

Upper Similkameen Indian Band
Consolidated Financial Statements
For the year ended March 31, 2017

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For the year ended March 31, 2017

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Management's Responsibility for Financial Reporting

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

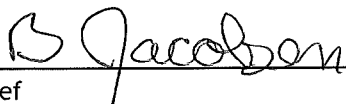
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen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

The Upper Similkameen Indian Band maintains systems of internal accounting and administrative controls, consistent with reasonable cost. 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.

The Upper Similkameen 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. Council carries out this responsibility principally through the Chief and Council.

The Chief and Council review the Band's consolidated financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also appoint 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 access to the Band Council.


Chief


Councilor

Independent Auditor's Report

To the Cheif and Council Upper Similkameen Indian Band

We have audited the accompanying consolidated financial statements of Upper Similkameen Indian Band, which comprise the statement of financial position as at March 31 2017, and the consolidated statements of change in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

As noted in the Summary of Significant Accounting Policies regarding tangible capital assets, the Upper Similkameen Indian Band tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of tangible capital assets, the related amortization expense, annual surplus and equity in tangible capital assets.



Qualified Opinion

In our opinion, except for the 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 Upper Similkameen Indian Band as at March 31, 2017, and the results of its operations, changes in net asset and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in cursive script that reads 'BDO Canada LLP'.

Chartered Professional Accountants

Kamloops, British Columbia
July 4, 2018

Upper Similkameen Indian Band
Exhibit A - Consolidated Statement of Financial Position

As at March 31	2017	2016
		(Restated) (Note 13)
Financial Assets		
Cash and cash equivalents	\$ 2,341,691	\$ 1,725,772
Restricted cash (Note 2)	653,184	678,029
Accounts receivable (Note 3)	487,840	571,581
Investments in Government Business		
Enterprises and Partnerships (Note 5)	947,858	870,461
Deposits held in trust	167,667	151,066
Due from related parties (Note 4)	-	11,200
	<u>4,598,240</u>	<u>4,008,109</u>
Liabilities		
Accounts payable and accrued liabilities	204,952	166,748
Deferred revenue	30,396	-
Due to related parties (Note 4)	73,300	-
Long-term debt (Note 6)	<u>1,357,291</u>	<u>972,520</u>
	<u>1,665,939</u>	<u>1,139,268</u>
Net Financial Assets	<u>2,932,301</u>	<u>2,868,841</u>
Non-Financial Assets		
Prepaid expenses	7,354	20,458
Inventory	6,017	6,017
Tangible capital assets (Note 7)	<u>3,102,779</u>	<u>3,026,493</u>
	<u>3,116,150</u>	<u>3,052,968</u>
Accumulated Surplus (Note 8)	<u>\$ 6,048,451</u>	<u>\$ 5,921,809</u>

Approved on behalf of the Chief and Council:

B. Jacobson, Chief

Michael Allen, Councilor

Upper Similkameen Indian Band
Exhibit B - Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2017	2016
		(Restated) (Note 13)
Annual surplus	\$ 126,640	\$ 783,073
Acquisition of tangible capital assets	(1,081,250)	(169,824)
Amortization of tangible capital assets	396,528	449,323
Disposal of tangible capital assets	608,436	-
	(76,286)	279,499
Change in prepaid asset	13,104	(1,273)
Change in long term debt	2	-
Equity change from prior period adjustment	-	47,122
	-	47,122
Change in net financial assets	63,460	1,108,421
Net financial assets, beginning of year	2,868,841	1,760,420
Net financial assets, end of year	\$ 2,932,301	\$ 2,868,841

Upper Similkameen Indian Band

Exhibit C - Consolidated Statement of Operations

For the year ended March 31	2017	2016
		(Restated) (Note 13)
Revenue		
Logging income	1,966,309	2,004,276
General income	474,193	675,708
Province of BC	537,986	545,319
Indigenous Services Canada	342,537	391,930
First Nations Health Authority	206,153	181,140
Rental income	91,445	102,400
Property tax income	84,186	73,465
Administration revenue	61,692	203,398
CMHC subsidies	36,995	35,807
Okanagan Nation Alliance	29,989	-
Okanagan Training and Development Council	23,952	35,325
Miscellaneous	15,725	999
Interest income	12,647	5,110
First Nation Education Steering	3,540	6,514
Equipment rental income	-	361,693
Ottawa Trust Funds	-	6,363
Enterprise Fund	-	63,472
Income from government business entities	455,858	353,547
	<u>4,343,207</u>	<u>5,046,466</u>
Expenses		
Band Administration	1,210,639	769,618
Capital projects	44,162	37,510
Economic Development	2,406,593	2,503,131
Health	255,041	259,083
Education	58,964	68,119
Social Assistance	103,584	85,354
Social Housing	137,584	98,080
Enterprise	-	395,375
	<u>4,216,567</u>	<u>4,216,270</u>
Annual surplus	126,640	830,196
Accumulated Surplus, beginning of year	5,921,809	5,067,314
Accumulated Surplus, end of year	<u>\$ 6,048,449</u>	<u>\$ 5,921,809</u>

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

Upper Similkameen Indian Band

Exhibit D - Consolidated Statement of Cash Flows

For the year ended March 31	2017	2016
Operating activities		
Cash receipts from various sources	\$ 4,321,263	\$ 5,238,836
Cash paid to employees and suppliers	(3,670,175)	(4,182,287)
Cash disbursements from government business enterprises	333,705	-
Cash flows from operating activities	984,793	1,056,549
Capital activity		
Purchase of tangible capital assets	(1,081,250)	(169,824)
Proceeds on disposal of tangible capital assets	405,000	-
Cash flows used for capital activities	(676,250)	(169,824)
Financing activities		
Repayment of long-term debt	(332,152)	(252,000)
Proceeds from issuance of long term debt	716,923	-
Related Party advances	(77,395)	(63,472)
Cash flows from (used for) financing activities	307,376	(315,472)
Net increase in cash and cash equivalents	615,919	571,253
Cash and cash equivalents, beginning of year	1,725,772	1,154,519
Cash and cash equivalents, end of year	\$ 2,341,691	\$ 1,725,772

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

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards.

Reporting Entity and Principles of Financial Reporting

The Upper Similkameen Indian Band (the "Band") reporting entity includes the Upper Similkameen Indian Band government and all related entities which are accountable to the Upper Similkameen Indian Band and are either owned or controlled by the Upper Similkameen Indian Band.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a government business enterprise, or government business partnership, which are included in the consolidated financial statements on a modified equity basis. Accounting policies of consolidated and proportionately consolidated entities are conformed to those of the Band and inter organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Upper Similkameen Indian Band's investment in the government business enterprise and the enterprises net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Upper Similkameen Indian Band.

Organizations accounted for on a modified equity basis include:

1. StuWix Resources Joint Venture (12.5% interest)
2. StuWix Resources Ltd. (12.5% interest)
3. Vermilion Forks Community Forest Corporation (33.33% interest)
4. First Nation Management Solutions Limited Partnership (50% interest)
5. Chuchuwayha Forestry Limited Partnership (99.99% interest)

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government grants and transfers, which include Federal funding agreements are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. When the eligibility criteria is not met, transfers received are reflected as deferred revenue in the year of receipt and classified as such on the consolidated statement of financial position.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for this specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Segments

The Upper Similkameen Indian Band conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the Upper Similkameen Indian Band's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

Cash and Cash Equivalents

Cash and cash equivalents include cash and cash equivalents and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies (continued)

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings and rental housing	20 years straight line
Automotive	7 years straight line
Equipment	7 years straight line
Office equipment and furniture	7 years straight line

Social Housing assets acquired under C.H.M.C sponsored housing programs are being depreciated at a rate equal to the principal reduction on the mortgage of the assets.

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

Leases that transfer substantially all of the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Upper Similkameen Indian Band's incremental cost of borrowing.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfer of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Replacement Reserves

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

1. Summary of Significant Accounting Policies (continued)

Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fee".

2. Restricted Cash

	2017	2016
Operating reserve fund	\$ 106,260	\$ 120,508
Replacement reserve fund	198,432	215,071
	304,692	335,579
Ottawa Trust Funds	348,492	342,450
	<u>\$ 653,184</u>	<u>\$ 678,029</u>

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 Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. These funds are restricted in their use. The Nation is permitted to use its revenue for any purpose that will promote the general progress and welfare of the Nation and its members. The expenditures of capital funds requires the consent of Indigenous and Northern Affairs Canada and generally must be for projects of a capital nature. Withdrawals of revenue or capital funds are recorded as revenue in the applicable fund where the monies are expended.

The Operating and Replacements reserves, are required to be maintained under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC") for Social Housing, the accounts are to be funded annually through operations. 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 Canada Deposit Insurance Corporation.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

3. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	2017	2016
Trade accounts receivable	\$ 630,820	\$ 523,118
Rents receivable	194,775	191,194
Allowance for doubtful accounts	(337,755)	(142,731)
	<u>\$ 487,840</u>	<u>\$ 571,581</u>

4. Due to (from) Related Parties

	2017	2016
First Nation Management Solutions	\$ -	\$ 85,000
Upper Similkameen Economic Development Ltd.	(19,913)	(19,913)
Chuchuwayha Forestry Limited Partnership	(53,387)	(53,887)
	<u>\$ (73,300)</u>	<u>\$ 11,200</u>

Advances to related parties are unsecured, bear no interest and are repayable on demand. The entities are related parties of the Band due to the following relationships; Chuchuwayha Forestry Limited Partnership, and the Upper Similkameen Economic Development Ltd. are wholly owned subsidiaries of the Upper Similkameen Indian Band, through a trust. The First Nation Management Solution is owned by the previous Band Manager and the Upper Similkameen Indian Band owns a 50% interest in the organization.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

5. Investments in Government Business Enterprises and Partnerships

Investment in Non-Controlled Entities

	2017	2016
All Nations Trust Company Group	\$ 11,151	\$ 11,151
952 class A common shares	-	52,257
First Nation Management Solutions Limited Partnership	580,263	493,848
StuWix Resources Ltd. and StuWix Resources Joint Venture	356,444	313,205
Vermilion Forks Community Forest Corporation		
	<u>\$ 947,858</u>	<u>\$ 870,461</u>

	2017					2016
	Assets	Liabilities	Net Assets	Revenue	Expenses	Total Earnings (Loss)
StuWix Resources Ltd. and StuWix Resources Joint Venture	\$ 11,755,181	\$ 7,085,172	\$ 4,670,009	\$ 20,865,359	\$ 19,318,248	\$ 1,547,111
Vermilion Forks Community Forest Corporation	\$ 1,109,764	\$ 37,599	\$ 1,072,165	\$ 2,286,256	\$ 1,498,765	\$ 787,491
						\$ 915,781
						\$ 723,014

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

6. Long-term Debt

	2017	2016
All Nations Trust Company loan, payment of \$510 per month including interest at 1.39% per annum, maturing March 1, 2020, secured by Ministerial Guarantee from Indigenous Services Canada.	\$ 17,987	\$ 23,819
All Nations Trust Company loan, payment of \$1,609, per month including interest at 1.65% per annum, maturing May 1, 2022, secured by a Ministerial Guarantee from Indigenous Services Canada.	95,606	113,196
All Nations Trust Company loan, payment of \$1,121 per month including interest at 2.63% per annum, maturing June 1, 2026, secured by a Ministerial Guarantee from Indigenous Services Canada.	109,897	120,891
All Nations Trust Company loan, payment of \$928 per month including interest at 1.53% per annum, maturing November 1, 2027, secured by a Ministerial Guarantee from Indigenous Services Canada.	109,670	119,071
All Nations Trust Company loan, payment of \$939 per month including interest at 1.12% per annum, maturing February 1, 2035, secured by a Ministerial Guarantee from Indigenous Services Canada.	182,962	192,140
Parker Pacific Equipment Sales loan, repaid during the year	-	202,507
Caterpillar loan, repayable in monthly instalments of \$9,158 including interest at 3.27% per annum, maturing November 2018, secured by certain equipment.	124,246	200,896
Inland Kenworth Skidder loan, repayable in monthly instalments of \$19,278 including interest at 2.00% per annum, maturing September 2021, secured by certain equipment.	716,923	-
	<u>\$ 1,357,291</u>	<u>\$ 972,520</u>

Regular principal repayments due in the next five years are as follows:

2018	\$ 300,607
2019	257,392
2020	219,129
2021	218,488
2022	110,475
Thereafter	251,200
	<u>\$ 1,357,291</u>

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

7. Tangible Capital Assets

	2017					
	Land	Buildings	Automotive	Equipment	Social Housing	Leasehold Improvement
Cost, beginning of year	\$ 43,584	\$ 1,377,708	\$ 388,247	\$ 2,509,704	\$ 1,577,274	\$ 7,000
Additions	-	-	4,000	1,077,250	-	-
Disposals	-	-	-	(946,330)	-	-
Cost, end of year	\$ 43,584	\$ 1,377,708	\$ 392,247	\$ 2,640,624	\$ 1,577,274	\$ 7,000
Accumulated amortization, beginning of year	\$ -	\$ 796,278	\$ 329,579	\$ 1,225,096	\$ 525,371	\$ 700
Amortization	-	58,177	11,839	272,118	52,995	1,400
Adjustment on disposal	-	-	-	(337,895)	-	-
Accumulated amortization, end of year	-	854,455	341,418	1,159,319	578,366	2,100
Net carrying amount, end of year	\$ 43,584	\$ 523,253	\$ 50,829	\$ 1,481,305	\$ 998,908	\$ 4,900
						\$ 3,102,779

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

7. Tangible Capital Assets (continued)

	2016					
	Land	Buildings	Automotive	Equipment	Social Housing Improvement	Leasehold Improvement
Cost, beginning of year	\$ 43,584	\$ 1,377,708	\$ 358,748	\$ 2,376,379	\$ 1,577,274	\$ -
Additions	-	-	29,499	133,325	-	7,000
Cost, end of year	\$ 43,584	\$ 1,377,708	\$ 388,247	\$ 2,509,704	\$ 1,577,274	\$ 7,000
Accumulated amortization, beginning of year	\$ -	\$ 738,078	\$ 320,133	\$ 898,069	\$ 471,421	\$ -
Amortization	-	58,200	9,446	327,027	53,950	700
Accumulated amortization, end of year	-	796,278	329,579	1,225,096	525,371	700
Net carrying amount, end of year	\$ 43,584	\$ 581,430	\$ 58,668	\$ 1,284,608	\$ 1,051,903	\$ 6,300
						\$ 3,026,493

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

8. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	2017	2016
Equity in Operating Fund	\$ 2,641,955	\$ 2,311,642
Equity in Social Housing	364,659	343,283
Equity in Capital Assets	1,745,489	2,053,973
Equity in Ottawa Trust Fund	348,492	342,450
Equity in Enterprise Fund	947,856	870,461
	<u>\$ 6,048,451</u>	<u>\$ 5,921,809</u>

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

9. Segment Disclosure

The Band is a diversified organization that provides a wide range of services to its members. Distinguishable functional segments have been separately disclosed in the segmented information. As previously discussed in Note 1 the nature of the segments and the activities they encompass are as follows:

Social Services

This service area provides services to help the members by providing a variety of programs, community services and social assistance.

Administration

This item relates to the revenues and expenses that relate to the operations of the Band itself and cannot be directly attributed to a specific segment.

Operations and Maintenance

This service area provides services relating to the development, maintenance and service of the Band's assets, infrastructure and common property.

Education

This service area provides educational services through post secondary education support and the operations of various other educational programs. The goal of this segment is to enhance the educational opportunities of the Band's members.

Economic Development

This service area provides for the development of economic opportunities to the members.

Capital

This service area provides for the development of new capital projects and infrastructure programs on the reserve.

Social Housing

This service area provides for social housing to the members.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

9. Segment Disclosure - continued

	Band Administration	Capital	Economic Development	Health	Education	Sub Total
Revenue						
Indigenous Services Canada	\$ 85,756	\$ 20,444	\$ 91,122	\$ -	\$ 54,318	\$ 251,640
Logging income	-	-	1,879,603	-	-	1,879,603
General income	690,062	-	114,800	8,336	-	813,198
Province of BC	485,007	-	-	-	-	485,007
First Nation Health Authority	-	-	-	206,153	-	206,153
Rental income	4,835	-	7,845	-	-	12,680
Other revenue	330,098	-	54,638	52,754	3,540	441,030
Total	1,595,758	20,444	2,148,008	267,243	57,858	4,089,311
Expenses						
Amortization	65,339	-	278,194	-	-	343,533
Professional fees	28,819	-	-	-	-	28,819
Travel	15,184	-	19,220	28,607	2,847	65,858
Utilities and telephone	13,025	13,668	14,550	875	-	42,118
Wages and benefits	164,703	-	724,662	89,611	12,077	991,053
Other expenses	923,569	30,494	1,369,967	135,948	44,040	2,504,018
Total	1,210,639	44,162	2,406,593	255,041	58,964	3,975,399
Surplus (deficit)	\$ 385,119	\$ (23,718)	\$ (258,585)	\$ 12,202	\$ (1,106)	\$ 113,912

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

9. Segment Disclosure - continued

	2017	Social Assistance	Social Housing	Capital fund	Ottawa Trust Fund	Enterprise Fund	Consolidated Total
Revenue							
Indigenous Services Canada		\$ 90,896	\$ -	\$ -	\$ -	\$ -	\$ 342,536
Logging income		-	-	-	-	-	1,879,603
General income		-	-	-	-	-	813,198
Province of BC		-	-	-	-	-	485,007
First Nation Health Authority		-	-	-	-	-	206,153
Rental income		-	84,400	-	-	-	97,080
Other revenue		-	72,558	-	6,042	-	519,630
Total		90,896	156,958	-	6,042	-	4,343,207
Expenses							
Amortization		-	52,995	-	-	-	396,528
Professional fees		-	7,000	-	-	-	35,819
Travel		821	-	-	-	-	66,679
Utilities and telephone		-	6,275	-	-	-	48,393
Wages and benefits		34,924	-	-	-	-	1,025,977
Other expenses		67,840	71,313	-	-	-	2,643,171
Total		103,585	137,583	-	-	-	4,216,567
Surplus (deficit)		\$ (12,689)	\$ 19,375	\$ -	\$ 6,042	\$ -	\$ 126,640

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

9. Segment Disclosure - continued

2016	Band Administration		Capital	Economic Development		Health	Education	Sub Total		
Revenue	\$	143,714	\$	20,307	\$	85,000	\$	51,802	\$	300,823
Indigenous Services Canada		-		-		2,004,276		-		2,004,276
Logging income		457,234		-		519,529		-		1,029,255
General income		545,320		-		-		52,492		545,320
Province of BC		-		-		361,693		-		361,693
Equipment rental income		-		-		52,591		-		197,375
Administration fee		144,784		-		-		181,140		181,140
First Nation Health Authority		-		-		1,560		-		15,935
Rental income		14,375		-		35,324		6,514		117,662
Other revenue		75,824		-		-		-		-
Total		1,381,251		20,307		3,059,973		233,632		4,753,479
Expenses										
Miscellaneous		3,225		-		13,168		-		3,225
Professional fees		55,251		-		13,522		-		68,419
Travel		9,497		-		13,522		2,943		48,389
Utilities and telephone		12,109		10,162		16,369		40		38,680
Wages and benefits		114,812		-		975,703		14,760		1,211,623
Other expenses		574,724		27,348		1,484,369		50,416		2,267,125
Total		769,618		37,510		2,503,131		68,119		3,637,461
Surplus (deficit)	\$	611,633	\$	(17,203)	\$	556,842	\$	(9,803)	\$	1,116,018

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

9. Segment Disclosure - continued

	Social Assistance	Social Housing	Capital Fund	Ottawa Trust Fund	Enterprise Fund	Consolidated Total
Revenue						
Indigenous Services Canada	\$ 91,107	\$ -	\$ -	\$ -	\$ -	\$ 91,930
Logging income	-	-	-	-	-	2,004,276
General income	-	-	-	-	-	1,029,255
Province of BC	-	-	-	-	-	545,320
Equipment rental income	-	-	-	-	-	361,693
Administration income	-	6,022	-	-	-	203,397
First Nation Health Authority	-	-	-	-	-	181,140
Rental income	-	86,465	-	-	-	102,400
Other revenue	-	39,558	-	6,363	63,472	227,055
Total	91,107	132,045	-	6,363	63,472	5,046,466
Expenses						
Amortization	-	53,950	395,375	-	-	449,325
Miscellaneous	-	-	-	-	-	3,225
Professional fees	-	6,000	-	-	-	74,419
Travel	1,340	-	-	-	-	49,729
Utilities and telephone	1,832	3,579	-	-	-	44,091
Wages and benefits	19,737	-	-	-	-	1,231,360
Other expenses	62,445	34,551	-	-	-	2,364,121
Total	85,354	98,080	395,375	-	-	4,216,270
Surplus (deficit)	\$ 5,753	\$ 33,965	\$ (395,375)	\$ 6,363	\$ 63,472	\$ 830,196

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2017

10. Contingent Liabilities

Under the terms of the contribution agreements with Indigenous Services Canada and other government departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the band. Such repayments will be recorded in the year of recovery.

11. Fiscal Plan

Canadian public sector accounting standards requires that the Band's budget be presented in the consolidated financial statements. As the Band currently does not prepare a budget, no budgeted figures have been presented as otherwise required.

12. Comparative Figures

Certain amounts of the comparative figures have been reclassified to conform with the presentation adopted in the current year.

13. Prior Period Adjustment

During the year, the Band discovered a capital acquisition previously gifted by the Province of BC that had not been recorded accurately in the 2016 fiscal period. The amount has been adjusted, retrospectively, in the 2016 fiscal period as follows:

- Increase in tangible capital assets of \$24,300
- Increase in equity in capital assets of \$24,300

During the year it was discovered that revenue and a corresponding receivable had not been recorded in the 2016 fiscal period. The amount has been adjusted, retrospectively, in the 2016 fiscal period as follows:

- Increase in revenue of \$47,122
 - Increase in accounts receivable of \$47,122
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