

**SAMAHQUAM INDIAN BAND**

**FINANCIAL STATEMENTS**  
**MARCH 31, 2016**

# **SAMAHQUAM INDIAN BAND**

## **ANNUAL FINANCIAL REPORT**

**March 31, 2016**

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### **SUMMARY FINANCIAL STATEMENTS**

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# SAMAHQUAM

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Samahquam Indian Band

March 31, 2016

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Samahquam Indian Band for the year ended March 31, 2016 and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

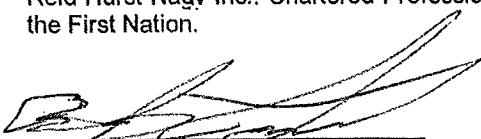
The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB). Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Samahquam Indian Band 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 Samahquam Indian Band's assets are appropriately accounted for and adequately safeguarded.

The Samahquam Indian Band 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 Council reviews the First Nation's financial statements. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report. The Council approves the consolidated financial statements for issuance to the Members. The Council also considers, for review and approval by the Members, the engagement of the external auditors.

The consolidated financial statements have been audited by Reid Hurst Nagy Inc., Chartered Professional Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the Members. Reid Hurst Nagy Inc., Chartered Professional Accountants have full and free access to the books and records of the First Nation.



Chief

Nov 18/2016  
Date



Councillor

Nov 18/2016  
Date

## INDEPENDENT AUDITORS' REPORT

### SAMAHQAM INDIAN BAND

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#### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Samahquam Indian Band, which comprise the statement of financial position as at March 31, 2016, and the consolidated statements of operations and changes in fund balances, 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.

#### Auditors' 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 consolidated financial statements. The procedures selected depend on the auditors' 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 auditors consider internal controls 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 controls.

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.

#### Basis for Qualified Opinion

Beginning April 1, 2009, generally accepted accounting principles for government entities required that the Band record the net value of tangible capital assets in its financial statements. The Band has not applied these new financial statement reporting standards. Because the Band did not provide us with a completed capital asset register reflecting the total cost of tangible capital assets owned by the Band and appropriate accumulated amortization and any impairment attributable to each of those assets, we were unable to determine the net value of the tangible capital assets that should have been recorded as an asset and the related amortization or impairment that should have been recorded as an expense in the current and prior year. Upon adoption of PS 1200 Financial Statement Presentation, the Band did not fully adopt all aspects of the standard as they relate to the aforementioned tangible capital assets as they have reported capital purchases and long-term debt payments as expenses and have failed to appropriately report depreciation as an expense.

## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Samahquam Indian Band as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



REID HURST NAGY INC.  
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, B.C.  
NOVEMBER 18, 2016

# SAMAHQUAM INDIAN BAND

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION March 31, 2016

Statement 1

|   | 2016             | 2015      |
|---|------------------|-----------|
|   | \$               | \$        |
| <b>FINANCIAL ASSETS</b>                           |                  |           |
| Cash  | 596,495          | 460,157   |
| Marketable securities - Samahquam Community Trust | 1,040,849        | 1,033,642 |
| Ottawa Trust funds (Note 6)                       | 391,264          | 382,534   |
| Accounts receivable                               | 204,083          | 105,323   |
| Due from employees                                | 292              | -         |
| Due from former employee (Note 2)                 | 61,040           | 61,209    |
|   | <b>2,294,023</b> | 2,042,865 |
| <b>LIABILITIES</b>                                |                  |           |
| Accounts payable                                  | 122,333          | 65,075    |
| Deferred revenue (Note 5)                         | 542              | 542       |
| Long-term debt (Note 7)                           | 318,305          | 364,560   |
|   | <b>441,180</b>   | 430,177   |
| <b>NET FINANCIAL ASSETS</b>                       | <b>1,852,843</b> | 1,612,688 |
| <b>NON-FINANCIAL ASSETS</b>                       |                  |           |
| Capital assets (Note 3)                           | 3,371,499        | 3,467,378 |
| Prepaid expenses                                  | 3,272            | 27,538    |
|   | <b>3,374,771</b> | 3,494,916 |
| <b>EQUITY (Note 10)</b>                           | <b>5,227,614</b> | 5,107,604 |

APPROVED ON BEHALF OF  
THE SAMAHQUAM INDIAN BAND

 Chief  
 Councillor

The notes to the financial statements are an integral part thereof.

# SAMAHQUAM INDIAN BAND

## CONSOLIDATED STATEMENT OF OPERATIONS For the year ended March 31, 2016

Statement 2

|   | 2016             | 2015             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>REVENUE</b>  |                  |                  |
| Indigenous and Northern Affairs Canada                        | 575,448          | 527,077          |
| B.C. Hydro  | 313,905          | 266,174          |
| Capital fund additions  | 4,281            | 4,529            |
| First Nations Education Steering Committee                    | 2,647            | -                |
| First Nations Health Authority                                | 32,765           | 22,466           |
| In-SHUCK-ch Development Corporation                           | 106,453          | 106,453          |
| Independent power project                                     | -                | 50,000           |
| Miscellaneous income  | 303,533          | 85,457           |
| Community Trust Funds   | 18,779           | 21,047           |
| Rental income   | 22,721           | 6,732            |
| Social Housing  | 97,365           | 118,113          |
| Southern Stl'atl'imx Health Society                           | 67,211           | 4,560            |
| Trust Funds   | 8,730            | 9,845            |
| Allocation from deferred revenue                              | 542              | 542              |
| Allocation to deferred revenue                                | (542)            | (542)            |
|   | <b>1,553,838</b> | <b>1,222,453</b> |
| <br><b>EXPENDITURES</b>                                       |                  |                  |
| Band programs   | 850,252          | 614,844          |
| Education   | 171,746          | 148,498          |
| Social development  | 232,191          | 217,066          |
| Capital programs  | 4,223            | 4,223            |
| Social housing  | 67,964           | 59,237           |
| Capital fund  | 95,880           | 167,235          |
| Community Trust Funds   | 11,572           | 19,287           |
|   | <b>1,433,828</b> | <b>1,230,390</b> |
| <b>ANNUAL EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES</b> | <b>120,010</b>   | <b>(7,937)</b>   |

# SAMAHQUAM INDIAN BAND

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS March 31, 2016

Statement 3

|   | 2016<br>\$       | 2015<br>\$ |
|---|------------------|------------|
| <b>ANNUAL (SHORTFALL) EXCESS OF REVENUE OVER EXPENDITURES</b> | <b>120,010</b>   | (7,937)    |
| Acquisition of tangible capital asset                         | -                | -          |
| Amortization of tangible capital assets                       | 95,880           | 167,235    |
|   | <b>215,890</b>   | 159,298    |
| Acquisition of prepaid asset                                  | 24,265           | (7,236)    |
| <b>INCREASE IN NET FINANCIAL ASSETS</b>                       | <b>240,155</b>   | 152,062    |
| <b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>                | <b>1,612,688</b> | 1,460,626  |
| <b>NET FINANCIAL ASSETS, AT END OF YEAR</b>                   | <b>1,852,843</b> | 1,612,688  |

# SAMAHQUAM INDIAN BAND

## CONSOLIDATED STATEMENT OF CASH FLOWS March 31, 2016

Statement 4

|  | 2016             | 2015      |
|--|------------------|-----------|
|  | \$               | \$        |
| <b>OPERATING ACTIVITIES</b>  |                  |           |
| Excess (Shortfall) of revenue over expenditures                            | 120,010          | (7,937)   |
| Non-cash items:  |                  |           |
| Depreciation   | 95,880           | 167,235   |
| Adjustment for Capital and Investment Transactions included in Operations: |                  |           |
| Changes in operating net assets  | (19,037)         | 16,436    |
|  | <b>196,853</b>   | 175,734   |
| <b>FINANCING ACTIVITIES</b>  |                  |           |
| Principal repayment on capital asset loan                                  | (4,281)          | (4,529)   |
| Repayment of Social Housing long-term debt                                 | (40,297)         | (46,264)  |
|  | <b>(44,578)</b>  | (50,793)  |
| <b>CHANGES IN CASH AND CASH EQUIVALENTS DURING YEAR</b>                    |                  |           |
|  | <b>152,275</b>   | 124,941   |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>                      |                  |           |
|  | <b>1,876,333</b> | 1,751,392 |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>                            |                  |           |
|  | <b>2,028,608</b> | 1,876,333 |
| <b>REPRESENTED BY:</b>   |                  |           |
| Cash   | 596,495          | 460,157   |
| Marketable securities - Samahquam Community Trust                          | 1,040,849        | 1,033,642 |
| Ottawa Trust funds   | 391,264          | 382,534   |
|  | <b>2,028,608</b> | 1,876,333 |

# **SAMAHQUAM INDIAN BAND**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** **March 31, 2016**

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### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

These Consolidated Financial Statements have been prepared in accordance with Canadian generally accepted accounting principles for government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

#### **a) Fund Accounting**

The Samahquam Indian Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds 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 supplementary schedules. Samahquam Indian Band maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation Administration.
- The Capital Fund which reports the capital assets of the First Nation, together with their related financing.
- The Social Housing Fund which reports the social housing assets of the First Nation, together with related activities.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.

#### **b) Reporting Entity and Principles of Financial Reporting**

The Samahquam Indian Band reporting entity includes the Samahquam Indian Band 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 combine the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Samahquam Indian Band Operating Fund
- Samahquam Indian Band Social Housing Fund
- Samahquam Indian Band Capital Fund
- Samahquam Indian Band Trust Fund

All inter-entity balances have been eliminated on combination, but in order to present the results of operations for each specified fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

# **SAMAHQUAM INDIAN BAND**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** **March 31, 2016**

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### **c) Tangible Capital Assets**

Tangible Capital assets are expensed at the time of purchase and are also capitalized at cost on the Statement of Financial Position.

The acquisition costs of tangible capital assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Capital Fund with a corresponding increase in Equity in Capital Assets.

Tangible capital assets are depreciated annually with a resulting reduction of equity in capital assets.

Tangible capital assets acquired as part of the Social Housing Fund are recorded as assets of that fund.

### **d) Depreciation**

Tangible capital assets are recorded and depreciated annually with a corresponding reduction in Equity in Capital Assets. Assets are depreciated over their expected useful life using the straight line method at the following rates:

|   |     |
|---|-----|
| Buildings (other than C.M.H.C. housing) | 5%  |
| Equipment and furniture                 | 20% |
| Infrastructure                          | 5%  |
| Software                                | 50% |
| Trailer                                 | 10% |
| Vehicles                                | 30% |

Social Housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are not being depreciated.

### **e) Revenue Recognition**

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Consolidated Statement of Financial Position.

### **f) Comparative Figures**

Prior year's comparative amounts have been reclassified where necessary to conform to the current year's presentation.

### **g) Economic Dependence**

Samahquam Indian Band receives a major portion of its revenues pursuant to a funding arrangement with Indigenous and Northern Affairs Canada.

# SAMAHQUAM INDIAN BAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS March 31, 2016

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### h) Budget Figures

Budget amounts have been derived from the official budget adopted by Council at the beginning of the current year. The budget figures have not been subject to any audit verification.

### NOTE 2: DUE FROM FORMER EMPLOYEE

In accordance with the terms of a reconciliation agreement, the amount due from a former employee represents unauthorized expenditures by that former employee which are anticipated to be recovered. At the date of the auditor's report, it is undeterminable what portion of the outstanding amount will be recovered. As such, no allowance for doubtful amounts has been recognized in the accounts.

### NOTE 3: CAPITAL ASSETS

|                            | <u>COST</u><br>\$ | <u>ACCUMULATED<br/>DEPRECIATION</u><br>\$ | <u>2016<br/>NET</u><br>\$ | <u>2015<br/>NET</u><br>\$ |
|----------------------------|-------------------|---|---------------------------|---------------------------|
| Assets under construction  | 1,108,404         | -   | <b>1,108,404</b>          | 1,108,404                 |
| Computer equipment         | 8,414             | 8,414                                     | -                         | -                         |
| Computer software          | 8,769             | 8,769                                     | -                         | -                         |
| Infrastructure             | 1,601,473         | 1,046,171                                 | <b>555,302</b>            | 583,476                   |
| Housing                    | 668,556           | 165,394                                   | <b>503,162</b>            | 570,018                   |
| Learning centre            | 8,501             | 2,974                                     | <b>5,527</b>              | 6,376                     |
| Office equipment           | 26,845            | 26,845                                    | -                         | -                         |
| Radio equipment            | 10,878            | 10,878                                    | -                         | -                         |
| Trailer                    | 80,673            | 80,673                                    | -                         | -                         |
| Vehicles                   | 119,614           | 119,614                                   | -                         | -                         |
| Capital Fund Assets        | 3,642,127         | 1,469,732                                 | <b>2,172,395</b>          | 2,268,274                 |
| Social Housing Fund Assets | 1,199,104         | -   | <b>1,199,104</b>          | 1,199,104                 |
| Total Capital Assets       | 4,841,231         | 1,469,732                                 | <b>3,371,499</b>          | 3,467,378                 |

### NOTE 4: CHANGE IN ACCOUNTING POLICIES

#### Liability for Contaminated Site:

Effective April 1, 2014 the First Nation adopted new Public Sector Accounting Handbook Standard PS 3260, Liability for Contaminated Sites. The standard requires the recognition of a liability for the remediation of contamination sites in the financial statements when the recognition criteria outlined in the standard is met. This change in accounting policy has been applied prospectively. There was no impact on adoption of this standard to the financial statements of the First Nation as no sites meeting the criteria were recognized by the First Nation.

# SAMAHQUAM INDIAN BAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS March 31, 2016

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### NOTE 5: DEFERRED REVENUE

|                          | 2016       | 2015 |
|--------------------------|------------|------|
| Community Expansion 4903 | <b>542</b> | 542  |

### NOTE 6: TRUST FUNDS

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.

### NOTE 7: LONG-TERM DEBT

|   | 2016           | 2015    |
|---|----------------|---------|
|   | \$             | \$      |
| TD Canada Trust - repayable in monthly instalments of \$407.65 including interest at 2.89% per annum, matured February 1, 2016, secured by a first mortgage on one housing unit. Subsequent to the year-end, the balance has been paid in full. | <b>5,981</b>   | 10,262  |
| All Nations Trust Company - repayable in monthly instalments of \$2,259.13 including interest at 2.69% per annum, maturing April 1, 2020 secured by a Ministerial Guarantee from Indigenous and Northern Affairs Canada.                        | <b>104,284</b> | 128,707 |
| All Nations Trust Company - repayable in monthly instalments of \$2,111.60 including interest at 1.64% per annum, maturing December 1, 2026, secured by a Ministerial Guarantee from Indigenous and Northern Affairs Canada.                    | <b>208,040</b> | 225,591 |
|   | <b>318,305</b> | 364,560 |

### FUTURE PRINCIPAL REPAYMENTS

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

|            | \$             |
|------------|----------------|
| 2017       | <b>42,457</b>  |
| 2018       | <b>43,417</b>  |
| 2019       | <b>44,400</b>  |
| 2020       | <b>45,600</b>  |
| And beyond | <b>142,431</b> |
|            | <b>318,305</b> |

# **SAMAHQUAM INDIAN BAND**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** **March 31, 2016**

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### **NOTE 8: SEGMENTED INFORMATION**

The Samahquam Indian Band is a First Nations government institution that provides a range of programs and services to its members, including band support, social services, education, capital projects and natural resources. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

#### **Band Support:**

Band Support supports the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

#### **Social Services:**

Social Services provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

#### **Education:**

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs, it also provides services for students at the elementary/secondary and post secondary level, including; instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

#### **Capital Projects:**

Capital Projects manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nation's infrastructure.

#### **Housing:**

Housing is responsible for the administration and management of Social Housing units.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

# SAMAHQUAM INDIAN BAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

### NOTE 7: SEGMENTED INFORMATION (Continued)

|  | Band<br>Programs | Education | Social<br>Services | Health | Capital<br>Projects | Other    | Social<br>Housing | Total<br>2016 | Total<br>2015 |
|--|------------------|-----------|--------------------|--------|---------------------|----------|-------------------|---------------|---------------|
| <b>REVENUE</b>                                     |                  |           |                    |        |                     |          |                   |               |               |
| Indigenous and Northern Affairs Canada             | 275,204          | 158,342   | 141,902            | -      | -                   | -        | -                 | 575,448       | 527,077       |
| B.C. Hydro   | 313,905          | -         | -                  | -      | -                   | -        | -                 | 313,905       | 266,174       |
| Capital fund additions                             | -                | -         | -                  | -      | -                   | 4,281    | -                 | 4,281         | 4,529         |
| First Nations Education Steering Committee Society | -                | 2,647     | -                  | -      | -                   | -        | -                 | 2,647         | -             |
| First Nations Health Authority                     | -                | -         | -                  | 32,765 | -                   | -        | -                 | 32,765        | 22,466        |
| In-Shuck-ch Development Corporation                | 106,453          | -         | -                  | -      | -                   | -        | -                 | 106,453       | 106,453       |
| Independent power project                          | -                | -         | -                  | -      | -                   | -        | -                 | -             | 50,000        |
| Miscellaneous income                               | 303,533          | -         | -                  | -      | -                   | -        | -                 | 303,533       | 85,457        |
| Rent income  | 22,721           | -         | -                  | -      | -                   | -        | -                 | 22,721        | 6,732         |
| Social Housing                                     | -                | -         | -                  | -      | -                   | -        | 97,365            | 97,365        | 118,113       |
| Southern Stl'atl'imx Health Society                | -                | -         | -                  | 67,211 | -                   | -        | -                 | 67,211        | 4,560         |
| Trust funds  | -                | -         | -                  | -      | -                   | 8,730    | -                 | 8,730         | 9,845         |
| Community trust funds                              | -                | -         | -                  | -      | -                   | 18,779   | -                 | 18,779        | 21,047        |
|  | ,021,816         | 158,342   | 141,902            | 99,976 | -                   | 31,790   | 97,365            | 1,553,838     | 1,222,453     |
| <b>EXPENSES</b>                                    |                  |           |                    |        |                     |          |                   |               |               |
| Salaries and benefits                              | 222,195          | 12,885    | 18,430             | 37,301 | -                   | -        | -                 | 290,811       | 248,509       |
| Other  | 635,214          | 158,708   | 128,667            | 40,789 | 4,223               | 11,572   | 67,964            | 1,047,137     | 814,646       |
| Amortization                                       | -                | -         | -                  | -      | -                   | 95,880   | -                 | 95,880        | 167,235       |
|  | 857,409          | 171,593   | 147,097            | 78,090 | 4,223               | 107,452  | 67,964            | 1,433,828     | 1,230,390     |
|  | 164,407          | (13,251)  | (5,195)            | 21,886 | (4,223)             | (75,662) | 29,401            | 120,010       | (7,937)       |

# SAMAHQUAM INDIAN BAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS March 31, 2016

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### NOTE 9: EXPENDITURES BY OBJECT

|  | 2016             | 2015      |
|--|------------------|-----------|
|  | \$               | \$        |
| Administration                         | 154,205          | 31,365    |
| Amortization                           | 95,880           | 167,235   |
| Bank charges and interest              | 14,735           | 10,530    |
| Bus expenses                           | -                | 6         |
| Community meetings                     | 36,097           | 58,773    |
| Contracted services                    | 5,083            | 1,466     |
| Contribution to Social Housing program | 15,386           | 14,664    |
| Culture and Heritage                   | 14,512           | 28,530    |
| Debt servicing                         | 8,504            | 8,752     |
| Equipment leasing                      | 9,911            | 6,386     |
| Garbage disposal                       | 71,975           | 22,344    |
| Honoraria                              | 51,000           | 62,757    |
| Indian registry                        | 2,771            | 2,651     |
| Insurance                              | 49,249           | 42,551    |
| Office and miscellaneous               | 35,663           | 9,143     |
| Professional fees                      | 47,819           | 67,012    |
| Program expenditures                   | 390,015          | 335,874   |
| Repairs and maintenance                | 77,353           | 33,808    |
| Supplies                               | 3,095            | 2,054     |
| Telephone                              | 10,858           | 14,640    |
| Travel                                 | 36,360           | 77,782    |
| Utilities                              | 63,545           | 40,864    |
| Wages and benefits                     | 239,812          | 191,203   |
| <br>                                   |                  |           |
| Total                                  | <b>1,433,828</b> | 1,230,390 |

# SAMAHQUAM INDIAN BAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS March 31, 2016

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### NOTE 10: MEMBERS' EQUITY

|  | 2016             | 2015             |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>Restricted</b>                                  |                  |                  |
| Social Housing Fund                                | 2,300            | (56,784)         |
| Social Housing Fund - Equity in Housing Facilities | 886,781          | 844,802          |
| Trust Fund   | 391,264          | 382,536          |
| Samahquam Community Trust Fund                     | 1,040,849        | 1,033,642        |
|  | <hr/>            | <hr/>            |
|  | 2,321,194        | 2,204,196        |
| <br><b>Unrestricted</b>                            |                  |                  |
| Operating Fund                                     | 740,006          | 645,395          |
| Capital Fund                                       | 2,166,414        | 2,258,013        |
|  | <hr/>            | <hr/>            |
| <b>TOTAL EQUITY</b>                                | <b>5,227,614</b> | <b>5,107,604</b> |
| <hr/>  |                  |                  |

### NOTE 11: REPLACEMENT RESERVE FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets.

These funds are to be held in a separate interest-bearing bank account or term deposit with the interest earned to be credited as revenue to the Replacement Reserve Fund. As at March 31, 2016, funds totaling \$190,515 (2015 - \$329,831) segregated for this purpose, are still to be deposited to a separate interest-bearing account.

### NOTE 12: OPERATING RESERVE FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

As at the Audit Report date, the Fund is under funded by \$13,744 (2015 underfunded by \$17,304).