit Facility**

Westbank First Nation has a credit facility agreement with a Canadian chartered bank which provides for a total commitment of \$7,000,000 (2017 - \$7,500,000) secured by a general security agreement. Interest is charged at the prime lending rate on the portion of the credit facility in use. At March 31, 2018, the First Nation has drawn \$545,645 (2017 - \$705,008) on this credit facility.

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## Westbank First Nation Notes to Consolidated Financial Statements

**March 31, 2018**

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### 21. Contingent Liabilities

- (a) Westbank First Nation is the defendant in various lawsuits. In the opinion of management, the overall estimation of loss is not determinable. These claims have not been provided for in the consolidated financial statements. Settlement, if any, made with respect to these actions would be expected to be accounted for as a charge to expenses in the period in which realization is known.
- b) Westbank First Nation is contingently liable as guarantor of loans to subsidiaries and related parties in the amount of \$3,987,265 (2017 - \$4,233,349). Ministerial guarantees exist for \$3,987,265 (2017 - \$4,233,349) of this amount.
- c) WFN is a defendant in an action in BC Supreme Court brought by Lake Okanagan Wellness Clinic Limited Partnership ("LOWC") and Toltech Healthcare Medical Services Corp. ("Toltech") in regard to the termination by WFN of the land leased by LOWC for construction of a medical facility that did not proceed as intended. The amount of damages is unspecified. Costs associated with this matter, if any, will be charged in the period in which they occur.

WFN has been named as one of a number of Defendants in a BC Supreme Court action regarding unpaid invoices totaling \$1.387 million incurred by Ad Vitam Healthcare Ltd. and the Lake Okanagan Wellness Clinic Limited Partnership. As a limited partner in this venture, WFN acknowledges no liability in this matter. Costs associated with this matter, if any, will be charged to the period in which they occur.

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## Westbank First Nation Notes to Consolidated Financial Statements

**March 31, 2018**

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### **22. Pension Liability**

Westbank First Nation and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 191 contributors from the Westbank First Nation.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

Westbank First Nation paid \$841,487 (2017 - \$604,737) for employer contributions to the Plan during the fiscal year.

The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

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## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 23. Commitments

- (a) Westbank First Nation Local Government Services entered into an agreement in 2007 with the Regional District of the Central Okanagan and the City of West Kelowna whereby the Regional District of the Central Okanagan and the City of West Kelowna agreed to supply certain local services to Westbank First Nation Local Government Services for an annual fee. The fee paid during the year was \$972,022 (2017 - \$982,626). This fee is adjusted based on a pro-rata share of the Regional District of the Central Okanagan annual budget for certain local services based on assessed value of lands and improvements of Westbank First Nation Local Government Services in comparison to that of the total areas serviced and remains in effect until March 31, 2022. Westbank First Nation Local Government Services has also entered into an agreement with the Regional District of the Central Okanagan for certain sewage services at rates equivalent to those that would be charged if the premises were located in the District.
- (b) Westbank First Nation Local Government Services has entered into an agreement with the City of West Kelowna for fire protection services at a pro-rata share of the area Fire Department's annual budget based on assessed value of lands and improvements of Westbank First Nation Local Government Services in comparison to that of the total area serviced. This agreement was renewed in the current year, and remains in effect until May 24, 2031. The fee paid during the year was \$1,823,530 (2017 - \$1,490,627).
- (c) Westbank First Nation Local Government Services has entered into a 20 year agreement for library services for all residents of Westbank First Nation Lands with the Okanagan Regional Library District. The fee paid for the year was \$369,229 (2017 - \$357,125). The agreement was signed January 1, 2011 and remains in effect until December 31, 2030.
- (d) Westbank First Nation Local Government Services enters annually into a contract for services with the BC Transit Authority to provide public transit services on reserve and throughout the Central Okanagan region. The annual agreement includes cost allocation based on the BC Transit annual budget. These costs are partially offset by a revenue sharing arrangement where a portion of actual transit fares and advertising revenues received are paid to WFN. The net cost of the service in 2018 was \$372,253 (2017 - \$392,328).

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### 24. Financial Instrument Risk

The First Nation holds various forms of financial instruments. The nature of these instruments and the First Nation's operations expose the First Nation to interest, credit and liquidity risks. The First Nation manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation is exposed to this risk through certain variable rate debt that it holds. The following table summarizes the First Nation's net exposure to variable interest rates:

## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

### 25. Financial Instrument Risk (continued)

	2018	2017
Long term debt	\$ 354,067	\$ 371,820
Bank indebtedness offset by cash (Note 20)	545,645	705,008
	\$ 899,712	\$ 1,076,828

Management believes that changes in the market rate of interest will have an immaterial effect on the First Nation as a change in interest rate of 1% in either direction will increase or decrease interest by \$8,997 (2017 - \$10,768). There have been no changes from the previous year of policies, procedures and methods to measure this risk.

#### Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The First Nation is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations and from concentration of transactions carried out with the same counterparty.

#### *Default Credit Risk*

The First Nation's exposure to credit risk is represented by certain accounts receivable. The credit risk relating to accounts receivable is managed by having formal policies in place to assess the credit worthiness of customers and ensure timely collection of outstanding balances. The following table summarizes the aging of accounts receivable which provides an indication of possible credit risk:

	Current	31 to 60 days	Over 60 days	2018 Total
Accounts receivable	\$ 863,317	\$ 78,047	\$ 903,049	\$ 1,844,413
Allowance for doubtful accounts	-	-	(168,859)	(168,859)
	\$ 863,317	\$ 78,047	\$ 734,190	\$ 1,675,554

	Current	31 to 60 days	Over 60 days	2017 Total
Accounts receivable	\$ 1,222,998	\$ 51,445	\$ 626,673	\$ 1,901,116
Allowance for doubtful accounts	-	-	(186,131)	(186,131)
	\$ 1,222,998	\$ 51,445	\$ 440,542	\$ 1,714,985

Accounts receivable from government agencies and chartered financial institutions were not included in the above tables as management believes that they are not subject to default credit risk. Management also believes that related party receivables and notes are not subject to default credit risk due to the tightly held nature of the group. There have been no changes from the previous year of policies, procedures and methods to measure this risk.

**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**25. Financial Instrument Risk (continued)**

*Concentration of Credit Risk*

As at March 31, 2018 and March 31, 2017, there were no counterparties holding more than 10% of net accounts receivables. Management believes that related party receivables and notes are not subject to default credit risk due to the tightly held nature of the group. There have been no changes from the previous year of policies, procedures and methods to measure this risk.

Liquidity Risk

Liquidity risk is the risk that the First Nation encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the First Nation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities and long term debt and commitments. The following table summarizes financial obligations which provides an indication of possible liquidity risk:

	Current	30 to 364 days	Over 1 year	<b>2018 Total</b>
Accounts payable and accrued liabilities	\$ 4,312,894	\$ -	\$ -	<b>\$ 4,312,894</b>
Long term debt	33,429	705,340	11,348,679	<b>12,087,448</b>
	<b>\$ 4,346,323</b>	<b>\$ 705,340</b>	<b>\$ 11,348,679</b>	<b>\$ 16,400,342</b>
	Current	30 to 364 days	Over 1 year	2017 Total
Accounts payable and accrued liabilities	\$ 4,541,245	\$ -	\$ -	\$ 4,541,245
Long term debt	85,148	762,228	11,966,360	12,813,736
	<b>\$ 4,626,393</b>	<b>\$ 762,228</b>	<b>\$ 11,966,360</b>	<b>\$ 17,354,981</b>

See Note 21 and 23 for further information on possible liquidity risk arising from the First Nations commitments and contingencies.

Managements has determined that the First Nation is not significantly exposed to liquidity risk given its strong operating cash flows and secured funding sources. There have been no changes from the previous year of policies, procedures and methods to measure the risk.



**Westbank First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2018**

**25. Expenses by Object**

	Budget 2018	Actual 2018	Actual 2017
Access to lands and resources	\$ 20,000	\$ 36,049	\$ 17,472
Amortization	437,822	2,498,348	2,357,996
Bad debts	214,545	46,788	52,774
Basic needs and adult in home care	1,246,389	1,418,685	1,235,712
BC Assessment Authority	160,000	135,542	152,607
Community services and recreation	165,871	221,184	223,477
Fire protection agreement	1,550,000	1,823,530	1,490,627
Grants to members	209,500	426,500	421,101
Honarariums	148,100	205,869	124,829
Insurance	186,540	179,984	166,901
Interest and bank charges	9,500	8,375	7,139
Interest on long term debt	577,947	27,743	80,452
Interest on Sneena Road Overlook Lands	130,000	133,060	145,248
Local education agreement	973,855	1,076,820	1,008,126
Recovery on Sneena Road Overlook Lands	-	-	(300,000)
Materials, supplies and resources	2,073,326	1,824,250	1,250,901
Member dues	-	7,373	8,051
Membership dividends	-	128,600	132,500
Ministry of Transportation	200,000	172,050	520,298
Office and administration	1,359,294	678,297	633,464
Professional fees	4,721,941	1,826,133	1,875,836
Repairs and maintenance	871,471	1,557,527	1,661,816
Service agreements	1,737,701	1,713,504	1,732,079
Student allowances and tuition	763,250	721,282	729,090
Telephone and utilities	719,181	732,353	662,100
Training	314,802	284,986	280,626
Travel and promotion	1,088,928	921,073	870,617
Wages and benefits	15,978,072	15,598,567	14,604,337
	<b>\$ 35,858,035</b>	<b>\$ 34,404,472</b>	<b>\$ 32,146,176</b>

# Westbank First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 26. Segmented Information

Westbank First Nation is a diversified municipal government entity in the province of British Columbia that provides a wide range of services to its citizens. Certain functional areas have been combined and separately disclosed in the segmented information. The segments and the services they provide are as follows:

	Lands	Social Development	Social Source Revenue	Own Source Revenue	General Government Services	Education	Community Services/Early Years	WCDC	Property Management	WFN Administration	Culture and Heritage	2018 Subtotal
<b>Revenues</b>												
Department of Indigenous Services Canada	\$ 254,068	\$ 2,257,450	\$ -	\$ -	\$ 587,630	\$ 2,582,818	\$ -	\$ -	\$ 122,272	\$ 2,470,129	\$ 83,640	\$ 8,358,007
Ottawa Trust Funds	-	-	-	-	-	(23,018)	(3,500)	(4,504)	-	1,990	-	1,990
Administrative and advisory services	(4,504)	(36,030)	-	-	(38,284)	-	-	-	(20,630)	385,680	(11,260)	243,950
BC Ministry of Health	-	-	-	-	-	272,864	-	-	-	-	-	-
CMHC subsidy and additional financial contribution	-	-	-	-	-	-	-	-	-	-	-	272,864
Commercial rent	(5,753)	(143,228)	-	-	(20,137)	-	(39,924)	(61,550)	1,191,733	(107,809)	(68,573)	744,759
Daycare centre and education services	-	-	-	-	-	-	76,727	220,123	-	-	-	296,850
First Nation sales tax	-	-	-	-	-	-	-	-	-	-	-	-
Interest and penalties	-	-	-	61,932	-	6,514	-	-	15,438	108,792	-	195,357
Land registration fees	184,225	-	-	-	-	-	-	2,681	-	-	-	184,225
Ministry of Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3,610	(17,730)	-	554,749	1,471,230	25,184	138,988	168,114	8,400	107,614	54,045	2,514,204
Other government grants	-	201,677	-	-	-	141,059	580,624	73,885	-	33,304	4,139	1,034,688
Property taxation, net of homeowners grants	-	-	-	-	-	-	-	-	-	-	-	-
Operations, maintenance, parks and public works	-	-	-	-	-	-	-	-	-	-	-	-
Residents - long term care facility maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Social housing rent	-	-	-	-	-	-	-	-	-	-	-	-
The Trading Post sales	-	-	-	-	-	-	-	-	-	-	-	-
Water, sewer, development charges and permits	(136,005)	452,076	-	50,000	-	821,917	-	71,436	216,884	265,298	93,854	1,835,460
Contribution from related party	-	75,000	-	-	807,315	-	-	-	27,483	2,683,820	159,120	3,752,738
Contribution from Property Taxation for recovery of expenses	-	-	-	-	-	-	-	-	-	-	-	-
Loss from business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Income from limited partnerships	-	-	-	-	-	-	-	-	-	-	-	-
	295,641	2,789,215	666,681	2,807,754	3,827,338	470,185	752,915	1,561,580	5,948,818	314,965	19,435,092	
	111,440	1,963,786	140,116	1,234,148	2,863,232	51,164	184,554	1,392,694	1,316,726	145,957	9,403,817	
Payroll	166,945	632,028	-	1,178,174	984,034	406,040	542,269	206,875	3,234,021	193,468	7,543,854	
Amortization	-	-	-	-	23,813	-	-	-	703,357	-	-	727,170
	278,385	2,595,814	140,116	2,412,322	3,871,079	457,204	726,823	1,599,569	5,254,104	339,425	17,674,841	
<b>Annual surplus (deficit)</b>	\$ 17,256	\$ 193,401	\$ 526,565	\$ 395,432	\$ (43,741)	\$ 12,981	\$ 26,092	\$ (37,989)	\$ 694,714	\$ (24,460)	\$ 1,760,251	

# Westbank First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 26. Segmented Information (continued)

	Health Services	Ministry of Transportation	Membership Services	Sneena Road Overlook Lands	WFN Treaty Negotiations Fund	WFN Taxation	WFN Non-Profit Housing Program	Pine Acres	Parks Recreation & Youth	Planning & Development	Subtotal 2018
<b>Revenues</b>											
Department of Indigenous Services Canada	\$ 859,153	\$ -	\$ 55,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 9,327,776
Ottawa Trust Funds	-	-	-	-	-	-	-	-	-	-	1,990
Administrative and advisory services	(19,142)	-	(14,638)	-	-	-	-	-	-	-	210,170
BC Ministry of Health	-	-	-	-	-	-	-	2,943,667	-	-	2,943,667
BC Ministry of Education	-	-	-	-	-	-	-	-	-	-	272,864
CMHC subsidy and additional financial contribution	-	-	-	-	-	-	237,771	-	-	-	237,771
Commercial rent	-	-	(41,948)	-	-	-	-	-	-	-	702,811
Daycare centre and education services	-	-	-	-	-	-	-	-	-	-	296,850
First Nation sales tax	-	-	-	-	-	2,523,007	-	-	-	-	2,523,007
Interest and penalties	-	-	-	-	26	14,882	-	-	-	-	210,265
Land registration fees	-	-	-	-	-	-	-	-	-	-	184,225
Ministry of Transportation	-	242,120	-	-	-	-	-	-	-	-	242,120
Miscellaneous	(175,982)	-	(12,038)	-	-	-	-	286,092	-	3,600	2,664,882
Other government grants	110,016	-	-	-	-	-	-	-	-	-	1,144,704
Property taxation, net of homeowners grants	-	-	-	-	-	-	-	-	-	-	-
Operations, maintenance, parks and public works	-	-	-	-	-	-	-	-	6,910	575,403	582,313
Residents - long term care facility maintenance	-	-	-	-	-	-	-	477,268	-	-	477,268
Social housing rent	-	-	-	-	-	-	378,175	-	-	-	378,175
The Trading Post sales	-	-	-	-	-	-	-	-	-	-	-
Water, sewer, development charges and permits	-	-	-	-	-	-	-	-	-	-	-
Contribution from related party	-	-	1,033,419	-	-	(293,394)	-	812,293	-	-	3,476,077
Contribution from Property Taxation for recovery of expenses	-	-	-	-	-	-	-	-	65,996	-	-
Loss from business enterprises	-	-	-	-	-	-	-	-	-	-	3,752,738
Income from limited partnerships	-	-	-	-	-	-	-	-	-	-	-
	774,045	242,120	1,020,411	-	26	2,244,495	660,682	4,519,320	99,479	634,003	29,629,673
<b>Expenses</b>											
Goods and services (net)	210,858	172,050	769,743	133,060	2,974	2,244,495	246,827	838,097	415,575	555,010	14,992,506
Payroll	547,709	-	269,442	-	-	-	54,942	3,753,437	280,753	802,630	13,252,767
Amortization	-	-	-	-	-	-	296,372	136,874	-	-	1,160,416
	758,567	172,050	1,039,185	133,060	2,974	2,244,495	598,141	4,728,408	696,328	1,357,640	29,405,689
<b>Annual surplus (deficit)</b>	\$ 15,478	\$ 70,070	\$ (18,774)	\$ (133,060)	\$ (2,948)	\$ -	\$ 62,541	\$ (209,088)	\$ (596,849)	\$ (723,637)	\$ 223,984

# Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

## 26. Segmented Information (continued)

	Building Permits	Law Enforcement	Public Works	Property Taxation	WFN Utilities	LGS Administration	The Trading Post	Eliminating Entries	Total 2018 Actual	Total 2018 Budget
<b>Revenues</b>										
Department of Indigenous Services Canada	\$ -	\$ 20,975	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,528,751	\$ 8,930,547
Ottawa Trust Funds	-	-	-	-	-	-	-	-	1,990	2,000
Administrative and advisory services	-	-	-	-	-	-	-	(210,170)	-	-
BC Ministry of Health	-	-	-	-	-	-	-	-	2,943,667	2,684,792
BC Ministry of Education	-	-	-	-	-	-	-	-	272,864	217,500
CMHC subsidy and additional financial contribution	-	-	-	-	-	-	-	-	237,771	226,136
Commercial rent	-	-	-	-	-	-	-	(318,610)	384,201	462,740
Daycare centre and education services	-	-	-	-	-	-	-	-	296,850	325,291
First Nation sales tax	-	-	-	132,685	24,458	251,617	-	-	2,523,007	2,537,578
Interest and penalties	-	-	-	-	-	-	-	-	619,025	304,500
Land registration fees	-	-	-	-	-	-	-	-	184,225	255,000
Ministry of Transportation	-	-	323,991	34,320	19,945	48,815	2,716	7,942	242,120	150,000
Miscellaneous	-	-	-	12,331,905	-	-	-	-	3,102,611	1,904,982
Other government grants	-	-	-	-	-	-	-	-	1,144,704	856,087
Property taxation, net of homeowners grants	282,708	100,602	319,172	-	-	-	-	(694,995)	12,331,905	12,262,357
Operations, maintenance, parks and public works	-	-	-	-	-	-	-	(3,497)	473,771	708,000
Residents - long term care facility maintenance	-	-	-	-	-	-	-	-	378,175	386,563
Social housing rent	-	-	-	-	-	-	570,314	-	570,314	766,700
The Trading Post sales	-	-	-	-	1,802,635	-	-	(88,236)	1,714,399	1,560,750
Water, sewer, development charges and permits	-	-	-	-	-	-	-	(3,476,077)	-	-
Contribution from related party	-	-	-	(3,752,738)	-	-	-	-	8,724	-
Contribution from Property Taxation for recovery of expenses	-	-	-	-	-	-	-	631,413	631,413	-
Income from business enterprises	-	-	-	-	-	-	-	-	-	-
Income from limited partnerships	-	-	-	-	-	-	-	-	-	-
	282,708	121,577	823,163	8,746,172	1,847,038	300,432	573,030	(4,143,506)	38,180,287	34,922,755
<b>Expenses</b>										
Goods and services (net)	13,204	115,041	701,698	3,964,417	795,499	40,024	502,830	(4,817,662)	16,307,557	19,442,141
Payroll	113,551	348,685	1,169,893	163,310	446,012	25,266	79,083	-	15,598,567	15,978,072
Amortization	-	-	-	-	-	1,383,469	-	(45,537)	2,498,348	437,822
	126,755	463,726	1,871,591	4,127,727	1,241,511	1,448,759	581,913	(4,863,199)	34,404,472	35,858,035
<b>Annual surplus (deficit)</b>	\$ 155,953	\$ (342,149)	\$ (1,048,428)	\$ 4,618,445	\$ 605,527	\$ (1,148,327)	\$ (8,883)	\$ 719,693	\$ 3,775,815	\$ (935,280)

# Westbank First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 26. Segmented Information (continued)

	Lands	Social Development	Own Source Revenue	General Government Services	Education	Community Services/Early Years	WCDC	Property Management	WFN Administration	Culture and Heritage	2017 Subtotal
<b>Revenues</b>											
Department of Indigenous Services Canada	\$ 326,545	\$ 2,146,507	\$ -	\$ 606,273	\$ 2,432,395	\$ -	\$ -	\$ 112,272	\$ 2,155,468	\$ 83,640	\$ 7,863,100
Ottawa Trust Funds	-	-	-	-	-	-	-	-	1,969	-	1,969
Administrative and advisory services	(4,504)	(27,170)	-	(38,284)	(18,016)	(8,500)	(4,504)	(20,630)	320,401	(11,260)	187,533
BC Ministry of Health	-	-	-	-	-	-	-	-	-	-	-
BC Ministry of Education	-	-	-	-	331,387	-	-	-	-	-	331,387
CMHC subsidy and additional financial contribution	-	-	-	-	-	(6,000)	(63,280)	1,226,408	(143,975)	(60,870)	764,798
Commercial rent	(6,596)	(159,252)	-	(21,637)	-	63,169	226,984	-	-	-	290,153
Daycare centre and education services	-	-	-	-	-	-	-	-	-	-	-
First Nation sales tax	-	-	52,211	-	2,755	-	-	12,142	66,634	-	134,983
Interest and penalties	-	-	-	-	-	-	1,241	-	-	-	186,125
Land registration fees	186,125	-	-	-	-	-	-	-	-	-	-
Ministry of Transportation	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	176,750	234,304	1,523,145	15,666	43,300	19,070	154,740	86,443	18,203	2,271,621
Other government grants	-	164,869	-	-	126,004	501,691	229,649	-	35,417	29,720	1,087,350
Property taxation, net of homeowners grants	-	-	-	-	-	-	-	-	-	-	-
Operations, maintenance, parks and public works	-	-	-	-	-	-	-	-	-	-	-
Residents - long term care facility maintenance	-	-	-	-	-	-	-	-	-	-	-
Social housing rent	-	-	-	-	-	-	-	-	-	-	-
Water, sewer, development charges and permits	-	-	-	-	-	-	-	-	-	-	-
Contribution from related party	(48,225)	282,661	50,000	-	812,666	-	-	132,000	(247,363)	30,328	1,012,067
Contribution from Property Taxation for recovery of expenses	-	71,400	-	802,292	-	-	-	15,395	2,578,931	156,000	3,624,018
Loss from business enterprises	-	-	-	-	-	-	-	-	-	-	-
Income from limited partnerships	-	-	-	-	-	-	-	-	-	-	-
	453,345	2,655,765	336,515	2,871,789	3,702,857	593,660	409,160	1,632,327	4,853,925	245,761	17,755,104
<b>Expenses</b>											
Goods and services (net)	107,711	1,981,017	143,698	1,096,673	2,769,959	119,717	37,123	1,324,030	1,430,921	85,926	9,096,775
Payroll	167,466	636,142	-	1,208,781	966,058	473,943	307,421	170,082	2,936,089	151,030	7,017,012
Amortization	-	-	-	-	22,652	-	-	-	659,026	-	681,678
Loss (recovery) on Sneena Road Overlook Land	-	-	-	-	-	-	-	-	-	-	-
	275,177	2,617,159	143,698	2,305,454	3,781,321	593,660	344,544	1,494,112	5,685,062	236,956	17,477,143
<b>Annual surplus (deficit)</b>	\$ 178,168	\$ 38,606	\$ 192,817	\$ 566,335	\$ (78,464)	\$ -	\$ 64,616	\$ 138,215	\$ (831,137)	\$ 8,805	\$ 277,961

# Westbank First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 26. Segmented Information (continued)

	Health Services	Ministry of Transportation	Membership Services	Sneena Road Overlook Lands	WFN Treaty Negotiations Fund	WFN Taxation	WFN Non-Profit Housing Program	Pine Acres	Parks: Recreation & Youth	Planning & Development	Subtotal 2017
<b>Revenues</b>											
Department of Indigenous Services Canada	\$ 954,307	\$ -	\$ 55,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,872,954
Ottawa Trust Funds	-	-	-	-	-	-	-	-	-	-	1,969
Administrative and advisory services	(22,520)	-	(14,638)	-	-	-	-	-	-	-	150,375
BC Ministry of Health	-	-	-	-	-	-	-	2,934,099	-	-	2,934,099
BC Ministry of Education	-	-	-	-	-	-	-	-	-	-	331,387
CMHC subsidy and additional financial contribution	-	-	-	-	-	-	232,375	-	-	-	232,375
Commercial rent	-	-	(41,948)	-	-	-	-	-	-	-	722,850
Daycare centre and education services	-	-	-	-	-	-	-	-	-	-	290,153
First Nation sales tax	-	-	-	-	-	2,497,369	-	-	-	-	2,497,369
Interest and penalties	-	-	-	-	29	8,843	-	-	-	-	143,855
Land registration fees	-	-	-	-	-	-	-	-	-	-	186,125
Ministry of Transportation	-	557,842	-	-	-	-	-	-	-	-	557,842
Miscellaneous	(191,149)	-	(15,533)	-	-	-	-	194,553	78,896	36,000	2,380,465
Other government grants	107,500	-	-	-	-	-	-	-	-	-	1,194,850
Property taxation, net of homeowners grants	-	-	-	-	-	-	-	-	-	-	-
Operations, maintenance, parks and public works	-	-	-	-	-	-	-	-	1,980	138,640	140,620
Residents - long term care facility maintenance	-	-	-	-	-	-	-	664,687	-	-	664,687
Social housing rent	-	-	-	-	-	-	372,138	-	-	-	372,138
Water, sewer, development charges and permits	-	-	-	-	-	-	-	-	-	-	-
Contribution from related party	1,383	-	931,447	-	-	(752,401)	29,700	920,971	886,264	-	3,029,431
Contribution from Property Taxation for recovery of expenses	-	-	-	-	-	-	-	-	-	-	-
Loss from business enterprises	-	-	-	-	-	-	-	-	-	-	3,624,018
Income from limited partnerships	-	-	-	-	-	-	-	-	-	-	-
	849,521	557,842	914,875	-	29	1,753,811	640,290	4,714,310	967,140	174,640	28,327,562
<b>Expenses</b>											
Goods and services (net)	251,330	520,298	669,345	145,248	3,096	1,753,811	223,322	883,043	249,708	532,122	14,328,098
Payroll	576,773	-	245,530	-	-	-	42,006	3,675,467	246,857	724,884	12,528,529
Amortization	-	-	-	(300,000)	-	-	287,161	136,684	-	-	1,105,523
Loss (recovery) on Sneena Road Overlook Land	-	-	-	-	-	-	-	-	-	-	(300,000)
	828,103	520,298	914,875	(154,752)	3,096	1,753,811	552,489	4,695,194	496,565	1,257,006	28,343,828
<b>Annual surplus (deficit)</b>	\$ 21,418	\$ 37,544	\$ -	\$ 154,752	\$ (3,067)	\$ -	\$ 87,801	\$ 19,116	\$ 470,575	\$ (1,082,366)	\$ (16,266)

# Westbank First Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 26. Segmented Information (continued)

	Building Permits	Law Enforcement	Public Works	Property Taxation	WFN Utilities	LGS Administration	Eliminating Entries	Total 2017 Actual	Total 2017 Budget
<b>Revenues</b>									
Department of Indigenous Services Canada		\$ 12,269	\$ 137,700	\$ -	\$ -	\$ -	\$ -	\$ 9,022,923	\$ 9,293,003
Ottawa Trust Funds		-	-	-	-	-	-	1,969	-
Administrative and advisory services		-	-	-	-	-	(150,375)	2,934,099	2,684,791
BC Ministry of Health		-	-	-	-	-	-	331,387	217,500
BC Ministry of Education		-	-	-	-	-	-	232,375	361,813
CMHC subsidy and additional financial contribution		-	-	-	-	-	(285,450)	437,400	395,937
Commercial rent		-	-	-	-	-	-	290,153	301,735
Daycare centre and education services		-	-	-	-	-	-	2,497,369	2,489,327
First Nation sales tax		-	-	149,360	20,895	233,911	-	548,021	318,000
Interest and penalties		-	-	-	-	-	-	186,125	141,855
Land registration fees		-	-	-	-	-	-	557,842	50,000
Ministry of Transportation		-	-	-	-	-	-	2,998,510	1,448,942
Miscellaneous	99,838	-	273,865	36,350	22,874	239,167	(54,049)	1,194,850	728,241
Other government grants		-	-	-	-	-	-	11,733,358	11,800,979
Property taxation, net of homeowners grants		-	-	11,733,358	-	-	-	258,603	736,197
Operations, maintenance, parks and public works	204,235	97,323	318,560	-	-	31,753	(533,888)	623,005	381,233
Residents - long term care facility maintenance		-	-	-	-	-	(41,682)	372,138	210,262
Social housing rent		-	-	-	-	-	-	1,648,408	1,606,891
Water, sewer, development charges and permits		(10,000)	-	-	1,733,681	-	(85,273)	-	-
Contribution from related party		-	-	(3,624,018)	-	-	(3,019,431)	-	-
Contribution from Property Taxation for recovery of expenses		-	-	-	-	-	-	681,138	-
Loss from business enterprises		-	-	-	-	-	589,526	589,526	-
Income from limited partnerships		-	-	-	-	-	-	-	-
	304,073	99,592	730,125	8,295,050	1,777,450	504,831	(2,899,484)	37,139,199	33,166,706
<b>Expenses</b>									
Goods and services (net)	11,474	96,706	652,661	3,629,840	909,933	25,279	(4,170,148)	15,483,843	18,036,360
Payroll	122,476	330,559	1,033,901	139,878	418,690	30,304	-	14,604,337	14,807,162
Amortization	-	-	-	-	-	1,313,861	(61,388)	2,357,996	390,068
Loss (recovery) on Sneena Road Overlook Land	-	-	-	-	-	-	-	(300,000)	-
	133,950	427,265	1,686,562	3,769,718	1,328,623	1,369,444	(4,231,536)	32,146,176	33,233,590
<b>Annual surplus (deficit)</b>	\$ 170,123	\$ (327,673)	\$ (956,437)	\$ 4,525,332	\$ 448,827	\$ (864,613)	\$ 1,332,052	\$ 4,993,023	\$ (66,884)

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## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 26. Segmented Information (continued)

WFN is a self governing First Nation located in British Columbia. WFN government structure has some parallels to other local governments in BC but WFN has a greater number of responsibilities and greater autonomy than other BC municipal governments. Unlike BC municipalities, WFN is autonomous and not subject to provincial authority. WFN exercises its jurisdictional responsibilities in a wide range of governance functions under its own laws and bylaws, and in addition delivers services to community members on behalf of other authorities through service delivery agreements. Services such as social development, health care, adult institutional care and employment training are delivered to community members according to requirements of the funding body. Segmented reporting by fund, department or jurisdiction is used to account for the scope and significance of each function or service.

#### **Lands**

The Lands Department manages the WFN land registry. This department records legally enforceable interests (titles) in WFN reserve lands as well as ensuring the accuracy of the lands, leases, and subdivision data by conducting land surveys. The Lands Department's most recent initiative is the implementation of GIS mapping using geographical (cadastral) data to link the data in the lands registry with related data in other WFN municipal databases such as property tax roll, utilities, roads and infrastructure.

#### **Social Development**

The Social Development Department delivers social assistance and related services to WFN members and other clients residing on WFN Lands. The Social Development services are provided pursuant to a funding agreement with Indigenous and Northern Affairs Canada (INAC) where Federal funds are sent to WFN which in turn uses these funds to deliver the program according to the parameters of the service delivery agreement.

#### **Own Source Revenue**

WFN Own Source Revenue includes revenues from various non government sources such as developer's community donations, land sale payments, utility franchise fees, title and rights receipts for traditional territory use, and returns on miscellaneous portfolio investments. This fund is also being used to track investments in WFN joint ventures. The net proceeds from these revenues and expenses are intended to be set aside as reserves for future community benefit.

#### **General Government Services**

General Government services covers WFN governance activities carried out by the Chief and Council, the treaty negotiations department, the intergovernmental affairs department, the economic development department, band membership services and the INAC funded portion of operations and maintenance.



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## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 26. Segmented Information (continued)

#### Education

The Education Department supports the education of status individuals resident on WFN lands. The program has three main components.

1. Oversee the aboriginal post secondary program supporting qualified students with tuition and living allowances in pursuit of post secondary schooling at local universities and colleges or at educational institutions outside the community.
2. Manage and fund the Local Education Agreement with the local school board. Through this agreement, aboriginal students on reserve are able to attend local public schools.
3. Support other employment and career training programs for WFN members.

#### Community Services / Early Years Department

Westbank First Nation's Early Years Department supports families with children (birth to eleven years old) in a safe, healthy and nurturing environment including the provision of care for school age students during out of school hours. The department follows the mandates of Aboriginal Head Start, Success by Six, and the Ministry of Children and Families in the provision of the programs, in addition to reflecting Syilx culture and values. The department is primarily funded by the BC Ministry of Child and Family, Health Canada Head Start, Success by Six along with service fees, and provides services weekly to approximately seventy five participants.

#### WCDC

Westbank Child Development Centre (WCDC) provides Daycare and after school care to children and infants from the community. WCDC is charged with providing a safe and healthy environment for infants and children while parents and other supporting family members are at work or not able to provide child care. WCDC is funded by user fees supplemented by provincial child care subsidies.

#### Property Management

The Property Management Department oversees and manages all the properties (office buildings, school, daycare, government operations and commercial premises) that WFN uses to function and to provide government services. It is also charged with managing developed commercial properties along with a portfolio of housing units that provide rental housing to community members. The department administers miscellaneous rentals such as beach lot camping and billboard rental. The department collects rents on a for profit basis from external tenants and charges rent to internal WFN departments on a cost recovery basis, sufficient to meet the costs of operating and maintaining the facilities.

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## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 26. Segmented Information (continued)

#### WFN Administration

WFN Administration oversees and directs all the general and administrative functions of WFN. It includes the office of Director of Operations, Council Secretariat, Financial Services, Information Technology, Human Resources and other related administrative functions. It oversees all WFN operations and services while supporting the functions and responding to the direction of Chief and Council.

#### Culture and Heritage

To strengthen the community's sense of identity and foster a respect for the past, WFN supports several cultural and heritage initiatives. Cultural programming includes Syilx language (nsyilxcn) research and translation as well as teaching traditional skills such as food gathering, traditional cooking, natural medicines, and drum making. The WFN Heritage Repository/ Sncewips Museum is dedicated to collecting, preserving, restoring and interpreting art and artifact collections that reflect the heritage and natural history of the Syilx/ Okanagan people.

#### Health Services

Under the terms of service delivery agreements with Health Canada and Indigenous and Northern Affairs Canada, WFN delivers a wide array of health and counseling programs to First Nations individuals on WFN lands. Programs and services include: community nursing services, in home care, drug and alcohol counseling, aids awareness, fetal alcohol counseling, diabetes counseling, head start program, prenatal care, mental health counseling, and patient travel.

#### Ministry of Transportation

Under terms of various agreements with the BC Ministry of Transportation and Infrastructure, WFN has partnered with the province in improving the provincial highways, bridge, and related infrastructure where those structures are on WFN lands. The "Sneena Road Overpass Highway 97" was put in service in 2015 - 2016 at an estimated cost of \$12 million. WFN has negotiated land exchanges and swaps in regard to these projects. WFN receives fees for its partnership, technical services, and administrative support of these projects. As a partner in these projects, project costs are paid by WFN and reimbursed by the Ministry of Transportation and Infrastructure.

#### Membership Services

In addition to maintaining the WFN Membership Registry, Membership Services is the administrator of a wide range of member benefits, services, and programs. These include administering WFN Elders support and activities, administration of the WFN member extended health benefits, administration of member recreation grants, newborn grants and funeral benefit, coordination of the WFN minors trust, WFN dividends and Christmas bonus payments. The department also coordinates community meetings, the community Christmas Party and provides personal development services, and employment training in support of member employment.

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## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 26. Segmented Information (continued)

#### **Sneena Road Overlook Lands**

In Fiscal 2016, WFN recognized a business loss in regard to the Lake Okanagan Wellness Clinic Limited Partnership (LOWC LP). After leasing and mortgaging certain WFN lands, (the "subject property"), LOWC LP was not able to attract sufficient capital to move the project beyond preliminary stages and ultimately defaulted on the mortgage. In consultation with Membership, WFN borrowed \$8.05 million to repay the outstanding mortgage of \$8,112,341, and revoked the lease on the subject property in September 2015, thus reclaiming the lands for WFN.

#### **Treaty Negotiation**

Treaty Negotiations is a program that operates the First Nations Negotiations Support Agreement between the Federal and Provincial Governments and the First Nation.

#### **WFN Taxation**

Taxation Program receives revenue from Westbank First Nation Sales Tax (WFNST) based on taxation of tobacco, alcohol and fuel sold on the Westbank First Nation reserve. The revenues are distributed to support WFN Membership services and other WFN Community Services to Members.

#### **Non-profit Housing Program**

Non-Profit Housing Program is engaged in the operation of administering housing for band members.

#### **Pine Acres**

Pine Acres Home is a program engaged in the operation of a long term care facility.

#### **Parks, Recreation & Youth**

Parks, Recreation & Youth delivers sports, recreation, cultural and outdoor activities to the community and oversees the use of community facilities such as ball fields, soccer fields and the gymnasium. The WFN youth program provides community youth with challenging and entertaining activities to keep youth on a positive and productive track.

#### **Planning and Development**

Under the supervision of the WFN Civil engineer, the Planning and Development Department works with developers and Council to implement the WFN community and land use plans. It ensures that developments and developers meet the needs of the community, that all plans for development meet the requirements of the appropriate laws, and that the various stages of development are approved by Council before proceeding to the next stage.

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## Westbank First Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 26. Segmented Information (continued)

#### **Building Permits**

This function reviews and approves new building on WFN lands, collecting permit fees based on the type and size of the building and then insures that the building is built according to the permit, and to the British Columbia building code. The Building Inspector inspects the building at various stages and issues an occupancy permit after final inspection is passed and signed off.

#### **Law Enforcement**

WFN Law Enforcement works to ensure compliance with all WFN laws and to ensure peace and order in the community. Law Enforcement also enforces WFN business licenses to ensure that all businesses on WFN lands are duly licensed and operating lawfully.

#### **Public Works**

Public Works is responsible for maintaining and upgrading WFN lands, roads, sidewalks and maintaining public building grounds, gardens and parking lots. It provides snow and garbage removal services to various facilities and provides maintenance and repair to WFN buildings.

#### **Taxation**

Property Taxation is a separate fund that is used to ensure that funds collected under the WFN property tax system are collected, tracked and segregated according to the WFN Property Taxation bylaws and distributed according to the WFN Annual Expenditure and Rates bylaws as per the provisions of the WFN Property Tax Expenditure bylaw.

#### **WFN Utilities**

WFN Utilities oversees the delivery of water and sewer services and related infrastructure (reservoirs, processing plants, pipe lines, pump stations) to all water users on WFN lands. This department is required to meet all national standards for drinking water. Much of the sewer service and infrastructure is provided under a Local Services agreement with the Regional District of the Central Okanagan, with WFN Utilities overseeing all connections to this system.

#### **LGS Administration**

The LGS Administration Department oversees the general operation of the taxation department including property assessment, assessment appeals, budgeting, setting tax rates, administering annual property tax notices and collections, ensuring proper segregation and distribution of the property tax funds under the WFN by-laws and finally ensuring that all accounting, financial reporting and auditing is done according to the Property Taxation bylaws.

#### **The Trading Post**

The Trading Post is an unincorporated business located in the Lindley Building engaged in the sale of retail merchandise.

**Westbank First Nation  
General Fund  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 7,191,970	\$ 4,089,788
Marketable securities	9,858,926	9,757,848
Accounts receivable	1,071,897	1,167,635
Notes receivable	418,582	418,582
Long term investments and related party balances	<u>2,614,131</u>	<u>3,160,804</u>
	<u>21,155,506</u>	<u>18,594,657</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	1,689,081	715,749
Deferred revenue	2,193,806	527,909
Long term debt	<u>4,724,721</u>	<u>6,158,507</u>
	<u>8,607,608</u>	<u>7,402,165</u>
<b>Net Financial Assets</b>	<b>12,547,898</b>	<b>11,192,492</b>
<b>Non - Financial Assets</b>		
Tangible capital assets	17,744,079	17,910,576
Prepaid expenses	383,087	35,492
Land Inventory	<u>1,967,803</u>	<u>1,942,402</u>
	<u>20,094,969</u>	<u>19,888,470</u>
<b>Accumulated surplus</b>	<b>\$32,642,867</b>	<b>\$ 31,080,962</b>

**Westbank First Nation  
Administration  
Schedule of Revenue and Expenses  
(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Department of Indigenous Services Canada Financial Transfer Agreement	\$ 2,592,401	\$ 2,267,740
Commercial rent	389,843	437,320
Interest	124,230	78,776
Ministry of Transportation	242,120	557,842
Miscellaneous	120,947	184,103
Other government grants	33,304	35,417
	<u>3,502,845</u>	<u>3,561,198</u>
<b>Expenses</b>		
Bad debts	9,152	40,184
Honorariums	21,400	23,361
Insurance	77,184	67,341
Interest and bank charges	4,254	7,139
Interest on Sneena Road overlook lands	133,060	145,248
Materials, supplies and resources	22,647	15,849
Ministry of Transportation	172,050	520,298
Office and administration	693,280	597,227
Professional fees	164,113	263,083
Repairs, operations and maintenance	642,435	778,783
Telephone and utilities	355,949	320,302
Training and workshops	118,043	100,935
Travel and promotion	157,054	145,787
Wages and benefits	3,440,896	3,106,171
	<u>6,011,517</u>	<u>6,131,708</u>
<b>Annual deficit before other items</b>	<b>(2,508,672)</b>	<b>(2,570,510)</b>
<b>Contribution for tangible capital assets</b>	<b>(28,124)</b>	<b>(38,652)</b>
<b>Transfer (to) from:</b>		
Local Government Services for property taxation	2,711,303	2,594,326
Local Government Services for utilities and maintenance	(443,909)	(394,960)
Local Government Services for recreation, education and bylaw services	90,904	(880,764)
WFN Taxation Program from internal reserve fund	293,394	752,401
WFN Taxation Program for various services	97,884	13,000
Various programs for administration overhead and finance fees	362,107	358,820
Various programs for rent	694,081	645,113
<b>Annual surplus</b>	<b>\$ 1,268,968</b>	<b>\$ 478,774</b>

**Westbank First Nation  
Education Program  
Schedule of Revenue and Expenses  
(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Department of Indigenous Services Canada Financial Transfer Agreement	\$ 2,582,818	\$ 2,432,395
Daycare centre and preschool	296,850	290,153
Interest	2,681	1,241
Miscellaneous	294,932	42,004
Other government grants	654,509	731,340
Transfer from (to) related parties	71,436	-
	<b>3,903,226</b>	<b>3,497,133</b>
<b>Expenses</b>		
Bad debts (recovery)	(579)	(571)
Honorariums	4,754	3,435
Insurance	2,361	2,817
Local education agreement and tuition	1,076,820	1,008,126
Materials, supplies and resources	131,499	73,852
Office and administration	23,281	16,878
Professional fees	-	2,500
Repairs, operations and maintenance	4,301	12,879
Student allowances, tuition and grants	714,415	725,953
Telephone and utilities	7,725	5,061
Training and workshops	31,840	15,001
Travel and promotion	40,419	28,878
Wages and benefits	1,048,705	891,858
	<b>3,085,541</b>	<b>2,786,667</b>
<b>Annual surplus before other items</b>	<b>817,685</b>	<b>710,466</b>
<b>Transfer (to) from:</b>		
Sensisyusten School	(821,917)	(812,666)
General fund - Administration for overhead	(31,022)	(31,020)
General fund - Administration for rent	(101,474)	(69,280)
<b>Annual deficit</b>	<b>\$ (136,728)</b>	<b>\$ (202,500)</b>

**Westbank First Nation**  
**Government Services**  
**Schedule of Revenue and Expenses**  
**(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>			<b>2017</b>
	Consultation & Policy Development	General	Total	Total
<b>Revenue</b>				
Department of Indigenous Services Canada				
Contribution funding	\$ 35,000	\$ -	\$ 35,000	\$ 35,000
Financial Transfer Agreement	-	552,630	552,630	571,273
Interest	-	61,932	61,932	52,211
Miscellaneous	-	2,025,979	2,025,979	1,757,449
	<u>35,000</u>	<u>2,640,541</u>	<u>2,675,541</u>	<u>2,415,933</u>
<b>Expenses</b>				
Honorariums	-	147,719	147,719	81,245
Insurance	-	375	375	400
Interest on long term debt	-	11,516	11,516	11,198
Materials, supplies and resources	-	122,891	122,891	99,713
Membership dividends	-	128,600	128,600	132,500
Office and administration	-	47,020	47,020	53,698
Professional fees	35,000	626,417	661,417	561,287
Repairs, operations and maintenance	-	2,052	2,052	108
Telephone and utilities	-	18,483	18,483	20,076
Training and workshops	-	16,053	16,053	15,617
Travel and promotion	-	218,138	218,138	264,529
Wages and benefits	-	1,178,174	1,178,174	1,208,781
	<u>35,000</u>	<u>2,517,438</u>	<u>2,552,438</u>	<u>2,449,152</u>
<b>Annual surplus (deficit) before other items</b>	-	123,103	123,103	(33,219)
<b>Debt repayment</b>	-	(17,752)	(17,752)	(18,607)
<b>Transfer (to) from:</b>				
General fund - Administration for rent	-	(20,137)	(20,137)	(21,637)
General fund - Administration for overhead	-	(38,284)	(38,284)	(38,284)
Local Government Services for property taxation	-	807,315	807,315	802,292
WFN Taxation Program	-	50,000	50,000	50,000
<b>Annual surplus</b>	<u>\$ -</u>	<u>\$ 904,245</u>	<u>\$ 904,245</u>	<u>\$ 740,545</u>



**Westbank First Nation  
Social Development Program  
Schedule of Revenue and Expenses  
(Unaudited)**

For the year ended March 31

									2018	2017
	Basic Needs	Child out of Parental Home Allowance	Special Needs	In-home care	Institutional Care-type II	National child Benefit Reinvestment	Band and Private Housing Renovations	General	Total	Total
<b>Revenue</b>										
Department of Indigenous Services Canada										
Financial Transfer Agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,104,667	\$ 1,104,667	\$ 1,507,384
Service Delivery	-	-	-	10,394	-	-	-	74,615	85,009	71,163
Contribution funding	586,486	4,294	18,025	58,901	937,669	66,888	336,781	-	2,009,044	1,596,575
Prevention projects	-	-	-	-	-	5,935	-	-	5,935	5,900
Commercial rent	-	-	-	-	-	-	-	(72,073)	(72,073)	(60,870)
Government grants	-	-	-	-	-	-	40,691	275,142	315,833	302,089
Miscellaneous	-	-	-	(3,962)	-	(55,418)	-	(75,287)	(134,667)	8,805
	<b>586,486</b>	<b>4,294</b>	<b>18,025</b>	<b>65,333</b>	<b>937,669</b>	<b>17,405</b>	<b>377,472</b>	<b>1,307,064</b>	<b>3,313,748</b>	<b>3,431,046</b>
<b>Expenses</b>										
Adult Care										
Foster home care	-	-	-	-	60,247	-	-	-	60,247	60,247
Basic, special and GFA needs	692,084	4,832	17,775	-	-	-	-	-	714,691	621,904
Consulting	-	-	-	-	-	-	-	51,934	51,934	34,929
Honorariums	-	-	-	-	-	-	-	14,059	14,059	6,193
Interest on long term debt	-	-	-	-	-	-	-	596	596	542
Materials, supplies and resources	-	-	-	-	-	-	-	168,714	168,714	262,707
NCB reinvestment	-	-	-	-	-	11,488	-	-	11,488	21,118
Office and administration	-	-	-	-	-	-	-	106,312	106,312	85,071
Prevention projects	-	-	-	-	-	2,373	-	-	2,373	5,900
Professional fees	-	-	-	-	-	-	-	80,744	80,744	39,949
Repairs, operations and maintenance	-	-	-	-	-	-	129,613	3,259	132,872	72,637
Student allowances	-	-	-	-	-	-	-	6,867	6,867	3,137
Telephone and utilities	-	-	-	-	-	-	-	16,891	16,891	19,503
Training and workshops	-	-	-	-	-	-	-	39,654	39,654	68,335
Travel and promotion	-	-	-	-	-	-	-	97,369	97,369	53,448
Wages and benefits	-	-	-	150,217	-	-	-	1,222,988	1,373,205	1,363,945
	<b>692,084</b>	<b>4,832</b>	<b>17,775</b>	<b>150,217</b>	<b>60,247</b>	<b>13,861</b>	<b>129,613</b>	<b>1,809,387</b>	<b>2,878,016</b>	<b>2,719,565</b>
<b>Annual surplus (deficit) before other items</b>	<b>(105,598)</b>	<b>(538)</b>	<b>250</b>	<b>(84,884)</b>	<b>877,422</b>	<b>3,544</b>	<b>247,859</b>	<b>(502,323)</b>	<b>435,732</b>	<b>711,481</b>
Contribution for tangible capital assets	-	-	-	-	-	-	(246,510)	(262,228)	(508,738)	(440,583)
Debt repayments	-	-	-	-	-	-	-	(8,549)	(8,549)	(32,325)
Surplus recoveries - Department of Indigenous Services Canada	-	-	-	-	-	-	-	(4,412)	(4,412)	3,432
<b>Transfer (to) from:</b>										
General fund - Administration for overhead and rent	-	-	-	-	-	-	-	(206,159)	(206,159)	(220,202)
Local Government Services for property taxation	-	-	-	-	-	-	-	234,120	234,120	227,400
Local Government Services for recreation and bylaw	-	-	-	-	-	-	-	40,000	40,000	40,000
Pine Acres for member care	-	-	-	-	(815,790)	-	-	-	(815,790)	(962,653)
WFN Taxation Program	-	-	-	-	-	-	-	500,930	500,930	269,372
<b>Annual surplus (deficit)</b>	<b>\$ (105,598)</b>	<b>\$ (538)</b>	<b>\$ 250</b>	<b>\$ (84,884)</b>	<b>\$ 61,632</b>	<b>\$ 3,544</b>	<b>\$ 1,349</b>	<b>\$ (208,621)</b>	<b>\$ (332,866)</b>	<b>\$ (404,078)</b>

**Westbank First Nation  
Lands Registry  
Schedule of Revenue and Expenses  
(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Department of Indigenous Services Canada Financial Transfer Agreement	\$ 254,068	\$ 326,545
Land registration fees	184,225	186,125
	<u>438,293</u>	<u>512,670</u>
<b>Expenses</b>		
Access to lands and resources	36,049	17,472
Honorariums	6,180	-
Office and administration	13,286	11,744
Professional fees	48,148	68,312
Telephone and utilities	542	1,022
Training and workshops	-	300
Travel and promotion	7,235	8,861
Wages and benefits	166,945	167,466
	<u>278,385</u>	<u>275,177</u>
<b>Annual surplus before other items</b>	<b>159,908</b>	<b>237,493</b>
<b>Transfer (to) from:</b>		
General fund - Administration for overhead	(4,504)	(4,504)
General fund - Administration for rent	(5,753)	(6,596)
General fund - Miscellaneous	3,610	-
Local Government Services for capital fund	(136,005)	(48,225)
<b>Annual surplus</b>	<b>\$ 17,256</b>	<b>\$ 178,168</b>

**Westbank First Nation  
Membership Services  
Schedule of Revenue and Expenses  
(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Department of Indigenous Services Canada		
Financial Transfer Agreement	\$ 49,038	\$ 49,038
Contribution funding	6,578	6,509
Miscellaneous	(12,038)	(15,533)
	<u>43,578</u>	<u>40,014</u>
<b>Expenses</b>		
Honorariums	-	846
Materials, supplies and resources	13,192	7,395
Member programs	703,994	613,807
Office and administration	22,777	29,871
Professional fees	12,153	-
Repairs, operations, maintenance	2,791	2,893
Telephone and utilities	3,301	4,578
Travel and promotion	11,535	9,955
Wages and benefits	269,442	245,530
	<u>1,039,185</u>	<u>914,875</u>
<b>Annual deficit before other items</b>	<b>(995,607)</b>	<b>(874,861)</b>
<b>Transfer (to) from:</b>		
General fund - Administration for overhead	(14,638)	(14,638)
General fund - Administration for rent	(41,948)	(41,948)
WFN Taxation Program	<u>1,033,419</u>	<u>931,447</u>
<b>Annual deficit</b>	<b>\$ (18,774)</b>	<b>\$ -</b>

**Westbank First Nation  
Negotiations Support Agreement  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 2,234	\$ 2,208
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	2,002	2,123
Due to related party	4,155	1,060
Loan payable, Canada	2,325,026	2,325,026
	<u>2,331,183</u>	<u>2,328,209</u>
<b>Accumulated deficit</b>	<b>\$ (2,329,007)</b>	<b>\$ (2,326,059)</b>

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**Westbank First Nation  
Negotiations Support Agreement  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>	<b>2017</b>
<b>Receipts</b>		
Interest	\$       26	\$       29
<b>Expenses</b>		
Professional fees	<u>2,974</u>	<u>3,096</u>
<b>Annual deficit</b>	<b>\$   (2,948)</b>	<b>\$   (3,125)</b>

**Westbank First Nation  
WFN Taxation Program  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 825,983	\$ 915,286
Deposit	-	75,000
	<b>825,983</b>	<b>990,286</b>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	2,580	4,146
Due to related parties	191,523	354,260
	<b>194,103</b>	<b>358,406</b>
<b>Net financial assets, being accumulated surplus</b>	<b>\$ 631,880</b>	<b>\$ 631,880</b>

**Westbank First Nation  
WFN Taxation Program  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	Budget 2018	Actual 2018	Actual 2017
<b>Revenue</b>			
Sales tax revenue	\$ 2,537,578	\$ 2,523,007	\$ 2,497,369
Interest and other income	10,000	14,882	8,843
	<u>2,547,578</u>	<u>2,537,889</u>	<u>2,506,212</u>
<b>Expenses</b>			
Administration	4,500	4,124	4,219
Member Christmas payout	209,500	426,500	421,101
	<u>214,000</u>	<u>430,624</u>	<u>425,320</u>
<b>Annual surplus before other items</b>	2,333,578	2,107,265	2,080,892
<b>Transfer (to) from:</b>			
Non-Profit Housing Program	(22,303)	(22,303)	(29,700)
General fund - Internal reserve fund	(489,072)	(293,394)	(752,401)
General fund - Various programs	(1,784,303)	(1,753,668)	(1,263,291)
Local Government Services	(37,900)	(37,900)	(35,500)
<b>Annual surplus</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Westbank First Nation  
Non-Profit Housing Program  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 915,131	\$ 910,005
C.M.H.C. subsidy receivable	25,131	19,648
Restricted cash	751,564	611,776
Funds held in trust	36,691	36,691
	<u>1,728,517</u>	<u>1,578,120</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	37,217	33,207
Current portion of long term debt	332,050	297,830
Trust funds payable	36,691	36,691
Due to related parties	930,667	846,821
Long term debt	4,705,651	4,032,373
	<u>6,042,276</u>	<u>5,246,922</u>
<b>Net Debt</b>	<b>(4,313,759)</b>	<b>(3,668,802)</b>
<b>Non - Financial Assets</b>		
Tangible capital assets	5,270,027	4,508,511
<b>Accumulated Surplus</b>	<b>\$ 956,268</b>	<b>\$ 839,709</b>



**Westbank First Nation  
Non-Profit Housing Program  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	Budget 2018	Actual 2018	Actual 2017
<b>Revenue</b>			
Rental revenue	\$ 386,563	\$ 378,175	\$ 372,138
C.M.H.C. subsidy	226,136	237,771	232,375
Other income	-	22,433	6,077
	<u>612,699</u>	<u>638,379</u>	<u>610,590</u>
<b>Expenses</b>			
Administration and office	4,500	2,044	1,323
Insurance	31,050	29,827	28,258
Interest on long term debt	98,051	70,245	69,254
Professional fees	18,313	15,340	17,983
Repairs and maintenance	(21,858)	21,974	16,383
Utilities	2,090	10,559	24,348
Wages and benefits	54,310	54,942	42,006
	<u>186,456</u>	<u>204,931</u>	<u>199,555</u>
<b>Annual surplus before other items</b>	426,243	433,448	411,035
<b>Amortization</b>	(287,161)	(296,372)	(287,161)
<b>Approved expenditures</b>	-	(23,059)	(13,504)
<b>Lump sum repayment of long-term debt</b>	-	54,018	-
<b>Transfer (to) from:</b>			
General fund - Administration for rent	(2,877)	(2,877)	(2,877)
General fund - Administration for overhead	(2,252)	(2,252)	(2,252)
Local Government Services for utilities	(35,931)	(35,931)	(32,882)
Local Government Services for operations and maintenance fees	(55,778)	(55,778)	(27,762)
WFN Taxation Program	22,303	22,303	29,700
<b>Annual surplus</b>	<u>\$ 64,547</u>	<u>\$ 93,500</u>	<u>\$ 74,297</u>

**Westbank First Nation  
Long Term Care Facility Project  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Accounts receivable	\$ 158,373	\$ 215,699
<b>Financial Liabilities</b>		
Bank indebtedness	575,886	712,676
Accounts payable and accrued liabilities	232,550	297,175
Deferred revenue	40,921	32,438
Due to related party	791,963	498,665
	<u>1,641,320</u>	<u>1,540,954</u>
<b>Net Debt</b>	<u>(1,482,947)</u>	<u>(1,325,255)</u>
<b>Non - Financial Assets</b>		
Tangible capital assets	821,736	868,596
Prepaid expenses	3,304	3,750
Inventory	14,396	18,486
	<u>839,436</u>	<u>890,832</u>
<b>Accumulated Deficit</b>	<u>\$ (643,511)</u>	<u>\$ (434,423)</u>

**Westbank First Nation  
Long Term Care Facility Project  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	Budget 2018	Actual 2018	Actual 2017
<b>Revenue</b>			
Maintenance			
British Columbia Ministry of Health	\$ 2,684,791	\$ 2,943,667	\$ 2,934,099
Residents	381,233	477,268	664,687
Other	6,800	286,092	194,553
	<u>3,072,824</u>	<u>3,707,027</u>	<u>3,793,339</u>
<b>Expenses</b>			
Staffing			
Wages	2,705,621	2,949,643	2,923,473
Employee benefits	686,931	780,515	728,815
Payroll expense	20,000	23,279	23,179
Property Charges			
Rent	955	2,750	1,244
Repairs and maintenance	60,000	133,533	207,252
Administration and Supplies			
Administration	94,156	68,508	88,242
Bad debts	8,000	30,448	4,382
Food	138,948	144,102	133,116
Insurance	12,000	18,541	17,885
Medical supplies	78,680	83,095	83,214
Membership dues	13,788	7,373	8,051
Miscellaneous supplies	115,901	141,357	123,295
Professional fees	42,000	62,187	52,854
Utilities	98,011	100,222	100,629
	<u>4,074,991</u>	<u>4,545,553</u>	<u>4,495,631</u>
<b>Annual deficit before other items</b>	(1,002,167)	(838,526)	(702,292)
<b>Amortization</b>	(174,600)	(136,874)	(136,684)
<b>Transfer (to) from:</b>			
General fund for finance fees	-	(22,085)	(36,052)
Local Government Services for utilities and maintenance	-	(23,896)	(26,827)
General fund - Department of Indigenous Services Canada	1,177,327	812,293	920,971
<b>Annual surplus (deficit)</b>	<u>\$ 560</u>	<u>\$ (209,088)</u>	<u>\$ 19,116</u>

**Westbank First Nation  
Local Government Services  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 9,335,551	\$ 7,988,238
Short term deposits	21,858,464	22,096,484
Accounts receivable	4,368,753	4,285,711
Due from related parties	30,658	6,343
	<u>35,593,426</u>	<u>34,376,776</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	2,297,673	3,527,635
Prepaid property taxes and utilities	144,610	128,400
Deferred development cost charges	11,624,926	9,856,967
Due to related parties	40,281	570,056
	<u>14,107,490</u>	<u>14,083,058</u>
<b>Net Financial Assets</b>	<b>21,485,936</b>	<b>20,293,718</b>
<b>Non - Financial Assets</b>		
Tangible capital assets	51,579,914	51,271,597
<b>Accumulated Surplus</b>	<b>\$73,065,850</b>	<b>\$ 71,565,315</b>

**Westbank First Nation  
Local Government Services  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	Budget 2018	Actual 2018	Actual 2017
<b>Revenue</b>			
Department of Indigenous Services Canada	\$ 235,000	\$ 235,000	\$ 137,700
Department of Indigenous Services Canada - Contributions	-	20,975	12,269
Property taxes, net of home owner grants	12,262,357	12,331,905	11,733,358
Parks and recreation	3,500	6,910	1,980
Planning and development	345,000	346,889	-
Bylaw enforcement	69,500	100,602	97,323
Operations and maintenance	365,000	319,172	318,560
Water and sewer	1,560,750	1,802,635	1,584,542
Interest and penalties	152,000	43,542	79,674
Interest on investments	60,000	365,218	324,492
Contributed asset	-	3,500	483,512
Other fundraising, donations and grants	519,254	453,744	303,478
	<b>\$ 15,572,361</b>	<b>16,030,092</b>	<b>15,076,888</b>
<b>Expenses</b>			
Bad debts	204,545	7,767	9,179
B.C. Assessment Authority	160,000	135,542	152,607
Fire protection agreement	1,550,000	1,823,530	1,490,627
Insurance	50,000	50,391	49,159
Materials, supplies and resources	653,287	625,637	540,614
Office and administration	275,990	237,956	208,932
Office lease	1,000	325	13,225
Professional fees	1,320,000	713,292	822,996
Service agreements	1,737,701	1,713,504	1,732,079
Telephone and utilities	287,760	257,850	240,907
Training	78,500	74,065	71,259
Travel and promotion	106,450	98,880	98,765
Vehicle	299,000	273,598	239,388
Wages and benefits	3,439,644	3,350,100	3,047,550
Water and sewer repairs and maintenance	88,054	77,962	87,806
	<b>10,251,931</b>	<b>9,440,399</b>	<b>8,805,093</b>
<b>Annual surplus before interfund charges and other items</b>	<b>5,320,430</b>	<b>6,589,693</b>	<b>6,271,795</b>
<b>Amortization</b>	<b>-</b>	<b>(1,383,469)</b>	<b>(1,313,861)</b>
<b>Transfer (to) from:</b>			
General fund for office lease and rents	(211,052)	(211,052)	(195,059)
General fund for administration overhead and finance fees	(160,117)	(160,117)	(155,120)
General fund for recreation, education and bylaw services	(159,000)	(159,000)	(159,000)
General fund for planning and infrastructure	-	28,096	999,764
General fund for property taxation	(3,752,738)	(3,752,738)	(3,624,018)
General fund for land registry	(75,000)	(136,005)	(47,697)
Various programs for utilities and maintenance	-	647,227	571,464
WFN Taxation Program	37,900	37,900	35,500
<b>Annual surplus</b>	<b>\$ 1,000,423</b>	<b>\$ 1,500,535</b>	<b>\$ 2,383,768</b>

**Westbank First Nation  
Sensisyusten School  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 717,718	\$ 594,154
Accounts receivable	960	1,487
Prepaid expenses	-	1,144
	<u>718,678</u>	<u>596,785</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	1,686	-
Due to Westbank First Nation	42,219	75,885
Deferred revenue	9,000	11,000
	<u>52,905</u>	<u>86,885</u>
<b>Net Financial Assets</b>	<b>665,773</b>	<b>509,900</b>
<b>Non - Financial Assets</b>		
Tangible capital assets	<u>32,309</u>	<u>56,122</u>
<b>Accumulated Surplus</b>	<b>\$ 698,082</b>	<b>\$ 566,022</b>

**Westbank First Nation  
Sensiyusten School  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	Budget 2018	Actual 2018	Actual 2017
<b>Revenues</b>			
BC Ministry of Education	\$ 217,500	\$ 272,864	\$ 331,387
First Nations Education Steering Committee Society	65,000	141,059	126,004
Interest income	-	6,514	2,755
Miscellaneous	33,000	37,354	36,032
	<u>315,500</u>	<u>457,791</u>	<u>496,178</u>
<b>Expenses</b>			
Advertising	500	-	436
Automotive	17,500	15,878	20,570
Bad debt (recovery)	-	-	(400)
Honorariums	13,100	11,757	9,749
Insurance	-	625	500
Office and administration	16,008	16,523	12,198
Professional development	6,200	5,331	9,179
Professional fees	8,000	7,992	7,725
Repairs and maintenance	4,000	15,805	8,254
Supplies	44,286	24,849	31,110
Telephone and utilities	1,691	11,170	-
Wages and benefits	923,834	883,638	855,564
	<u>1,035,119</u>	<u>993,568</u>	<u>954,885</u>
<b>Annual deficit before other items</b>	(719,619)	(535,777)	(458,707)
<b>Amortization</b>	(21,598)	(23,813)	(22,652)
<b>Transfer (to) from:</b>			
Local Government Services for utilities	(15,339)	(15,339)	(16,489)
General fund for rents	(98,928)	(98,928)	(87,514)
General fund for finance fees	(16,000)	(16,000)	(16,000)
General fund for operations	821,917	821,917	812,666
<b>Annual surplus (deficit)</b>	<u>\$ (49,567)</u>	<u>\$ 132,060</u>	<u>\$ 211,304</u>

**Westbank First Nation  
The Trading Post  
Schedule of Financial Position  
(Unaudited)**

<b>March 31</b>	<b>2018</b>	<b>2017</b>
<b>Financial Assets</b>		
Cash	\$ 87,451	\$ 108,275
Accounts receivable	1,777	1,451
Due from related parties	6,040	-
	<u>95,268</u>	<u>109,726</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	16,219	15,545
Due to related party	-	11,550
	<u>16,219</u>	<u>27,095</u>
<b>Net Financial Assets</b>	<b>79,049</b>	<b>82,631</b>
<b>Non - Financial Assets</b>		
Inventory	13,855	19,156
	<u>13,855</u>	<u>19,156</u>
<b>Accumulated Surplus</b>	<b>\$ 92,904</b>	<b>\$ 101,787</b>



**Westbank First Nation  
The Trading Post  
Schedule of Financial Activities  
(Unaudited)**

<b>For the year ended March 31</b>	<b>2018</b>	<b>2017</b>
Sales	\$ 570,314	\$ 557,993
Cost of sales	<u>477,217</u>	463,133
Gross margin	93,097	94,860
Other income	<u>2,716</u>	1,700
	<u>95,813</u>	<u>96,560</u>
<b>Expenses</b>		
Advertising and promotion	233	300
Bank charges	4,121	3,946
Insurance	85	97
Office and supplies	3,224	1,033
Professional fees	4,689	4,738
Travel	734	669
Wages and benefits	<u>79,083</u>	71,308
	<u>92,169</u>	<u>82,091</u>
<b>Annual surplus before other items</b>	3,644	14,469
<b>Transfer (to) from:</b>		
General fund for finance fees	(6,774)	(6,774)
General fund for rents	<u>(5,753)</u>	<u>(5,753)</u>
<b>Annual surplus (deficit)</b>	<u>\$ (8,883)</u>	<u>\$ 1,942</u>