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**OKANESE FIRST NATION**  
Financial Statements  
March 31, 2014

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To The Members of  
Okanese First Nation

Management of the Okanese First Nation has the responsibility for preparing the accompanying financial statements and ensuring that all information in the related reports is consistent with the statements. This responsibility includes selecting appropriate accounting policies and making objective judgments and estimates in accordance with Canadian public sector accounting standards.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary systems of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records maintained.

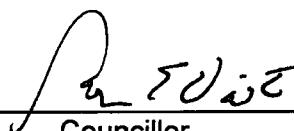
Ultimate responsibility for financial statements to the members of the First Nation lies with the council who review the financial statements in detail with management prior to their approval for publication.

External auditors are appointed by the council to audit the financial statements and are available to meet separately with both the council and management to review their findings. The external auditors have full and free access to the council to discuss their audit and their findings as to the integrity of the First Nation's financial reporting and the adequacy of the system of internal controls.



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Chief



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Councillor

**OKANESE FIRST NATION  
Financial Statements  
March 31, 2014**

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**INDEPENDENT AUDITORS' REPORT**

To the Members  
Okanese First Nation

We have audited the accompanying financial statements of the **OKANESE FIRST NATION**, which comprise the statement of financial position as at March 31, 2014 and the statements of operations, 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 Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **OKANESE FIRST NATION** as at March 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

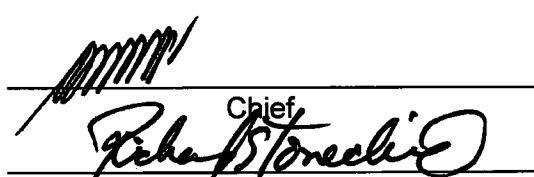
  
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Dudley & Company  
Chartered Accountants LLP

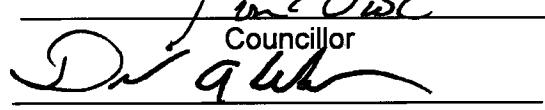
Regina, Saskatchewan  
October 7, 2014

**OKANESE FIRST NATION**  
**Statement of Financial Position**  
As at March 31, 2014

<b>FINANCIAL ASSETS</b>	<b>Notes</b>	<b>2014</b>	<b>2013</b>
Cash		\$ 493,104	\$ 378,029
Accounts receivable	2	963,218	214,041
Advances	5	1,314	3,294
Bison and resale inventory	1, 3	28,260	24,300
Funds held in trust	1, 6	43,340	42,141
Investments	1, 4	61,000	61,000
Total Financial Assets		<u>1,590,236</u>	<u>722,805</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	9	936,744	798,900
Deferred revenue	10	-	7,851
Long term debt - capital fund	8	2,389,949	2,381,592
Long term debt - operating fund	8	-	68,750
Total Liabilities		<u>3,326,693</u>	<u>3,257,093</u>
<b>NET FINANCIAL ASSETS</b>			
		( 1,736,457)	( 2,534,288)
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	1, 7	8,589,223	8,960,486
Prepayment and deferred charges	1	<u>12,913</u>	<u>-</u>
Total Non-Financial Assets		<u>8,602,136</u>	<u>8,960,486</u>
<b>ACCUMULATED SURPLUS</b>			
		<u>\$ 6,865,679</u>	<u>\$ 6,426,198</u>

Approved on behalf of the First Nation:

  
 Richard Stonechild  
 Chief  
 Councillor

  
 Don Elliot  
 Councillor  
  
 Dr. Q. L. Loh  
 Councillor

  
 Penny Hackarow  
 Councillor

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

**OKANESE FIRST NATION**  
**Statement of Operations**  
For the year ended March 31, 2014

	<u>2014 Budget</u>	<u>2014 Actual</u>	<u>2013 Actual</u>
<b>REVENUE</b>			
Aboriginal Affairs - note 11	\$ 2,842,318	\$ 3,304,433	\$ 3,290,646
Health Canada	151,423	158,907	155,525
File Hills Qu'Appelle Tribal Council	83,348	104,883	172,617
File Hills Health	166,732	174,255	169,455
C.M.H.C.	16,000	172,531	182,024
Rentals	333,550	517,298	491,646
Livestock	20,000	5,522	-
Capital asset proceeds	-	702,500	-
First Nations Trust	200,800	255,490	257,590
Other	<u>90,000</u>	<u>60,556</u>	<u>267,172</u>
<b>Total Revenue</b>	<b><u>3,904,171</u></b>	<b><u>5,456,375</u></b>	<b><u>4,986,675</u></b>
<b>EXPENSES</b>			
Membership	347,716	262,489	218,138
Education	1,164,886	1,489,597	1,501,278
Economic development	212,900	184,623	170,175
Social assistance	549,270	669,239	687,128
Community	470,600	683,351	585,069
Government	696,800	765,290	671,913
Band based capital	249,000	146,133	651,307
Community health	347,999	324,647	452,870
C.M.H.C. housing rental	-	121,461	110,921
Capital purchases and disposals	-	8,577	( 481,355)
Amortization	-	362,686	381,953
<b>Total Expenses</b>	<b><u>4,039,171</u></b>	<b><u>5,018,093</u></b>	<b><u>4,949,397</u></b>
<b>Operating surplus (deficit) before Trust Fund Changes</b>	<b>( 135,000)</b>	<b>438,282</b>	<b>37,278</b>
Increase (Decrease) in Funds in Trust	-	1,199	1,372
Surplus (Deficit) of Revenues over Expenses	<u>( 135,000)</u>	<u>439,481</u>	<u>38,650</u>
Accumulated Surplus - beginning of the year	<b><u>6,426,198</u></b>	<b><u>6,426,198</u></b>	<b><u>6,387,548</u></b>
Accumulated Surplus - end of the year	<b><u>\$ 6,291,198</u></b>	<b><u>\$ 6,865,679</u></b>	<b><u>\$ 6,426,198</u></b>

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

**OKANESE FIRST NATION**  
**Statement of Changes in Net Financial Assets**  
For the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
<b>SUPLUS (DEFICIT)</b>		
(Acquisition) of tangible capital assets	\$ 439,481	\$ 38,650
Amortization of tangible capital assets	( 186,061)	( 481,355)
Proceeds on disposal of tangible capital assets	362,686	381,953
Loss (Gain) on disposal of tangible capital assets	702,500	-
Surplus (Deficit) of Capital Expenses over Expenditures	( 507,862)	-
Use (Acquisition) of prepaid expense	<u>810,744</u>	<u>( 60,752)</u>
Surplus (Deficit) of Expenses of other non-financial assets over Expenditures	( 12,913)	19,564
Increase (Decrease) in Net Financial Assets	797,831	( 41,188)
Net Financial Assets - beginning of the year	<u>( 2,534,288)</u>	<u>( 2,493,100)</u>
Net Financial Assets - end of the year	<u><u>\$ ( 1,736,457)</u></u>	<u><u>\$ ( 2,534,288)</u></u>

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

**OKANESE FIRST NATION**  
 Statement of Cash Flows  
For the year ended March 31, 2014

**CASH FLOWS FROM (FOR) OPERATING ACTIVITIES**

	<u>2014</u>	<u>2013</u>
Increase (Decrease) in net assets	\$ 439,481	\$ 38,650
Adjustments for:		
Non-cash charges - (Gains) and losses on asset disposal	( 507,862)	0
- amortization	<u>362,686</u>	<u>381,953</u>
	<u>294,305</u>	<u>420,603</u>
Changes in non-cash working capital		
Advances	1,980	( 1,864)
Prepayments and deferred charges	( 12,913)	19,564
Accounts receivable	( 749,177)	( 85,029)
Inventory	( 3,960)	2,160
Accounts payable	137,844	115,902
Deferred revenue	( 7,851)	7,851
Cash Flows From (For) Operating Activities	<u>( 339,772)</u>	<u>479,187</u>

**CASH FLOWS FROM (FOR) INVESTING ACTIVITIES**

Trust funds	( 1,199)	( 1,372)
Capital asset sale proceeds	702,500	0
Purchase of capital assets	( 186,061)	( 481,355)
Cash Flows From (For) Investing Activities	<u>515,240</u>	<u>( 482,727)</u>

**CASH FLOWS FROM (FOR) FINANCING ACTIVITIES**

Long term borrowing	132,910	374,577
Long term loans repaid	( 193,303)	( 195,319)
Cash Flows From (For) Financing Activities	<u>( 60,393)</u>	<u>179,258</u>

Net change in cash	115,075	175,718
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<b>CASH</b> - start of year	<u>378,029</u>	<u>202,311</u>
- end of year	<u>\$ 493,104</u>	<u>\$ 378,029</u>

**ADDITIONAL INFORMATION**

Interest paid	<u>\$ 62,328</u>	<u>\$ 62,173</u>
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The accompanying notes form an integral part of these financial statements.

**OKANESE FIRST NATION**  
Notes to the Financial Statements  
March 31, 2014

**GENERAL**

The Okanese First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include the First Nation Government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared by management in accordance with the local government standards established by the Public Sector Accounting Board of the Accounting Standards Oversight Council and the "Year End Reporting Handbook" as outlined by the Department of Aboriginal Affairs and Northern Development Canada (AANDC).

The following accounting policies are considered to be significant:

**(a) Fund Accounting**

A fund basis of accounting is used. The funds are the operations, trust, and capital funds. The various programs the First Nation carries out through its operations have been amalgamated for the purpose of conciseness of presentation in the Statement of Financial Activities. Details of each program are set out in supplementary schedules.

The capital fund contains the land, buildings (including social housing), and equipment owned by the band and any long term financing to purchase these assets.

The trust fund is funds held in the Government of Canada's Consolidated Revenue Fund. The balance of these trust funds is as reported by AANDC and does not include any accruals for receivables or payables with respect to these funds. Treaty Land Entitlement trust funds are not included in these statements except for contributions from the trust, as the funds are not available to the First Nation and the First Nation does not control the trust. Separate financial statements are prepared for this trust.

The operating fund relates to the activities for the delivery of programs and services. It contains the assets, liabilities, revenues, and expenditures not included in either the capital or trust funds.

A replacement reserve fund is established in order to pay for the cost of replacing worn out capital equipment and major repairs to the C.M.H.C. houses and is not available for ordinary maintenance and minor repairs to the buildings and grounds or other uses. It is included as part of the operating fund.

**OKANESE FIRST NATION**  
**Notes to the Financial Statements**  
March 31, 2014

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

**(b) Revenue Recognition**

Revenues are recognized on the accrual basis when the transactions or events giving rise to the revenues occur, providing reasonable estimates for the amounts can be made.

Government grants (transfers) are recognized as revenue in the period during which the transfer is authorized by the transferor and any eligibility criteria are met, except when and to the extent that the transfer stipulations create a liability. A liability (deferred revenue) for the First Nation arises when transfer stipulations establish both specific performance requirements not yet met as well as identifiable and enforceable return requirements. Specific performance requirements must include both a stipulation regarding the purpose of the grant that leaves the First Nation with little or no discretion over the use of the transferred resources and a time stipulation requiring specific timing of the use of assets. When a transfer is initially recognized as a liability by the First Nation, revenue is recognized as the transfer stipulations are subsequently met. For example, transfers under shared cost agreements are recognized when the First Nation incurs eligible expenditures (including capital assets) and there is a legal agreement that the transferring government must reimburse the First Nation for the specified amount or percentage of those eligible expenditures.

The revenues for the Band Trust Funds, as indicated in Note 6, are recorded on the cash basis when they are received in the trust funds rather than when they are actually earned, as Section 2 of the Indian Act defines Indian Moneys to be all moneys collected, received or held by her Majesty for the use and benefit of bands. Aboriginal Affairs reports these funds to the First Nation on the basis of receipts and cash disbursements. The trust funds are not audited.

**(c) Expenditure Recognition**

Expenditures are recognized in the period the goods and services are acquired and a liability is incurred. They also include grants and contributions made where no direct goods or services were received directly in return. Grants are recognized as expenditures in the earliest period during which the transfer is either authorized with any eligibility criteria being met, or is paid by the First Nation. Expenditures include amounts for interest on debt outstanding, but do not include debt repayments or transfers to other funds.

**(d) Investments**

Investments are valued at the lower of cost and market value.

**(e) Consolidation of Investments**

The financial statements of entities that are directly or indirectly controlled by the First Nation are consolidated into these financial statements. Entities included in these financial statements are as follows:

<u>Entity</u>	<u>Basis of recording</u>
CMHC Phases 1 - 7	Consolidated
O.K. Creek Radio Station Inc.	Consolidated

**(f) Inventory**

Inventory is recorded at the lower of cost and net realizable value.

**OKANESE FIRST NATION**  
 Notes to the Financial Statements  
March 31, 2014

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

**(g) Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible assets that were acquired or developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization as disclosed in Note 7. No amortization is taken in the year of acquisition.

**(h) Cash and Cash Equivalents**

Short term investments with an original maturity of 12 months or less are considered to be cash equivalents.

**2. ACCOUNTS RECEIVABLE**

Accounts receivable are comprised of the following:

	<u>2014</u>	<u>2013</u>
Tuition fees receivable	\$ -	\$ 59,600
AANDC	122,030	8,851
C.M.H.C. subsidy, loan proceeds, RRAP	14,246	29,206
Insurance proceeds	678,000	-
Tribal Council	13,883	38,367
Land leases	5,527	56,944
File Hills Health/Agency/Police	51,064	10,500
Other	13,526	7,582
FHQ Casino Holdings Limited Partnership	68,798	60,000
GST receivable	5,162	11,609
Allowance for overdue accounts	( 9,018)	( 68,618)
<b>Total Accounts Receivable</b>	<b><u>\$ 963,218</u></b>	<b><u>\$ 214,041</u></b>

**3. INVENTORY**

Inventory is comprised of the following:

	<u>2014</u>	<u>2013</u>
Bison	<u>\$ 28,260</u>	<u>\$ 24,300</u>

**4. LONG TERM INVESTMENTS**

Long term investments are comprised of:

	<u>2014</u>	<u>2013</u>
Rosebud stock, equipment - estimated market	\$ 1,000	\$ 1,000
Swift Current Casino - at cost - Limited Partnership Investment	<u>60,000</u>	<u>60,000</u>
<b>Total Long Term Investments</b>	<b><u>\$ 61,000</u></b>	<b><u>\$ 61,000</u></b>
Capital Fund Investment	<u>\$ -</u>	<u>\$ -</u>
<b>Operating Fund Investments</b>	<b><u>\$ 61,000</u></b>	<b><u>\$ 61,000</u></b>

Rosebud Manufacturing is a controlled enterprise which operated a sewing factory in Balcarres. The operations have been discontinued and the First Nation is in the process of selling the assets.

**OKANESE FIRST NATION**  
 Notes to the Financial Statements  
March 31, 2014

**5. ADVANCES**

Advances are comprised of:	<u>2014</u>	<u>2013</u>
Staff and Post Secondary	\$ 1,895	\$ 2,700
Social Assistance	2,549	3,724
Other	( 130)	( 130)
Allowance for overdue advances	( 3,000)	( 3,000)
<b>Total Due</b>	<b><u>\$ 1,314</u></b>	<b><u>\$ 3,294</u></b>

**6. AANDC TRUST FUNDS**

	<u>2014</u>	<u>2013</u>
Balance - April 1 - Revenue Trust Fund	\$ 42,033	\$ 40,661
Interest	1,199	1,372
Lease collections	-	-
<b>Balance - March 31 - Revenue Trust Fund</b>	<b><u>\$ 43,232</u></b>	<b><u>\$ 42,033</u></b>
Balance - April 1 - Capital Trust Fund	\$ 108	\$ 108
Interest	-	-
Lease collections	-	-
<b>Balance - March 31 - Capital Trust Fund</b>	<b><u>\$ 108</u></b>	<b><u>\$ 108</u></b>

**7. CAPITAL ASSETS**

	<u>Cost</u>	<u>Rate S/L</u>	<u>Accumulated Amortization</u>	<u>Net 2014</u>	<u>Net 2013</u>
Water and sewer - machinery and equipment	\$ 724,090	40yrs	\$ 298,546	\$ 425,544	\$ 443,647
Water and sewer - network	1,228,608	40yrs	545,768	682,840	713,555
Water and sewer - building	29,194	40yrs	18,976	10,218	10,948
Street lights	100,000	15yrs	100,000	-	-
Roads	302,700	40yrs	244,685	58,015	63,739
Computer equipment	90,297	5yrs	63,919	26,378	30,536
Road construction - machinery and equipment	334,188	20yrs	246,421	87,767	96,577
Machinery and equipment	244,999	10yrs	200,650	44,349	35,835
Vehicles	420,155	5yrs	283,645	136,510	5,400
Buildings	1,967,504	40yrs	787,769	1,179,735	1,395,883
Buildings - steel	38,000	40yrs	14,252	23,748	24,698
Land	2,977,634	-	-	2,977,634	2,977,634
Band houses	1,175,119	15yrs	1,175,119	-	9,314
CMHC houses	4,179,821	15yrs	1,243,336	2,936,485	3,152,720
<b>Total Capital Assets</b>	<b><u>\$ 13,812,309</u></b>		<b><u>\$ 5,223,086</u></b>	<b><u>\$ 8,589,223</u></b>	<b><u>\$ 8,960,486</u></b>

In the year, capital assets were purchased in the amount of \$186,061 and assets with a cost base of \$480,565 were disposed.

**OKANESE FIRST NATION**  
 Notes to the Financial Statements  
March 31, 2014

**8. LONG TERM LIABILITIES**

	<u>2014</u>	<u>2013</u>
(a) C.M.H.C. Phase 1 - repayable \$327 per month including interest at 2.57%. Renewal date of December 1, 2014.	\$ 36,391	\$ 39,348
(b) C.M.H.C. Phase 2 - repayable \$1,171 per month including interest at 2.56%. Renewal date of December 1, 2015.	138,219	148,609
(c) C.M.H.C. Phase 3 - repayable \$1,241 per month including interest at 2.11%. Renewal date of January 1, 2019.	186,934	197,347
(d) C.M.H.C. Phase 4 - repayable \$1,231 per month including interest at 1.64%. Renewal date of February 1, 2017.	169,914	181,805
(e) C.M.H.C. Phase 5 - repayable \$4,514 per month including interest at 2.04%. Renewal date of March 1, 2019.	696,555	736,520
(f) C.M.H.C. Phase 6 - repayable \$3,676 per month including interest at 1.67%. Renewal date of April 1, 2017.	682,728	715,183
(g) C.M.H.C. Phase 7 - repayable \$1,798 per month including interest at 1.44%. Renewal date of July 1, 2017.	346,298	362,780
(h) First Nations Bank - due at \$11,076 per quarter plus monthly interest payments at 5.39%, due January 1, 2017.	132,910	-
(i) First Nations Bank - due at \$6,250 per month plus interest at P+.75%. Due February 28, 2014.	-	68,750
	<u>2,389,949</u>	<u>2,450,342</u>
Less capital fund portion	<u>2,389,949</u>	<u>2,381,592</u>
Operating Fund Portion	<u>\$ -</u>	<u>\$ 68,750</u>

The estimated principal repayments for the next five years are as follows:

2015	\$ 154,000
2016	164,300
2017	179,625
2018	192,540
2019 to maturity	<u>1,699,484</u>
Total	<u>\$ 2,389,949</u>

The above loans are secured by the assets in which the funds were used to purchase.

**9. ACCOUNTS PAYABLE**

Accounts payable are comprised of the following:	<u>2014</u>	<u>2013</u>
Prairie Valley School Division	\$ 803,484	\$ 697,039
AANDC recovery	4,986	-
Wages and employee deductions	5,926	-
GST payable	792	3,883
Trade payables	107,597	83,857
C.M.H.C. loan payment accrual	<u>13,959</u>	<u>14,121</u>
Total Accounts Payable	<u>\$ 936,744</u>	<u>\$ 798,900</u>

**10. DEFERRED REVENUE**

Revenue has been deferred for the following:

	<u>2014</u>	<u>2013</u>
Land lease - Gibbons	\$ -	\$ 6,851
Rent - File Hills Police	-	1,000
Total Deferred Revenue	<u>\$ -</u>	<u>\$ 7,851</u>

**OKANESE FIRST NATION**  
 Notes to the Financial Statements  
March 31, 2014

**11. AANDC FINANCIAL TRANSFER AGREEMENT**

	<u>2013</u>	<u>2012</u>
Revenue per agreement	\$ 3,309,419	\$ 3,290,646
ECIP - recovery	( 4,986)	-
Revenue per Financial Statements	<u>\$ 3,304,433</u>	<u>\$ 3,290,646</u>

**12. PENSION PLAN**

The First Nation is an employer member of Industrial Alliance Insurance and Financial Services Inc.(IA), which is a multiemployer defined contribution pension plan. The Commission of IA, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The First Nation's pension expense in 2014 was \$32,518. The benefits accrued to the First Nation's employees are based on the contributions made along with any amounts earned on those funds.

**13. USE OF ESTIMATES**

The amounts recorded for the allowance for doubtful accounts, estimated useful life of capital assets and deferred revenue are based on management's best estimate. These estimates are reviewed periodically and as adjustments become necessary they are reported in earnings in the period in which they become known. By their nature, estimates are subject to measurement uncertainty and the effect on the financial statements of any changes in estimates could be significant.

**14. FAIR VALUE**

The fair value of the financial assets and liabilities, except the investments, approximates their carrying value due to their short term nature. It is not practicable to determine fair value with sufficient reliability for the investments (Note 4) because of the limited market for them. The fair value of the First Nation's long term debt is not disclosed as it is not practicable to determine fair value with sufficient reliability. The terms of the long term debt are disclosed in Note 8.

**15. CREDIT RISK**

The First Nation is exposed to credit risk on the accounts and advances receivable. The First Nation does not have a significant exposure to credit risk.

**16. INTEREST RATE RISK**

The First Nation is not exposed to significant interest rate risk on its monetary current assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long term debt that has a fixed interest rate. The interest rates and maturity dates of the debt are disclosed in Note 8.

**17. ECONOMIC DEPENDENCE**

The First Nation is dependant on funding from Aboriginal Affairs and Northern Development Canada.

**OKANESE FIRST NATION**  
 Notes to the Financial Statements  
March 31, 2014

**18. CONTINGENT LIABILITIES**

- a) The First Nation is contingently liable for loans from C.M.H.C. to repair member houses. As these loans are being forgiven by C.M.H.C. over a four year period starting with an estimated interest effective date depending on the advance of the funding, this contingent liability has not been recorded in these statements.
- b) In the Fall of 2004 Aboriginal Business Canada paid out the balance of the Bank of Nova Scotia loan guarantee. As it is unlikely that Aboriginal Business Canada will demand payment from Okanese First Nation the liability was reversed. Aboriginal Business Canada could possibly still demand payment from Okanese so there is a contingent liability of about \$361,814.
- c) Okanese has agreed to "make its best efforts to pay Peace Hills Trust over time" the amount of \$36,921 with payments of \$500 per month including interest at 5%. As any repayment is limited to the amount of revenue that Okanese receives, the only expenditure or liability that has been recorded in regards to this commitment is equal to the amount of the revenue received.

**19. EXPENSES BY TYPE**

	<u>2014</u>	<u>2013</u>
Assistance	\$ 882,897	\$ 814,345
Allowance for overdue receivables and investment	-	1,500
Interest and bank charges	62,328	62,173
Bus costs	22,986	41,693
Contract	643,307	739,893
Equipment	102,302	6,389
Housing	-	9,280
Insurance	105,501	109,957
Maintenance	124,510	133,489
Material	428,895	281,282
Other	86,442	54,696
Travel and meeting	240,145	304,242
Tuition	859,172	824,160
Wages	905,866	994,822
Property taxes	2,360	3,072
Utilities, fuel and telephone	188,696	186,451
Amortization	<u>362,686</u>	<u>381,953</u>
<b>Total Expenses</b>	<b><u>\$ 5,018,093</u></b>	<b><u>\$ 4,949,397</u></b>