

WHITE RIVER FIRST NATION
Consolidated Financial Statements
Year Ended March 31, 2016

WHITE RIVER FIRST NATION
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Year Ended March 31, 2016

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of WHITE RIVER FIRST NATION have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of WHITE RIVER FIRST NATION's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by Council and meets periodically with management auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by Council, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Anton, Bryson & Schindler Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.

Chief

Councillor

Beaver Creek, YT
July 27, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of WHITE RIVER FIRST NATION

We have audited the accompanying consolidated financial statements of WHITE RIVER FIRST NATION, which comprise the consolidated statement of financial position as at March 31, 2016 and the consolidated statements of revenues and expenditures, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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


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Independent Auditor's Report to the Members of WHITE RIVER FIRST NATION *(continued)*

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of WHITE RIVER FIRST NATION as at March 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.



White Rock, British Columbia
July 27, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

WHITE RIVER FIRST NATION
Consolidated Statement of Financial Position
March 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash	\$ 440,730	\$ 484,540
Restricted cash	33,967	34,043
Goods and services tax payable (recoverable)	26,949	37,517
Accounts receivable (Note 2.)	361,260	381,261
Trade accounts receivable from related parties	96,316	94,673
Long term investments (Note 3.)	163,598	163,598
	1,122,820	1,195,632
LIABILITIES		
Accounts payable	196,357	300,291
	926,463	895,341
NET FINANCIAL ASSETS (DEBT)		
	4,695,402	4,905,873
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Notes 4, 5)	4,695,402	4,905,873
	4,695,402	4,905,873
ACCUMULATED SURPLUS		
	\$ 5,621,865	\$ 5,801,214

ON BEHALF OF THE COUNCIL

_____ Chief

_____ Councillor

WHITE RIVER FIRST NATION
Consolidated Statement of Revenues and Expenditures
Year Ended March 31, 2016

	Budget	2016	2015
REVENUE			
INAC	\$ 827,840	\$ 1,249,237	\$ 1,409,413
Yukon Government	-	369,538	107,604
Council of Yukon First Nations	-	81,833	95,593
Miscellaneous	-	226,160	167,093
Rental income	7,500	3,935	3,860
Administration fees	84,000	32,774	28,021
Health Canada	328,400	403,362	299,363
Heritage Canada	83,300	-	37,724
Investment income	-	27,685	1,314
Surplus recoveries	-	(47,386)	(235,991)
	<u>1,331,040</u>	<u>2,347,138</u>	<u>1,913,994</u>
EXPENSES			
Administration fees	24,400	32,774	28,021
Amortization	-	261,890	257,033
Bad debts	-	435	(1,076)
Contractual services	7,475	167,629	32,735
Education	64,470	19,860	41,563
Honoraria	34,900	76,573	81,398
Insurance	19,500	19,139	18,359
Interest and bank charges	-	10,614	11,580
Materials and supplies	83,991	301,560	305,292
Meetings	9,000	12,537	49,060
Office and miscellaneous	1,000	1,187	2,573
Professional fees	75,000	514,198	253,223
Program activities	12,300	67,649	50,368
Rent	10,800	1,985	1,985
Social development	81,000	129,479	164,627
Telephone and fax	33,000	42,180	42,109
Training and workshops	80,800	107,194	85,914
Travel	90,550	156,593	153,198
Utilities	107,946	89,803	99,266
Wages, honoraria and benefits	518,608	513,208	559,917
	<u>1,254,740</u>	<u>2,526,487</u>	<u>2,237,145</u>
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUE	<u>\$ 76,300</u>	<u>\$ (179,349)</u>	<u>\$ (323,151)</u>

WHITE RIVER FIRST NATION
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2016

	Budget 2016	2016	2015
ANNUAL SURPLUS	\$ 15,033	\$ (179,349)	\$ (323,151)
Amortization	-	261,890	257,033
Purchase of capital assets	-	(51,419)	(170,233)
Transfer - Unrealized portfolio gains / losses	-	-	2
	-	210,471	86,802
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	15,033	31,122	(236,349)
Net financial assets, beginning of year	-	895,341	1,131,690
NET FINANCIAL ASSETS, END OF YEAR	\$ 15,033	\$ 926,463	\$ 895,341

WHITE RIVER FIRST NATION
Consolidated Statement of Cash Flow
Year Ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (179,349)	\$ (323,151)
Item not affecting cash:		
Amortization of property, plant and equipment	261,890	257,033
	<u>82,541</u>	<u>(66,118)</u>
Changes in non-cash working capital:		
Accounts receivable	20,001	(124,529)
Trade accounts receivable from related parties	(1,643)	-
Accounts payable	(103,935)	59,782
Goods and services tax payable	10,568	-
	<u>(75,009)</u>	<u>(64,747)</u>
Cash flow from (used by) operating activities	<u>7,532</u>	<u>(130,865)</u>
INVESTING ACTIVITY		
Purchase of property, plant and equipment	<u>(51,418)</u>	<u>(170,233)</u>
FINANCING ACTIVITY		
Decrease in advances	<u>-</u>	<u>30,705</u>
DECREASE IN CASH FLOW	(43,886)	(270,393)
Cash - beginning of year	<u>518,583</u>	<u>788,976</u>
CASH - END OF YEAR	\$ 474,697	\$ 518,583
CASH CONSISTS OF:		
Cash	\$ 440,730	\$ 484,540
Restricted cash	33,967	34,043
	<u>\$ 474,697</u>	<u>\$ 518,583</u>

WHITE RIVER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2016

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for government entities, as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants, which encompasses the following principles:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund accounting

The Nation records accounting transactions using the fund accounting method generally in use for governments. A fund is determined for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Each fund has its own statement of operations which presents the results of operations for the fund. The consolidated statement of financial position of the Nation includes the assets, liabilities and equity of all funds presented in the consolidated financial statements.

The various funds, being the operating fund which accounts for the operations of the Nation and the equity in capital assets fund which accounts for the tangible capital assets of the Nation, have been amalgamated for the purpose of presentation in the consolidated financial statements. Details of the operations of each fund are set out in the segmented information.

All inter-fund balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated in the segmented information.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives as follows:

Buildings	10-50 years	straight-line method
Water and waste water systems	20 years	straight-line method
Machinery and equipment	3-15 years	straight-line method
Motor vehicles	7 years	straight-line method

Revenue recognition

The Nation follows the deferral method of accounting for contributions. Accordingly, amounts received under funding arrangements which relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position.

Financial instruments policy

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

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WHITE RIVER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement uncertainty

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

2. ACCOUNTS RECEIVABLE

	2016	2015
Grants receivable	\$ 332,147	\$ 349,231
Accountable advances	29,113	32,030
	\$ 361,260	\$ 381,261

3. INVESTMENTS

	2016	2015
Shares and advances at cost		
Investment-RAB Energy	\$ 25,970	\$ 25,970
Investment in YIDC	66,000	66,000
Advances to YIDC without interest or stated terms of repayment	71,628	71,628
	\$ 163,598	\$ 163,598

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Buildings	\$ 4,086,655	\$ 2,012,598	\$ 2,074,057	\$ 2,169,003
Equipment	241,537	131,189	110,348	80,872
Construction in progress	164,830	-	164,830	161,978
Infrastructure	3,278,803	967,114	2,311,689	2,450,082
Motor vehicles	309,796	275,318	34,478	43,938
	\$ 8,081,621	\$ 3,386,219	\$ 4,695,402	\$ 4,905,873

WHITE RIVER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2016

5. CHANGES IN TANGIBLE CAPITAL ASSETS

	Beginning of year	Additions	Disposals	2016	2015
Cost					
Buildings	\$ 4,086,655	\$ -	\$ -	\$ 4,086,655	\$ 4,086,655
Infrastructure	3,278,803	-	-	3,278,803	3,278,803
Equipment	192,971	48,566	-	241,537	192,971
Motor vehicles	309,796	-	-	309,796	309,796
Construction in progress	161,977	2,853	-	164,830	161,977
Total	8,030,202	51,419	-	8,081,621	8,030,202
Accumulated depreciation					
Buildings	1,917,652	94,946	-	2,012,598	1,917,652
Infrastructure	828,720	138,394	-	967,114	828,720
Equipment	112,099	19,090	-	131,189	112,099
Motor vehicles	265,858	9,460	-	275,318	265,858
Total	3,124,329	261,890	-	3,386,219	3,124,329
	\$ 4,905,873	\$ (210,471)	\$ -	\$ 4,695,402	\$ 4,905,873

6. FINANCIAL INSTRUMENTS

Fair value

The Nation's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Nation manages exposure through its normal operating and financing activities. The Nation is exposed to interest rate risk primarily through its cash.

WHITE RIVER FIRST NATION
Segmented Information
Year Ended March 31, 2016

	Governance	Education	Health & Social Development	Economic Development	Capital Maintenance	Lands & Resources	Other	2016
REVENUE								
INAC	\$ 513,568	\$ 93,384	\$ 195,608	\$ 368,452	\$ 175,828	\$ 130,207	\$ 140,442	\$ 1,249,237
Yukon Government	-	-	-	-	-	-	1,086	369,538
Council of Yukon First Nations	-	81,833	-	-	-	-	-	81,833
Miscellaneous	14,965	2,630	-	207,387	-	1,178	-	226,160
Rental income	3,935	-	-	-	-	-	-	3,935
Administration fees	32,774	-	-	-	-	-	-	32,774
Health Canada	-	-	403,362	-	-	-	-	403,362
Surplus recoveries	(4,571)	(18,986)	(13,579)	(10,250)	-	-	-	(47,386)
Investment income	27,685	-	-	-	-	-	-	27,685
	588,356	158,861	585,591	565,589	175,828	131,385	141,528	2,347,138
EXPENSES								
Administration fees	-	-	-	12,000	-	15,428	5,346	32,774
Amortization	261,890	-	-	-	-	-	-	261,890
Bad debts	435	-	-	-	-	-	-	435
Contractual services	42,424	-	625	-	124,580	-	-	167,629
Education	-	19,860	-	-	-	-	-	19,860
Honoraria	21,753	-	54,120	-	-	700	-	76,573
Insurance	19,139	-	-	-	-	-	-	19,139
Interest and bank charges	8,811	-	1,803	-	-	-	-	10,614
Materials and supplies	26,930	4,096	103,556	9,127	46,005	4,930	106,916	301,560
Meetings	12,537	-	-	-	-	-	-	12,537
Office and miscellaneous	1,187	-	-	-	-	-	-	1,187
Professional fees	55,899	-	67,649	353,940	-	81,567	22,792	67,649
Program activities	-	-	-	-	-	-	-	1,985
Rent	-	-	-	-	-	-	-	129,479
Social development	-	-	129,479	-	-	-	-	129,479
Telephone and fax	41,282	-	898	-	-	-	-	42,180
Training and workshops	1,353	48,200	49,641	-	-	8,000	-	107,194
Travel	17,487	4,374	94,349	29,266	-	7,686	3,431	156,593
Utilities	83,142	-	6,661	-	-	-	-	89,803
Wages, honoraria and benefits	254,811	67,545	118,049	25,000	42,491	5,312	-	513,208
	849,080	144,075	626,830	429,333	213,076	125,608	138,485	2,526,487
	(260,724)	14,786	(41,239)	136,256	(37,248)	5,777	3,043	(179,349)

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WHITE RIVER FIRST NATION
Segmented Information (continued)
Year Ended March 31, 2016

	Governance	Education	Health & Social Development	Economic Development	Capital Maintenance	Lands & Resources	Other	2016
SURPLUS (DEFICIT) BEGINNING OF YEAR								
Transfer depreciation	(218,631)	(90,145)	73,989	287,929	637,226	(37,330)	5,148,176	5,801,214
Transfer capital acquisition	261,890	-	-	-	(51,418)	-	(261,890)	-
	43,259	(90,145)	73,989	287,929	585,808	(37,330)	51,418	-
SURPLUS (DEFICIT) END OF YEAR	\$ (217,465)	\$ (75,359)	\$ 32,750	\$ 424,185	\$ 548,560	\$ (31,553)	\$ 4,940,747	\$ 5,821,865