

Penticton Indian Band
Consolidated Financial Statements
For the year ended March 31, 2019

Penticton Indian Band
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For the year ended March 31, 2019

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Penticton Indian Band are the responsibility of management and have been approved by the Chief and another Band Councilor on behalf of the Band Council.

These 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 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 consolidated financial statements are presented fairly, in all material respects.

Penticton Indian Band maintains systems of internal accounting and administrative controls, consistent with reasonable costs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Band's assets are appropriately accounted for and adequately safeguarded.

Penticton Indian Band is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Council carries out this responsibility principally through its Finance Committee.

The Finance Committee reviews the Band's consolidated financial statements and recommends their approval to Council. The Committee 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 annual report, consolidated financial statements and external auditor's report. The Committee reports its findings to the Council for consideration when approving the consolidated financial statements for issuance to the members. The Committee also considers, for review by the Council, the engagement of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP has full and free access to the Band Council.



Chief

Band Councilor

Independent Auditor's Report

To the Members of Penticton Indian Band

We have audited the accompanying consolidated financial statements of Penticton Indian Band "the Band", which comprise the consolidated statement of financial position as at March 31, 2019, the consolidated statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Band as at March 31, 2019, and the results of its operations, change in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of Matter- Restated Comparative Information

We draw attention to Note 2 to the consolidated financial statements, which explains that certain comparative information presented for the year ended March 31, 2018 has been restated. Our opinion is not modified in respect of this matter.

Other Matters

These consolidated financial statements include unaudited supplementary schedules which present detailed program revenues and expenditures and have been prepared to assist management of the Consolidated Entity to meet the reporting requirements of various funding agencies. Our report is intended solely for management of the Consolidated Entity and various funding agencies. As a result, the consolidated financial statements should not be distributed to or used by other parties.

Penticton Indian Band has also prepared another set of consolidated financial statements for the year ended March 31, 2019 in accordance with Canadian public sector accounting standards. However, those consolidated financial statements do not include unaudited supplementary schedules. Our audit report on the other set of financial statements was issued to Chief and Council of the Band and was dated September 3, 2019.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated financial statements, management is responsible for assessing the Band's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Band or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Band's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Band's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Band's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Band to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Band to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Penticton, British Columbia
September 3, 2019

Penticton Indian Band

Consolidated Statement of Financial Position

<u>March 31</u>	<u>2019</u>	<u>Restated 2018</u>
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Financial assets

Cash and cash equivalents (Note 4)	\$ 6,512,591	\$ 2,108,774
Short term investments (Note 4)	4,710,471	6,141,898
Accounts receivable (Note 6)	2,906,270	4,208,820
Debt Reserve Fund (Note 9)	595,146	574,171
Investment in Band owned entities (Note 22)	15,110,497	10,212,571
Funds held in trust (Note 5)	292,560	288,706
Loans receivable from band members (Note 7)	77,367	84,473
	<u>30,204,902</u>	<u>23,619,413</u>

Liabilities

Accounts payable and accrued liabilities (Note 8)	3,879,900	2,895,178
Line of credit (Note 13)	823,664	971,840
Deferred revenue (Note 10)	1,089,189	540,810
Long-term debt (Note 15)	15,384,841	15,306,773
	<u>21,177,594</u>	<u>19,714,601</u>

Net financial assets

	<u>9,027,308</u>	<u>3,904,812</u>
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Non-financial assets

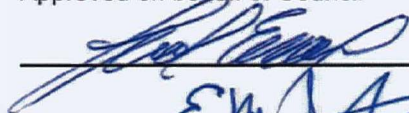



Prepaid expenses	232,129	558,702
Tangible capital assets (Note 14)	45,373,072	41,612,683
	<u>45,605,201</u>	<u>42,171,385</u>

Accumulated surplus

	<u>\$ 54,632,509</u>	<u>\$ 46,076,197</u>
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Contingencies (Note 19)

Approved on behalf of Council

	Chief
	Band Councilor
	Chief Financial Officer
	Finance and Audit Committee

Penticton Indian Band
Consolidated Statement of Operations

For the year ended March 31	(Note 23) Budget	2019	Restated 2018
Revenues			
Federal Government			
Indigenous Services Canada	\$ 8,953,537	\$ 9,391,820	\$ 6,642,471
Canada Mortgage and Housing Corporation	159,084	318,121	401,270
Government of Canada	247,413	-	-
First Nations Health Authority	1,084,897	1,141,281	1,042,275
Provincial Government			
First Nations Education Steering Committee	513,836	748,097	473,069
Okanagan Training & Development Council	88,374	97,593	156,156
Province of British Columbia	1,290,499	1,478,716	3,321,509
Other			
Housing charges and rental	392,812	406,720	398,298
Interest and investment income	74,650	164,711	143,099
Other contracts and miscellaneous	1,877,165	2,792,419	2,846,006
Land Lease	-	4,800,000	-
Property taxes (Note 11)	1,422,423	926,013	798,579
Royalties	529,600	607,650	548,113
Total revenues for the year	16,634,290	22,873,141	16,770,845
Expenditures (Note 24)			
Administration	3,066,176	3,583,191	3,194,993
Community health	1,592,644	1,626,907	1,611,271
Economic development	578,955	91,719	24,907
Education	3,461,977	4,493,753	3,811,193
Forestry	-	-	79,263
Housing	648,095	780,782	525,133
Land, estate and membership	958,120	1,185,825	912,298
K'ul Group Ltd.	38,799	1,479,808	435,540
Public works	1,112,966	1,336,782	1,289,678
O.N.T.E.H	624,030	657,213	747,825
Social development	1,425,800	1,482,967	1,414,315
Total expenditures for the year	13,507,562	16,718,947	14,046,416
Excess of revenue for the year	3,126,728	6,154,194	2,724,429
Net income from Band owned entities (Note 22)		2,402,118	2,047,494
Annual surplus		8,556,312	4,771,923
Accumulated surplus, beginning of year as previously stated		46,617,007	41,304,274
Prior period adjustment (Note 2)		(540,810)	-
Accumulated surplus, beginning of year restated		46,076,197	41,304,274
Accumulated surplus, end of year		\$ 54,632,509	\$ 46,076,197

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

Penticton Indian Band
Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	(Note 23) Budget	2019	Restated 2018
Annual surplus	\$ 3,126,728	\$ 8,556,312	\$ 4,771,923
Acquisition of tangible capital assets	(4,636,993)	(5,540,366)	(3,523,200)
Amortization of tangible capital assets	-	1,773,341	1,695,020
Disposal of tangible capital assets	-	6,636	-
	(4,636,993)	(3,760,389)	(1,828,180)
Use (acquisition) of prepaid expenses	-	326,573	(449,317)
Net change in net financial assets	(1,510,265)	5,122,496	2,494,426
Net financial assets, beginning of year		3,904,812	1,410,386
Net financial assets, end of year		\$ 9,027,308	\$ 3,904,812

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

Penticton Indian Band

Consolidated Statement of Cash Flows

For the year ended March 31	2019	Restated 2018
Cash flows from operating activities		
Cash received during the year	\$ 24,559,350	\$ 18,054,261
Cash paid to suppliers and employees	(13,077,897)	(14,906,680)
Interest paid	(552,369)	(481,765)
Interest received	167,309	143,099
	<u>11,096,393</u>	<u>2,808,915</u>
Cash flows from capital activities		
Purchase of tangible capital assets	<u>(5,540,366)</u>	<u>(3,523,200)</u>
Cash flows from financing activities		
Issuance of long-term debt	673,313	2,578,000
Increase (decrease) in line of credit	(148,175)	103,185
Repayment of long-term debt	(595,244)	(558,613)
Increase in First Nation Finance Authority debt reserve	(20,975)	(139,359)
Increase in trust funds	(3,854)	(2,320)
	<u>(94,935)</u>	<u>1,980,893</u>
Cash flows from investing activities		
Decrease in member loans receivable	7,106	31,218
Decrease (increase) in investment in Band owned Entities	<u>(2,495,808)</u>	<u>2,126,496</u>
	<u>(2,488,702)</u>	<u>2,157,714</u>
Increase in cash for the year	2,972,390	3,424,322
Cash and cash equivalents, beginning of year	8,260,672	4,826,350
Cash and cash equivalents, end of year	\$ 11,223,062	\$ 8,250,672
Represented by:		
Unrestricted (Note 4)	\$ 6,567,641	\$ 2,166,414
Restricted (Note 4)	4,655,421	6,084,258
	<u>11,223,062</u>	<u>8,250,672</u>
	<u>\$ 11,223,062</u>	<u>\$ 8,250,672</u>

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

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies

Nature of Business	<p>Penticton Indian Band provides services and support to its band members.</p> <p>Penticton Indian Band is an Indian Band and, as such, is exempt from income tax under Section 87 of the Indian Act.</p>
Basis of Accounting	<p>These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments, as recommended by the Public Sector Accounting Board.</p>
Reporting Entity	<p>The Penticton Indian Band "the Band" reporting entity includes the Penticton Indian Band government and all related entities that are controlled by the First Nation.</p>
Principles of Consolidation	<p>All governmental units are fully consolidated by the government reporting entity. Other business enterprises and partnerships which meet the definition of a government business enterprise or partnership are accounted for on the modified equity basis of accounting.</p> <p>Entities that fall under the consolidated basis of accounting are fully consolidated on a line-by-line basis with inter-organizational balances and transactions eliminated. The following entities are accounted for on a consolidation basis:</p> <p><i>Okanagan Nations Family Intervention Services Society</i> <i>K'ul Management Group Ltd.</i> <i>Penticton Indian Band Utilities Limited Partnership</i> <i>K'ul Management Group Limited Partnership</i></p> <p>Other entities (Note 22) that are accounted for on the modified equity basis of accounting include the cost of the Band's investment in the entities plus the undistributed proportionate share of earnings. Under the modified equity basis of accounting inter-organizational balances are not eliminated.</p> <p>Entities owned by the Band directly:</p> <p><i>Skaha Hills Limited Partnership</i></p> <p>Entities owned through K'ul Management Group Limited Partnership:</p> <p><i>Westhills Aggregates Limited Partnership</i> <i>snpinktn FORESTRY LIMITED PARTNERSHIP</i> <i>Coyote Cruises Limited Partnership</i> <i>Skaha Hills Residential Development Limited Partnership</i> <i>K'ul Construction Limited Partnership</i></p>

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

Asset Classification	Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets and prepaid expenses.
Cash and Cash Equivalents	Cash and cash equivalents consist of cash on hand, bank balances and investments in money market instruments.
Short-term Investments	Short-term investments include guaranteed investment certificates and mutual funds maturing at various times during the next fiscal year. These investments are recorded at cost.
Financial Instruments	The Band carries a number of financial instruments. Unless otherwise noted, it is management's opinion that the Band is not exposed to significant interest, currency or credit risks arising from these financial instruments.
Interest Income	Interest income on loans receivable and on funds held in trust are recorded as revenue when received or receivable by the Band.
Revenue Recognition	<p>Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Revenue 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 Statement of Financial Position.</p> <p>Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes are recognized net of an allowance for anticipated uncollectable amounts.</p> <p>Taxation arrears and interest revenue are recognized at the time of issuing overdue property tax notices to the rate payers for the fiscal year based on the time overdue.</p> <p>Rental revenue is recognized when the services are provided to tenants, and collection is reasonably assured. When rental payments are received in advance of contracted services, the Band records this as deferred revenue.</p>

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when the transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Use of Estimates

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

Segmented Information

The Band is a First Nation organization that provides a wide range of services to its members including social, education, health, housing, public works and economic activities. For management reporting purposes, the Band's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations. Services are provided by programs and their activities are reported in these funds. Certain programs have been separately disclosed in the segmented information, along with the services they provide, and are detailed in the Schedule of Segmented Operations.

Administration Services

The Administration Services program provides administration support to other band operated programs and services.

Social Development

The Social Development program provides financial benefits and services to individuals and families, resident on reserve, who are in need.

Education

The Education program provides services to eligible First Nations students enrolled in elementary/secondary education programs and eligible post-secondary education programs.

Forestry

The Forestry program is a management initiative that includes monitoring and enhancement projects.

Community Health

The Band provides health programs and services under an agreement with First Nations Health Authority, and the Province of British Columbia.

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

1. Summary of Significant Accounting Policies (continued)

Segmented Information (continued)

Housing

The Housing program provides on-reserve housing to eligible members under the CMHC housing programs for First Nations.

Land, Estates and Memberships Program

The Land, Estates and Memberships program negotiates and implements land claim and self-government agreements on behalf of the Band.

Public Works

The Public Works program is responsible for the construction and maintenance of public spaces within the community and includes the Penticton Indian Band Utilities Limited Partnership (PIBULP).

Economic Development Program

The Economic Development program provides planning and capacity development initiatives under agreements with the Province of British Columbia.

Okanagan Nation Family Intervention and Services Society (ONTEH)

The ONTEH program is a Band-run organization that operates a transition house.

K'ul Management Group Ltd. (K'ul Group)

The K'ul Group is a Band-run organization that invests in development opportunities.

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

Tangible Capital Assets and Amortization

Tangible capital assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are valued at acquisition cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital assets including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs.

Amortization is charged against tangible capital assets based on the estimated useful life of the asset as follows.

- | | |
|--------------------------|-----------------------------|
| - Automotive equipment | - 10-20% straight line |
| - Buildings | - 5% straight line |
| - Equipment | - 20% - 50% straight line |
| - Infrastructure | - 15-60 years straight line |
| - Land improvements | - 5 - 20% straight line |
| - Leasehold improvements | - 5 years straight line |

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

Tangible capital assets are written down when contributions indicate that they no longer contribute to the Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded at their fair value on the date of contribution, except in unusual circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

2. Prior Period Adjustment

During the year it was discovered that certain government funding with stipulations regarding spending that was received, but not spent during the 2018 fiscal year was not deferred as at March 31, 2018. This resulted in an overstatement of revenue for the year ended March 31, 2018 and an understatement of deferred revenue as at March 31, 2018. As a result, an adjustment was made to reduce revenue for the year ended March 31, 2018 and increase deferred revenue as at March 31, 2018 by \$540,810.

3. Restructuring Transaction

On January 1, 2019, to better separate Band activities from business activities, the Band transferred its interest in Westhills Aggregates Limited Partnership, Coyote Cruises Limited Partnership and snpinkn FORESTRY LIMITED PARTNERSHIP, that was previously included in investment in band owned entities, to K'ul Management Group Limited Partnership ("K'ul") for a \$9,900,343 promissory note. The Band is the limited partner of K'ul with a 99.99% interest. As K'ul is considered an other government organization, K'ul's investment in these partnerships is recorded by the Band on a consolidated basis.

4. Cash and Short-term Investments

	2019	2018
Consists of:		
Cash	\$ 6,512,591	\$ 2,108,774
Term deposits	107,235	106,273
Mutual funds	4,603,236	6,035,625
	<u>\$ 11,223,062</u>	<u>\$ 8,250,672</u>
Restricted		
Ottawa trust funds	\$ 52,185	\$ 48,632
Social housing reserves (Note 15)	1,085,802	1,071,397
Band capital trust funds	2,285,057	2,710,699
Band revenue trust funds	134,753	1,170,460
Capital contingency fund	818,153	807,300
Stabilization fund	279,471	275,770
	<u>4,655,421</u>	<u>6,084,258</u>
Unrestricted	<u>6,567,641</u>	<u>2,166,414</u>
	<u>\$ 11,223,062</u>	<u>\$ 8,250,672</u>

Term deposits consist of two one-year cashable GICs at a rate of 0.5% per annum, maturing June 2019 (0.5-0.75% at March 31, 2018).

In 2004, the Band removed their funds from the Ottawa trust funds and have set up a separate trust fund account administered by the Band Council. The amount remaining in this fund represents the interest earned in the fiscal year that transfers to the Band on April 1 of each year.

Penticton Indian Band Notes to the Consolidated Financial Statements

March 31, 2019

4. Cash and Short-term Investments (continued)

Band capital trust funds are funds earned from sale of natural resources, and government transfers that are internally restricted for use towards future capital projects.

Band revenue trust funds are funds received from government business enterprises in the form of profit shares, and government transfers that are internally restricted for use as determined by the Chief and Council.

The capital contingency fund is designed to be used as designated by Chief and Council from time to time for extraordinary capital expenditures which benefit or service rate payers and requires an annual contribution of up to ten percent (10%) of the annual gross taxes.

The stabilization fund is designed to hold any surplus monies remaining in the taxation fund at the end of the fiscal year as specified in the Expenditure By-law Annual Budget Schedule, and may be applied towards the operation and administration costs for the next fiscal year.

5. Funds Held in Trust

As at March 31, funds were held for Penticton Indian Band as follows:

	<u>2019</u>	<u>2018</u>
Cedar Law Law Corporation, Barristers and Solicitors	\$ 292,560	\$ 288,706

Peace Hills Trust (Minors Trust) holds \$77,433 (2018 - \$77,433) on deposit in a Minors Trust fund for minor band members. This amount is not included in these financial statements.

Cedar Law Law Corporation also holds \$957,741 in trust for the band. This amount is not included in these financial statements.

6. Accounts Receivable

	<u>2019</u>	<u>2018</u>
First Nation Education and Steering Committee	\$ 100,063	\$ 111,842
Indigenous Services Canada	48,430	60,697
Trade	1,255,359	1,578,437
Property taxes	483,512	422,849
Rent receivable	694,827	727,887
Canada Mortgage and Housing Corporation	20,008	283,803
Skaha Hills Limited Partnership	1,178,920	1,721,389
Allowance for Doubtful Accounts	(874,849)	(698,084)
Net accounts receivable	<u>\$ 2,906,270</u>	<u>\$ 4,208,820</u>

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

7. Loans Receivable from Band Members

	<u>2019</u>	<u>2018</u>
Members' loans receivable	\$ <u>77,367</u>	\$ <u>84,473</u>

Loans receivable from Band Members are non interest bearing, unsecured, and due on demand.

8. Accounts Payable and Accrued Liabilities

	<u>2019</u>	<u>2018</u>
Trade payables	\$ 3,263,117	\$ 2,391,902
Accrued liabilities	289,317	154,048
ISC Funding Surplus	-	17,331
Accrued salaries and employee benefits payable	<u>327,466</u>	<u>331,897</u>
	<u>\$ 3,879,900</u>	<u>\$ 2,895,178</u>

9. Debt Reserve Fund - First Nation Finance Authority

The Penticton Indian Band has the option to issue its long-term debt through the First Nation Finance Authority ("FNFA"). As a condition of borrowing, 5% of the gross debenture proceeds are withheld by the FNFA as a debt reserve fund. The debt reserve fund is invested by the FNFA and interest earned and expenses incurred are reported annually to the Band. If at any time the FNFA does not have sufficient funds to meet payments or sinking fund contributions due on its obligations, the payments will be made from the debt reserve fund. Details of cash deposits held in the debt reserve fund are as follows:

	<u>2019</u>	<u>2018</u>
Debt Reserve Fund - Cash Deposits	\$ <u>595,146</u>	\$ <u>574,171</u>

10. Deferred Revenue

	<u>2019</u>	<u>Restated 2018</u>
Aboriginal Housing Management Association	7,788	-
Canada Mortgage and Housing Corporation	\$ -	\$ 91,783
First Nations Education Steering Committee	115,433	-
First Nations Health Authority	15,000	-
Information Technology Apprenticeship Program	14,332	\$ -
Indigenous Services Canada	696,777	449,027
Province of British Columbia	239,309	-
Prepaid rent	<u>550</u>	<u>-</u>
	<u>\$ 1,089,189</u>	<u>\$ 540,810</u>

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

11. Property Tax Collected for Other Governments

The Band collects taxation revenue on behalf of other entities for government services as follows:

	<u>2019</u>	<u>2018</u>
BC Assessment Authority	\$ 18,947	\$ 15,835
Regional District Okanagan-Similkameen	61,019	62,998
Hospital	87,936	92,528
Sewer	30,986	30,986
Library	28,545	22,935
Fire protection	243,479	190,374
	<u>\$ 470,912</u>	<u>\$ 415,656</u>

12. Property Taxes

	<u>2019</u>	<u>2018</u>
Gross property taxation revenue	\$ 1,758,123	\$ 1,539,290
Less: Home owner grants	(361,198)	(325,055)
Less: Collections on behalf of other governments (Note 11)	(470,912)	(415,656)
Net property taxation revenue	<u>\$ 926,013</u>	<u>\$ 798,579</u>

13. Line of Credit

K'ul Management Group Limited Partnership has a line of credit for up to \$5,000,000. The limit will be required to be reduced by March 2020 in the amount of \$1,250,000 and then by a further \$1,250,000 reduction by March 2021. The facility bears interest at the bank's prime rate plus 0.50% per annum and is secured by a general security agreement providing a security interest over all present and after-acquired personal/movable property of the band. At March 31, 2019 \$4,196,335 was available.

The Bank has also provided a line of credit to a maximum of \$400,000, bearing interest at the bank's prime rate plus 0.8% per annum and secured by a general security agreement providing a floating charge over band receivables. At March 31, 2019 \$380,000 was available.

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

14. Tangible Capital Assets

	2019												
	Automotive Equipment	Buildings	Equipment	Land and Land Improvements	Roads	Water, Sewer, Drainage	Electrical	Work in Process	Social Housing	ONTEH	Kul Group	PIBULP	Total
Cost, beginning of year	\$ 994,201	\$ 17,865,781	\$ 1,782,164	\$ 1,764,936	\$ 13,802,465	\$ 14,502,851	\$ 285,917	\$ 2,022,198	\$ 8,017,266	\$ 323,722	\$ 20,136	\$ 3,100	\$ 59,384,737
Additions	7,747	496,824	29,473	-	355,518	382,235	-	2,856,789	1,072,129	32,790	306,881	-	5,640,366
Disposals	-	(174,629)	-	-	-	-	-	-	-	-	-	-	(174,629)
Transfers	-	-	-	-	329,831	812,544	-	(1,324,945)	382,570	-	-	-	-
Cost, end of year	1,001,948	18,187,976	1,811,637	1,764,936	14,487,814	15,497,630	285,917	3,554,040	7,471,965	356,512	326,997	3,100	64,750,474
Accumulated amortization, beginning of year	694,696	6,224,723	1,087,679	1,046,317	3,225,937	3,074,559	28,087	-	2,151,980	216,615	18,361	3,100	17,772,064
Amortization	47,117	553,071	173,736	23,607	351,780	332,922	7,148	-	248,008	36,270	1,682	-	1,773,341
Disposals	-	(167,993)	-	-	-	-	-	-	-	-	-	-	(167,993)
Write- downs/transfer s	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated amortization, end of year	741,813	6,609,801	1,261,415	1,069,924	3,577,717	3,407,481	35,235	-	2,397,988	252,885	20,043	3,100	19,377,402
Net carrying amount, end of year	\$ 260,135	\$ 11,578,175	\$ 550,222	\$ 695,014	\$ 10,910,097	\$ 12,090,149	\$ 250,682	\$ 3,554,040	\$ 5,073,977	\$ 103,627	\$ 306,954	\$ -	\$ 45,373,072

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

	2018													
	Automotive Equipment	Buildings	Equipment	Land and Land Improvements	Roads	Water, Sewer, Drainage	Electrical	Work in Process	Social Housing	ONTEH	K'ul Group	PIBULP	Total	
Cost, beginning of year	\$ 911,471	\$ 17,868,837	\$ 1,738,362	\$ 1,755,382	\$ 13,063,644	\$ 13,130,755	\$ 285,917	\$ 831,437	\$ 8,017,286	\$ 235,230	\$ 20,136	\$ 3,100	\$ 55,861,537	
Additions	82,730	-	43,802	6,500	665,717	1,236,332	-	1,399,827	-	88,492	-	-	3,523,200	
Transfers	-	(3,056)	-	3,056	73,104	135,764	-	(208,868)	-	-	-	-	-	
Cost, end of year	994,201	17,865,781	1,782,164	1,784,938	13,802,485	14,502,851	285,917	2,022,196	8,017,286	323,722	20,136	3,100	59,384,737	
Accumulated amortization, beginning of year	647,804	5,683,003	905,797	1,022,098	2,891,291	2,786,124	20,939	-	1,943,274	177,257	17,897	1,550	16,077,034	
Amortization	48,892	542,332	181,882	23,807	334,646	308,435	7,148	-	208,708	39,358	484	1,550	1,695,020	
Write- downs/transfer \$	-	(612)	-	612	-	-	-	-	-	-	-	-	-	
Accumulated amortization, end of year	694,696	6,224,723	1,087,679	1,046,317	3,225,937	3,074,559	28,087	-	2,151,980	216,615	18,381	3,100	17,772,054	
Net carrying amount, end of year	\$ 299,505	\$ 11,641,058	\$ 694,485	\$ 718,821	\$ 10,576,528	\$ 11,428,292	\$ 257,830	\$ 2,022,196	\$ 3,865,286	\$ 107,107	\$ 1,775	\$ -	\$ 41,612,683	

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

15. Long-term Debt

	<u>2019</u>	<u>2018</u>
Operating Fund		
Term loan - repayable at \$4,437 monthly, including interest at 4.16% per annum, maturing March 2022, secured by ministerial guarantee from ISC.	\$ 312,109	\$ 350,408
Capital Fund		
Demand loan - repayable at \$372 monthly, including interest at prime plus 1% per annum, maturing December 2019, secured by ministerial guarantee from ISC.	28,424	31,365
Demand loan - repayable at \$3,894 monthly, including interest at 3.84% per annum, due on demand, maturing March 2020, secured by ministerial guarantee from ISC.	45,663	89,722
Term loan - repayable at \$14,615 monthly, including interest at 3.65% per annum, maturing June 2028, secured by debt reserve fund.	2,537,359	2,578,000
Demand loan - repayable at \$468 monthly, including interest at 3.16% per annum, maturing June 2019, secured by ministerial guarantee from ISC.	1,378	6,856
Term loan - repayable at \$10,590 monthly, including interest at 3.16% per annum, maturing October 2021, secured by ministerial guarantee from ISC.	1,431,674	1,496,150
Term loan - repayable at \$39,113 monthly, including interest at 3.79% per annum, maturing June 2024, secured by debt reserve fund.	7,652,575	7,826,558
Social Housing Fund		
Mortgage - repayable at \$2,767 monthly, including interest at 1.83% per annum, maturing November 2019.	21,984	54,465
Mortgage - repayable at \$2,721 monthly, including interest at 1.11% per annum, maturing January 2021.	59,226	91,029
Balance carried forward	<u>\$ 12,090,392</u>	<u>\$ 12,524,553</u>

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

15. Long-term Debt (continued)

Balance brought forward	\$ 12,090,392	\$ 12,524,553
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Social Housing Fund (continued)

Mortgage - repayable at \$1,409 monthly, including interest at 1.82% per annum, maturing September 2019.	114,760	129,440
Mortgage - repayable at \$2,390 monthly, including interest at 1.04% per annum, maturing October 2020.	182,393	209,023
Mortgage - repayable at \$1,215 monthly, including interest at 1.31% per annum, maturing December 2021.	171,078	183,330
Mortgage - repayable at \$2,504 monthly, including interest at 1.30% per annum, maturing June 2022.	259,631	286,133
Mortgage - repayable at \$2,246 monthly, including interest at 0.94% per annum, maturing September 2020.	411,911	434,886
Mortgage - repayable at \$8,099 monthly, including interest at 2.68% per annum, maturing October 2023.	1,481,363	1,539,408
Mortgage - repayable at \$3,219 monthly, including interest at 2.14% per annum, maturing March 2024.	673,313	-
	\$ 15,384,841	\$ 15,306,773

All Social Housing mortgages are secured by a ministerial guarantee from ISC.

Principal repayments on long-term debt for the next five years and thereafter are estimated as follows:

2020	\$ 2,442,489
2021	975,286
2022	550,858
2023	568,252
2024	8,772,764
Thereafter	2,075,192
	\$ 15,384,841

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

16. Housing Reserves

	2019	2018
Replacement reserve	\$ 499,514	\$ 504,068
Operating reserve	886,439	835,791
	<u>\$ 1,385,953</u>	<u>\$ 1,339,859</u>

Under the terms of the agreement with CMHC, the Replacement Reserve account is to be credited in the amount of \$43,380 annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the CDIC or as may otherwise be approved by CMHC. Withdrawals are credited to interest first and then principal.

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Operating Reserve account is to be credited with any surplus amount in phase 7 to 15, based on the minimum rent calculation.

As at March 31, 2019 the housing reserves are underfunded by \$300,151 (2018 - \$269,462).

17. Federal Assistance Payments

The Social Housing Fund receives federal assistance through CMHC to reduce mortgage interest expense to 2% to enable the project to provide housing to low income individuals. The amount of the assistance received for the year ended March 31, 2019 was \$192,872 (2018 - \$263,000), and this amount is included in CMHC revenue on the statement of operations.

18. Related Party Transactions

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

- (a) Royalties revenue received of \$607,650 (2018 - \$548,113) from Westhills Aggregates Limited Partnership of which \$55,019 is included in accounts receivable.
- (b) Purchases for services of \$2,939,598 (2018 - \$1,770,206) from Westhills Aggregates Limited Partnership of which \$859,262 was included in accounts payable.

Included in Investment in Band Owned Entities on the Statement of Financial Position are the following amounts owed to the Band:

Skaha Hills Residential Development Limited Partnership	\$ 4,843,361	\$ -
Skaha Hills Limited Partnership	964,673	1,311,946
Coyote Cruises Limited Partnership	<u>28,460</u>	<u>-</u>
	<u>\$ 5,836,494</u>	<u>\$ 1,311,946</u>

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

18. Related Party Transactions (continued)

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

19. Contingencies

The Band has sued the Canadian Pacific Railway and Canada for the return of land to reserve status that was taken from the Reserve for railway purposes and have now ceased to be used for that purpose. The Band is actively negotiating a settlement that would see most of the lands returned to the Band's Reserve.

Various lawsuits have been filed against the Band for incidents which arose in the ordinary course of business. In the opinion of management and legal counsel, the outcome of the lawsuits, now pending, is not determinable. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

20. Economic Dependence

Penticton Indian Band receives approximately 41% (2018 - 40%) of its revenues pursuant to a funding arrangement with Indigenous Services Canada (ISC).

21. Loan Guarantees

The Penticton Indian Band has guaranteed a line of credit for Westhills Aggregates Limited Partnership for up to \$100,000 with an interest rate of prime + 1%. At March 31, 2019 the facility was unused. The Band has guaranteed an additional revolving facility for Westhills Aggregates Limited Partnership for up to a maximum of \$500,000 which is available through a series of term loans with an interest rate of prime +1% of which \$500,000 was available at March 31, 2019. These loans are secured by a first ranking interest in all personal property of Westhills Aggregates, and Penticton Indian Band, in addition to a general guarantee and postponement of claim in the amount of \$1,000,000.

Skaha Hill Limited Partnership has a credit facility in the amount of \$8,750,000, of which the Band has provided a guarantee in the amount of \$1,750,000 at a rate of prime plus 1% and has also provided a general security agreement and postponement of debt for this amount. The loan is secured by a mortgage and assignment of rents on the property under development. At March 31, 2019 \$6,454,122 (2018 - \$3,640,946) is available to be drawn on the credit agreement, the Band's portion of which is \$1,290,824 (2018 - \$728,189).

ISC has provided ministerial loan guarantees to various financial institutions for certain loans to the Band and individual band members. The Band is contingently liable for these loans and has provided repayment agreements to ISC in the event of default.

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

22. Band Owned Entities

					2019	2018
	Real Estate	Resources	Tourism	Other	Total	Total
Assets						
Current	\$16,600,705	\$ 7,378,072	\$ 32,257	0	\$24,011,034	\$16,674,612
Non-current	338,971	3,821,923	56,981	0	4,217,875	9,433,417
	\$16,939,676	\$11,199,995	\$ 89,238	0	\$28,228,909	\$26,108,029
Liabilities						
Current	\$11,060,142	\$ 1,891,109	\$ 119,668	12,786	\$13,083,705	\$13,139,655
Non-current	-	747,151	-	0	747,151	818,729
	11,060,142	2,638,260	119,668	12,786	13,830,866	13,958,384
Equity (deficit)	5,879,534	8,561,735	(30,430)	(12,786)	14,398,053	12,149,645
	\$16,939,676	\$11,199,995	\$ 89,238	0	\$28,228,909	\$26,108,029
Revenue	\$ 4,822,611	\$16,282,795	\$ 161,092	0	\$21,266,498	\$19,959,846
Expenditures	3,224,238	14,048,946	246,905	0	17,520,089	16,894,653
Total income	\$ 1,598,373	\$ 2,233,849	\$ (85,813)	0	\$ 3,746,409	\$ 3,065,193
Allocation	\$ 254,082	\$ 2,233,849	\$ (85,813)	0	\$ 2,402,118	\$ 2,047,494

Penticton Indian Band

Notes to the Consolidated Financial Statements

March 31, 2019

22. Band Owned Entities (continued)

Nature of Business	Real Estate
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This line of business consists of three Partnerships that are all established under the laws of British Columbia. Two of the partnerships are engaged in the business of land development, and one is engaged in the business of real estate construction. Penticton Indian Band has a 20% interest in one of these Partnerships.

Resources

This line of business consists of two Partnerships that are both established under the laws of British Columbia. One of the partnerships is engaged in the operation of gravel sales and the other one is engaged in the sale of logs.

Tourism

This line of business is a Partnership that is established under the laws of British Columbia and is engaged in the business of recreational water sport activities.

Other

Includes four corporations that are incorporated under the laws of British Columbia. The individual operations of these companies are insignificant and are therefore shown together.

23. Pension Plan

The Band and certain of its employees contribute to the Penticton Indian Band Pension Plan (the "Plan"). The Plan is a defined contribution plan. Capri Insurance administers the Plan through Great West Life, including the payment of pension benefits on behalf of the employer and employees in accordance with the federal legislation.

During the year, the Band paid \$210,749 (2018 - \$198,591) to the Plan on behalf of its employees.

24. Comparative Figures

Certain comparative amounts presented in the financial statements have been restated to conform to the current year's presentation.

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

25. Budget

The Band Council Budget Resolution adopted by Council was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget represents the initial budget that was approved by council and does not reflect subsequent approved amendments to revenues and expenses. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Budget adopted by Council with adjustments as follows:

	<u>2019</u>
Budget Bylaw deficit for the year	\$ -
Add:	
Capital expenditures	4,636,993
Less:	
Budgeted transfers from accumulated surplus	<u>(1,510,265)</u>
Budget deficit per statement of operations	<u><u>\$ 3,126,728</u></u>

Penticton Indian Band
Notes to the Consolidated Financial Statements

March 31, 2019

26. Statement of Expenditures by Object

	<u>2019</u>	<u>2018</u>
Advertising and promotion	42,408	2,710
Amortization	1,773,348	1,695,021
Bad debts (recovery)	346,963	(54,924)
Bank charges	101,239	79,985
Contract services	756,492	977,812
Community outreach	43,307	66,300
Direct social assistance	955,238	931,954
Honoraria	202,612	176,795
Insurance	182,869	164,264
Interest on long-term debt	552,369	481,765
Loan and lease payments	46,246	44,411
Materials, supplies and services	503,471	409,766
Office	60,708	102,584
Professional fees	1,175,450	925,184
Rental of facilities and equipment	14,378	-
Repairs and maintenance	251,507	259,339
Salaries and benefits	6,659,710	5,538,806
Student allowances and tuition	1,864,055	1,471,482
Telephone	85,314	71,297
Travel and meetings	304,909	217,854
Utilities	265,408	218,388
Vehicle	62,159	50,133
Workshops, seminars and training	468,787	215,490
Total expenditure for the year	\$ 16,718,947	\$ 14,046,416

Penticton Indian Band
Notes to the Consolidated Financial Statements
Schedule of Segmented Operations

For the year ended March 31

2019

	Admin.	Social Development	Education	Forestry	Community Health	Housing	Public Works	Land, Estates and Memberships	Economic Development	K'ul Group	ONTEH	Total
Revenue												
ISC	\$ 584,680	\$ 1,318,727	\$ 3,411,770	\$ -	\$ -	\$ -	\$ 3,227,873	\$ 201,480	\$ -	\$ 48,444	\$ 818,878	\$ 9,391,820
CMHC	-	-	-	-	-	192,872	128,249	-	-	-	-	318,121
FNESC	-	-	748,097	-	-	-	-	-	-	-	-	748,097
FNHA	8,000	-	-	-	1,133,281	-	-	-	-	-	-	1,141,281
Taxation	926,013	-	-	-	-	-	-	-	-	-	-	926,013
Province of B.C.	34,100	233,944	902,604	-	188,464	-	47,501	92,103	-	-	-	1,478,716
Miscellaneous	8,108,429	66,793	180,302	-	314,290	398,944	383,945	881,044	22,150	404,937	111,258	8,889,093
	7,639,192	1,618,464	6,242,773	-	1,616,036	691,816	3,784,668	1,174,627	22,150	483,381	730,136	22,873,141
Expenditure												
Administrative	552,604	3,444	22,799	-	192,931	240,489	478,155	357,265	91,719	439,341	21,851	2,400,369
Amortization	1,489,387	-	-	-	-	248,009	-	-	-	1,682	38,270	1,773,348
Direct Assistance	-	955,238	-	-	-	-	-	-	-	-	-	955,238
Lease payments	11,807	1,740	9,813	-	13,458	-	-	7,625	-	-	2,004	48,247
Materials, supplies, utilities	189,252	69,640	174,108	-	153,637	7,513	180,134	48,211	-	39,028	109,618	959,141
Operations and maintenance	86,216	3,949	159,894	-	72,353	137,268	474,568	43,820	-	21,342	23,947	1,022,377
Student costs	-	-	1,884,055	-	-	-	-	-	-	-	-	1,884,055
Transportation costs	100,181	58,374	119,802	-	151,835	1,813	23,673	88,306	-	243,320	50,952	835,856
Wages and benefits	1,164,744	402,862	2,143,882	-	1,042,783	147,920	180,232	642,689	-	735,095	412,571	6,882,316
	3,683,191	1,482,967	4,493,753	-	1,628,907	780,782	1,336,782	1,165,825	91,719	1,479,805	857,213	16,716,947
Excess (deficiency) of revenue for the year	\$ 4,056,001	\$ 135,497	\$ 749,020	\$ -	\$ (10,672)	\$ (188,966)	\$ 2,447,786	\$ (11,198)	\$ (69,569)	\$ (1,026,427)	\$ 72,922	\$ 6,154,194

Penticton Indian Band
Notes to the Consolidated Financial Statements
Schedule of Segmented Operations
Restated
2018

For the year ended March 31

	Admin.	Social Development	Education	Forestry	Community Health	Housing	Public Works	Lands, Estates and Memberships	Economic Development	K'ul Group	ONTEH	Total
Revenue												
ISC	\$ 562,780	\$ 1,239,806	\$ 3,249,849	\$ -	\$ -	\$ 121,744	\$ 482,809	\$ 333,336	\$ -	\$ 47,742	\$ 634,605	\$ 8,642,471
CMHC	-	-	-	-	-	271,510	129,780	-	-	-	-	401,270
FNESC	-	-	473,089	-	-	-	-	-	-	-	-	473,089
FNHA	-	-	-	-	1,042,275	-	-	-	-	-	-	1,042,275
Taxation	798,579	-	-	-	-	-	-	-	-	-	-	798,579
Province of B.C.	2,250,103	104,880	388,846	-	331,688	-	-	245,993	-	-	-	3,321,508
Miscellaneous	1,144,671	29,238	283,712	79,283	175,947	384,902	1,241,071	570,978	10,459	10,919	150,512	4,081,872
	<u>4,746,133</u>	<u>1,373,724</u>	<u>4,405,476</u>	<u>79,283</u>	<u>1,549,910</u>	<u>778,186</u>	<u>1,833,640</u>	<u>1,180,307</u>	<u>10,459</u>	<u>58,661</u>	<u>785,117</u>	<u>16,770,845</u>
Expenditure												
Administrative	438,938	4,615	27,892	-	119,755	70,924	415,179	219,760	24,907	257,861	19,072	1,698,493
Amortization	1,444,942	-	-	-	-	208,708	1,550	-	-	484	39,359	1,696,021
Direct Assistance	-	931,984	-	-	-	-	-	-	-	-	-	931,984
Lease payments	11,807	920	9,612	-	12,532	-	-	7,536	-	-	2,004	44,410
Materials, supplies, utilities	142,671	44,973	157,343	-	134,117	5,138	194,602	48,830	-	12,033	128,920	868,828
Operations and maintenance	164,528	(3,283)	116,129	79,283	127,694	138,517	482,639	78,886	-	4,730	47,757	1,237,150
Student costs	-	-	1,471,483	-	-	-	-	-	-	-	-	1,471,483
Transportation costs	23,357	51,418	87,525	-	148,436	2,772	20,476	46,515	-	22,498	80,482	483,476
Wages and benefits	988,580	383,729	1,941,409	-	1,088,738	98,775	175,232	510,782	-	138,156	430,231	5,715,601
	<u>3,194,993</u>	<u>1,414,315</u>	<u>3,811,193</u>	<u>79,283</u>	<u>1,611,271</u>	<u>526,133</u>	<u>1,289,678</u>	<u>912,298</u>	<u>24,907</u>	<u>435,540</u>	<u>747,825</u>	<u>14,046,416</u>
Excess (deficiency) of revenue for the year	\$ 1,551,140	\$ (40,691)	\$ 594,282	\$ -	\$ (61,361)	\$ 253,023	\$ 543,962	\$ 238,009	\$ (14,449)	\$ (376,879)	\$ 37,292	\$ 2,724,429