

**O-CHI-CHAK-KO-SIPI FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2014**

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# O-CHI-CHAK-KO-SIPI FIRST NATION

MARCH 31, 2014

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## MANAGEMENT'S RESPONSIBILITY

To the Members of the O-Chi-Chak-Ko-Sipi First Nation:

The accompanying consolidated financial statements of O-Chi-Chak-Ko-Sipi First Nation and all the information in this annual report are the responsibility of management and have been approved by Chief and Council.

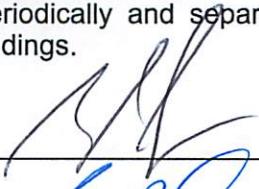
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based upon estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

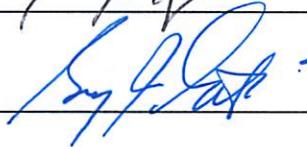
The First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

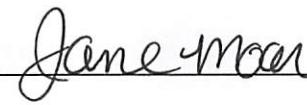
The First Nation's Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Finance Department reviews the First Nation's financial statements with Chief and Council and recommends their approval. Chief and Council meet periodically with the Finance Department, 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 annual report, the consolidated financial statements and the external auditor's report.

Zaplitny and Zamrykut, Chartered Accountants were appointed by Chief and Council to audit the consolidated financial statements and report directly to them and the members of the First Nation; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their findings.

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

## AUDITORS' REPORT

To the Members of the O-Chi-Chak-Ko-Sipi First Nation:

We have audited the accompanying consolidated financial statements of the O-Chi-Chak-Ko-Sipi First Nation, which comprise of the statement of financial position as at March 31, 2014 and the statements of accumulated surplus (deficit), changes in net financial debt, statement of operations, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management's responsibility 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 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 financial statements are free from material misstatement.

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

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

### Opinion

Due the lack of documentation and supporting records concerning O-Chi-Chak-Ko-Sipi's own source revenue accounts, we were unable to satisfy ourselves on whether those particular schedules of operations were fairly stated, and as a result, we were unable to determine whether adjustments if any, were required with respect to the recorded or unrecorded assets, recorded or unrecorded liabilities and the components making up the accumulated deficit.

In our opinion, except for the effects on the consolidated financial statements of the matters described in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of the O-Chi-Chak-Ko-Sipi First Nation as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



**ZAPLITNY & ZAMRYKUT,**  
Chartered Accountants

Dauphin, Manitoba  
November 5, 2014

**O-CHI-CHAK-KO-SIPI FIRST NATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2014**

	<i>(Restated)</i>	
	2014	2013
<b>FINANCIAL ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 372,749	\$ 354,567
Accounts Receivable - Note 4	493,857	508,291
Inventory for Resale	43,518	43,274
	<hr/> 910,124	<hr/> 906,132
<b>FINANCIAL LIABILITIES</b>		
<b>CURRENT</b>		
Bank Indebtedness	\$ 104,595	\$ 150,730
Accounts Payable and Accrued Liabilities - Note 6	<hr/> 1,574,098	<hr/> 1,715,205
	<hr/> 1,678,693	<hr/> 1,865,935
<b>LONG TERM</b>		
Long Term Debt - Note 7	6,282,897	6,871,254
	<hr/> 7,961,590	<hr/> 8,737,189
<b>NET FINANCIAL DEBT</b>		
Tangible Capital Assets - Note 8	7,019,692	6,621,714
Prepaid Expenses	63,658	20,605
	<hr/> 7,083,350	<hr/> 6,642,319
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<b>\$ 31,884</b>	<b>\$ (1,188,738)</b>

Approved by Chief and Council:

Chief

Councillor

Councillor

Councillor

# O-CHI-CHAK-KO-SIPI FIRST NATION

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (DEFICIT) FOR THE YEAR ENDED MARCH 31, 2014

	<i>(Unaudited)</i> <b>2014</b> <b>Budget</b>	<b>2014</b>	<i>(Restated)</i> <b>2013</b>
<b>REVENUE</b>			
Aboriginal Affairs and Northern Development			
Canada (AANDC)	\$ 6,155,962	\$ 6,650,895	\$ 6,952,734
First Nation and Inuit Health Branch (FNIHB)	807,665	834,267	897,259
Canada Mortgage and Housing Corporation (CMHC)	-	206,729	216,319
First Peoples Development Inc.	-	301,635	270,517
Province of Manitoba	-	20,977	256,647
Other	-	236,709	275,074
VLT Proceeds - Net	-	517,827	483,462
Concession - Net	-	2,992	34,165
Tobacco Tax Rebates	-	455,925	403,615
Confectionary - Net	-	246,029	290,742
Solicitor General	-	24,144	33,626
User Fees	16,300	18,402	17,559
Rent	-	365,444	329,688
	<b>6,979,927</b>	<b>9,881,975</b>	<b>10,461,407</b>
<b>EXPENSES</b>			
Governance and Administration	428,786	618,835	622,599
Social	886,200	1,075,331	896,447
Health	805,500	923,716	871,965
Housing	-	559,469	441,904
Economic Development	25,000	962,593	1,309,437
Education	1,503,526	1,706,869	1,723,787
Operations and Maintenance	3,046,312	2,044,149	3,687,091
Training and Other	-	272,269	241,652
Gaming	-	498,122	511,483
	<b>6,695,324</b>	<b>8,661,353</b>	<b>10,306,365</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 284,603</b>	<b>1,220,622</b>	<b>155,042</b>
<b>ACCUMULATED DEFICIT, BEGINNING OF YEAR</b>		<b>(1,188,738)</b>	<b>(1,343,780)</b>
<b>ACCUMULATED SURPLUS (DEFICIT), END OF YEAR</b>		<b>\$ 31,884</b>	<b>\$ (1,188,738)</b>

**O-CHI-CHAK-KO-SIPI FIRST NATION**  
**STATEMENT OF CHANGES IN NET FINANCIAL DEBT**  
**FOR THE YEAR ENDED MARCH 31, 2014**

	<i>(Restated)</i>	<i>2014</i>	<i>2013</i>
<b>ANNUAL SURPLUS</b>		\$ 1,220,622	\$ 155,042
Acquisition of Tangible Capital Assets		(889,822)	(209,343)
Amortization of Tangible Capital Assets		491,844	468,158
(Increase) Decrease in Prepaid Expenses		(43,053)	49,184
<b>CHANGE IN NET FINANCIAL DEBT</b>		779,591	463,041
<b>NET FINANCIAL DEBT, BEGINNING OF YEAR</b>		(7,831,057)	(8,294,098)
<b>NET FINANCIAL DEBT, END OF YEAR</b>		\$ (7,051,466)	\$ (7,831,057)

# O-CHI-CHAK-KO-SIPI FIRST NATION

## CONSOLIDATED STATEMENT OF CASH FLOWS

MARCH 31, 2014

	2014	2013
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Cash Received From Contributors	\$ 9,749,847	\$ 10,475,902
Cash Paid to Suppliers	(6,029,691)	(8,106,110)
Cash Paid to Employees	(1,953,185)	(1,324,285)
Interest Paid	(294,558)	(180,762)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>1,472,413</b>	<b>864,745</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long Term Debt Repayments	(518,274)	(392,659)
Long Term Debt Advances	-	-
	<b>(518,274)</b>	<b>(392,659)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital Assets Purchased	(889,822)	(209,343)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>64,317</b>	<b>262,743</b>
<b>NET CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>203,837</b>	<b>(58,906)</b>
<b>NET CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 268,154</b>	<b>\$ 203,837</b>
 <b>Cash and Cash Equivalents consists of:</b>		
Cash	\$ 372,749	\$ 354,567
Bank Indebtedness	(104,595)	(150,730)
	<b>\$ 268,154</b>	<b>\$ 203,837</b>

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

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### 1. NATURE OF ORGANIZATION

The O-Chi-Chak-Ko-Sipi First Nation is a community located near Crane River, Manitoba. The First Nation provides general government, education, protection, housing and health programs to the general membership through various departments and organizations. The First Nation receives program funding direct from Aboriginal Affairs and Northern Development Canada (AANDC), the Canada Mortgage and Housing Corporation (CMHC), and Health Canada and carries out programs within the community in accordance with the provisions set forth in the annual funding agreements.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

#### (a) Reporting Entity and Principles of Financial Reporting

The First Nation's reporting entity includes the First Nation's government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements consolidate the assets, liabilities, and results of operations for the following entities:

O-Chi-Chak-Ko-Sipi First Nation  
O-Chi-Chak-Ko-Sipi Health Authority  
Crane River CMHC Housing Authority  
O-Chi-Chak-Ko-Sipi Band Store  
O-Chi-Chak-Ko-Sipi Gaming  
O-Chi-Chak-Ko-Sipi Employment and Training

All inter-entity balances have been eliminated for the purposes of consolidating all of the above entities.

#### (b) Revenue Recognition

Funding received under the terms of agreements is recognized as revenue when the related expenses are incurred. Funding received but not yet expended is recorded as deferred revenue or a liability to the funding body depending upon the nature of the program revenue. Other revenue is recognized as it is earned.

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### (c) Long-Lived Assets

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's value. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings for the year.

#### (d) 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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### (e) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available.

#### General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and Leasehold Improvements	
Buildings	25 to 40 years
Leasehold Improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 to 10 years
Machinery, Equipment and Furniture	5 to 20 years
Maintenance and Road Construction Equipment	20 years
Computer Hardware and Software	4 years

#### Infrastructure Assets

Transportation	
Land	Indefinite
Road Surface	20 years
Road Grade	20 years
Bridges	30 to 45 years
Water and Sewer	
Land	Indefinite
Buildings	25 to 40 years
Underground Networks	30 years
Machinery and Equipment	20 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the Community, forests, water, and other natural resources are not recognized as tangible capital assets.

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### (f) Financial Segment Reporting

The First Nation conducts its business through 10 reportable segments as reported below. These operating segments are established by senior management to facilitate the achievement to the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The First Nation's segments are as follows:

Governance and administration - reports on governance and administration activities

Social - reports on social assistance programs

Health - Reports on health and wellness programs funded by Health Canada

Housing - Reports on activities related to developing and sustaining housing, including CMHC subsidized housing

Economic Development - Reports on services that facilitate economic development

Education - Reports on the operations of education programs

Operations and Maintenance - Reports on general operations and maintenance programs in the First Nation

Ottawa Trust - Reports on funding held in the Ottawa Trust

Training and Other - Reports on training and other activities

Gaming - Reports on the Video Lottery Terminal operations.

Inter-segment transfers are recorded at their exchange amount. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the Significant Accounting Policies.

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### 3. FINANCIAL INSTRUMENTS

The First Nation classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired or liability was incurred. The First Nation's accounting policy for each category is as follows:

#### **Assets held-for-trading**

Financial instruments classified as assets held-for-trading are reported at fair value at each balance sheet date, and any change in fair value is recognized in net income (loss) in the period during which the change occurs. Transaction costs are expensed when incurred. In these financial statements, cash and cash equivalents have been classified as held-for-trading. The carrying amount of these items approximates the fair value because of the short term maturity of these instruments.

#### **Available-for-sale investments**

Financial instruments classified as available-for-sale are reported at fair value at each balance sheet date, and any change in fair value is recognized in net assets in the period in which the change occurs. All transactions related to marketable securities are recorded on a settlement date basis. In these financial statements, there are no assets classified as available for sale.

#### **Held-to-maturity**

Financial instruments classified as held-to-maturity are financial assets with fixed or determinable payments and fixed maturities that the organization's management has the positive intention and ability to hold to maturity. These assets are initially recorded at fair value and subsequently carried at amortized cost, using the effective rate method. Transaction costs are included in the amount initially recognized. In these financial statements, no assets have been classified as held-to-maturity.

#### **Loans and receivables and other financial liabilities**

Financial instruments classified as loans and receivables and other financial liabilities are carried at amortized cost using the effective interest method. Transaction costs are expensed when incurred.

In these financial statements, accounts receivable have been classified as loans and receivables. Accounts payable and accrued liabilities have been classified as other financial liabilities. The carrying value of these items approximates the fair value because of the short term nature of these instruments and because they are subject to normal credit terms.

#### **Risk**

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### **4. ACCOUNTS RECEIVABLE**

	<b>2014</b>	<b>2013</b>
Aboriginal Affairs and Northern Development Canada	\$ 388,252	\$ 247,742
First Nations Inuit and Health Branch	9,988	8,388
First Peoples Development	-	39,643
Goods and Services Tax	279	23,250
Band Members	185	-
Solicitor General	5,649	24,580
Province of Manitoba - EMO	89,504	164,688
Trade	-	33,668
	493,857	541,959
Allowance for Bad Debts	-	33,668
	<b>\$ 493,857</b>	<b>\$ 508,291</b>

### **5. FUNDS HELD IN TRUST**

The Ottawa trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

### **6. ACCOUNTS PAYABLE**

	<i>(Restated)</i>	
	<b>2014</b>	<b>2013</b>
Trade	\$ 1,490,535	\$ 1,567,990
Accrued Interest	5,969	7,033
Payroll Liabilities	77,594	140,182
	<b>\$ 1,574,098</b>	<b>\$ 1,715,205</b>

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### 7. LONG TERM DEBT

These loans are secured by a ministerial guarantee by the Government of Canada unless otherwise noted.

	2014	2013
TD Canada Trust	\$ 99,537	\$ 114,233
Terms: Monthly payments of \$1,610 including interest		
Interest: 4.34%		
Maturity Date: January 31, 2020		
TD Canada Trust	103,472	121,299
Terms: Monthly payments of \$1,892 including interest		
Interest: 4.34%		
Maturity Date: April 30, 2019		
TD Canada Trust	33,624	48,053
Terms: Monthly payments of \$1,362 including interest		
Interest: 4.64%		
Maturity Date: May 31, 2016		
TD Canada Trust	77,726	95,627
Terms: Monthly payments of \$1,730 including interest		
Interest: 3.29%		
Maturity Date: July 31, 2018		
Canada Mortgage and Housing Corporation	6,637	12,061
Terms: Monthly payments of \$486 including interest		
Interest: 4.24%		
Maturity Date: July 1, 2015		
Canada Mortgage and Housing Corporation	214,084	228,454
Terms: Monthly payments of \$1,480 including interest		
Interest: 1.53%		
Maturity Date: July 7, 2027		
<b>Subtotal</b>	<b>\$ 535,080</b>	<b>\$ 619,727</b>

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### **7. LONG TERM DEBT - Continued**

	2014	2013
Subtotal - Continued From Last Page	\$ 535,080	\$ 619,727
Canada Mortgage and Housing Corporation	186,638	197,157
Terms: Monthly payments of \$1,278 including interest		
Interest: 2.35%		
Maturity Date: July 1, 2028		
Canada Mortgage and Housing Corporation	426,127	445,986
Terms: Monthly payments of \$2,254 including interest		
Interest: 1.65%		
Maturity Date: June 1, 2032		
TD Canada Trust	385,306	400,721
Terms: Monthly payments of \$1,947 including interest		
Interest: 1.92%		
Maturity Date: December 31, 2033		
Peace Hills	1,173,486	1,153,036
Terms: Monthly payments of \$12,818 including interest		
Interest: 7.00%		
Maturity Date: December 15, 2014		
Canada Mortgage and Housing Corporation	1,004,496	1,042,719
Terms: Monthly payments of \$5,182 including interest		
Interest: 2.11%		
Maturity Date: December 1, 2033		
Fairway Bus Loan	31,234	58,019
Terms: Monthly payments of \$2,478 including interest		
Interest: 5.75%		
Maturity Date: April 30, 2015		
Canada Mortgage and Housing Corporation	697,477	731,974
Terms: Monthly payments of \$3,856 including interest		
Interest: 1.65%		
Maturity Date: July 1, 2031		
<b>Subtotal</b>	<b>\$ 4,439,844</b>	<b>\$ 4,649,339</b>

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### **7. LONG TERM DEBT - Continued**

	<b>2014</b>	<b>2013</b>
Subtotal - Continued From Last Page	\$ 4,439,844	\$ 4,649,339
Peace Hills Trust	1,062,965	1,088,311
Terms: Monthly payments of \$7,745 including interest		
Interest: 4.65%		
Maturity Date: February 1, 2019		
Frontier School Division	780,088	1,133,604
Terms: Annual payments of \$216,887 plus interest		
Interest: Prime plus 1.00%		
Maturity Date: March 31, 2019		
	<hr/> <b>\$ 6,282,897</b>	<hr/> <b>\$ 6,871,254</b>

**O-CHI-CHAK-KO-SIPI FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2014**

**8. TANGIBLE CAPITAL ASSETS**

	<b>Vehicles and Equipment</b>	<b>Buildings</b>	<b>Roads and Bridges</b>	<b>Water and Sewer</b>	<b>Housing</b>	<b>Computers</b>	<b>2014</b>
<b>COST</b>							
Opening Balance	\$ 693,633	\$ 2,451,484	\$ 3,292,096	\$ 1,324,052	\$ 7,638,803	\$ 15,352	\$ 15,415,420
Additions	294,911	56,501	-	520,400	-	18,010	889,822
Ending Balance	988,544	2,507,985	3,292,096	1,844,452	7,638,803	33,362	16,305,242
<b>ACCUMULATED AMORTIZATION</b>							
Opening Balance	506,047	2,235,304	2,018,495	1,006,004	3,016,342	11,514	8,793,706
Amortization	40,334	63,427	70,153	54,677	255,813	7,440	491,844
Ending Balance	546,381	2,298,731	2,088,648	1,060,681	3,272,155	18,954	9,285,550
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>							
	\$ 442,163	\$ 209,254	\$ 1,203,448	\$ 783,771	\$ 4,366,648	\$ 14,408	\$ 7,019,692

**O-CHI-CHAK-KO-SIPI FIRST NATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2014**

**8. TANGIBLE CAPITAL ASSETS**

	<b>Vehicles and Equipment</b>	<b>Buildings</b>	<b>Roads and Bridges</b>	<b>Water and Sewer</b>	<b>Housing</b>	<b>Computers</b>	<b>2013</b>
<b>COST</b>							
Opening Balance	\$ 528,158	\$ 2,407,616	\$ 3,292,096	\$ 1,324,052	\$ 7,638,803	\$ 15,352	\$ 15,206,077
Additions	165,475	43,868	-	-	-	-	209,343
Ending Balance	<b>693,633</b>	<b>2,451,484</b>	<b>3,292,096</b>	<b>1,324,052</b>	<b>7,638,803</b>	<b>15,352</b>	<b>15,415,420</b>
<b>ACCUMULATED AMORTIZATION</b>							
Opening Balance	463,625	2,167,494	1,948,342	968,673	2,773,576	3,838	8,325,548
Amortization	42,422	67,810	70,153	37,331	242,766	7,676	468,158
Ending Balance	<b>506,047</b>	<b>2,235,304</b>	<b>2,018,495</b>	<b>1,006,004</b>	<b>3,016,342</b>	<b>11,514</b>	<b>8,793,706</b>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>							
	<b>\$ 187,586</b>	<b>\$ 216,180</b>	<b>\$ 1,273,601</b>	<b>\$ 318,048</b>	<b>\$ 4,622,461</b>	<b>\$ 3,838</b>	<b>\$ 6,621,714</b>

# O-CHI-CHAK-KO-SIPI FIRST NATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

### **9. REVENUE RECONCILIATION**

	<b>2014</b>	<b>2013</b>
Revenue per AANDC Cash Flow	\$ 6,650,895	\$ 6,952,734
<b>AANDC Revenue per Financial Statements</b>	<b>\$ 6,650,895</b>	<b>\$ 6,952,734</b>

	<b>2014</b>	<b>2013</b>
Revenue per FNIHB Cash Flow	\$ 834,267	\$ 897,259
<b>FNIHB Revenue per Financial Statements</b>	<b>\$ 834,267</b>	<b>\$ 897,259</b>

### **10. DEFINED CONTRIBUTION PENSION PLAN**

The First Nation has a defined contribution pension plan covering most full-time Band employees. The First Nation remits monthly contributions to the administrator of the plan and remittances were current at year-end.

### **11. CONTINGENT LIABILITIES**

#### **Potential Government Funding Recoveries**

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. At year-end, it was not yet determined to what extent any additional funding amounts, other than amounts already included in accounts payable and accruals, might be recovered by these federal government agencies.

### **12. ECONOMIC DEPENDENCE**

The First Nation receives a significant portion of its revenues pursuant to a funding arrangement with the Government of Canada.

### **13. RESTATEMENT**

Co-management fees in the amount of \$13,000 relating to the 2012-2013 that were paid and expensed in the current fiscal year have been reclassified to the proper period. The effect of the restatement was an increase to accounts payable and co-management fees on the Band Support schedule of operations of \$13,000 in the 2012-2013 year..

# **O-CHI-CHAK-KO-SIPI FIRST NATION**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2014**

### **14. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current year's presentation.