

**Upper Similkameen Indian Band
Consolidated Financial Statements
For the year ended March 31, 2018**

Upper Similkameen Indian Band
Consolidated Financial Statements
For the year ended March 31, 2018

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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.

B Jacobson
Chief

Melvin Allen
Councilor

Independent Auditor's Report

**To the Chief 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 2018, and the 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.



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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, 2018, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

Kamloops, British Columbia
October 1, 2018

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

As at March 31	2018	2017
Financial Assets		
Cash and cash equivalents	\$ 2,894,215	\$ 2,341,691
Restricted cash (Note 2)	514,940	653,185
Accounts receivable (Note 3)	734,230	488,081
Investments in Government Business		
Enterprises and Partnerships (Note 5)	745,878	947,858
Deposits held in trust	165,258	167,667
	<hr/>	<hr/>
	5,054,521	4,598,482
Liabilities		
Accounts payable and accrued liabilities	490,030	205,192
Deferred revenue	40,000	30,396
Due to related parties (Note 4)	72,676	73,301
Long-term debt (Note 6)	1,056,619	1,357,291
Capital Lease (Note 7)	427,243	-
	<hr/>	<hr/>
	2,086,568	1,666,180
Net Financial Assets	<hr/>	<hr/>
	2,967,953	2,932,302
Non-Financial Assets		
Prepaid expenses	30,074	7,361
Inventory	-	6,017
Tangible capital assets (Note 8)	3,218,082	3,102,779
	<hr/>	<hr/>
	3,248,156	3,116,157
Accumulated Surplus (Note 9)	<hr/>	<hr/>
	\$ 6,216,109	\$ 6,048,459

Approved on behalf of the Chief and Council:

B. Jacobson, Chief
M. Miller, Councilor

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

<u>For the year ended March 31</u>	<u>2018</u>	<u>2017</u>
Annual surplus	\$ 167,650	\$ 126,650
Acquisition of tangible capital assets	(631,269)	(1,081,260)
Amortization of tangible capital assets	515,974	396,528
Disposal of tangible capital assets	-	608,436
	52,355	50,354
Change in prepaid asset	(22,721)	13,106
Change in inventory	6,017	-
Change in net financial assets	35,651	63,460
Net financial assets, beginning of year	<u>2,932,302</u>	<u>2,868,842</u>
Net financial assets, end of year	<u>\$ 2,967,953</u>	<u>\$ 2,932,302</u>

Upper Similkameen Indian Band
Exhibit C - Consolidated Statement of Operations

<u>For the year ended March 31</u>	<u>2018</u>	<u>2017</u>
Revenue		
Logging income	\$ 1,512,297	\$ 1,966,309
Province of BC	735,363	537,986
General income	677,653	474,193
Indigenous Services Canada	379,883	342,537
First Nations Health Authority	255,396	206,153
First Nations Health Authority recovery	(14,810)	-
Rental income	98,831	91,445
Property tax income	89,381	84,186
Okanagan Training and Development Council	58,293	23,952
CMHC subsidies	34,780	36,995
Okanagan Nation Alliance	24,740	29,989
Administration revenue	38,390	61,692
Income from government business entities	20,981	455,858
Interest income	10,877	12,647
First Nation Education Steering	10,142	3,540
Miscellaneous	8,543	15,736
Donation revenue	2,170	-
	3,942,910	4,343,218
Expenses		
Band Administration	902,669	1,210,639
Capital	46,741	44,162
Economic Development	2,241,210	2,406,593
Health	284,661	255,041
Education	93,915	58,964
Social Assistance	79,642	103,585
Social Housing	126,422	137,584
	3,775,260	4,216,568
Annual Surplus	167,650	126,650
Accumulated Surplus, beginning of year	6,048,459	5,921,809
Accumulated Surplus, end of year	\$ 6,216,109	\$ 6,048,459

Upper Similkameen Indian Band
Exhibit D - Consolidated Statement of Cash Flows

<u>For the year ended March 31</u>	<u>2018</u>	<u>2017</u>
Operating activities		
Cash receipts from various sources	\$ 3,706,372	\$ 4,337,092
Cash paid to employees and suppliers	(2,958,068)	(3,670,175)
Interest paid	(30,625)	-
Cash flows from operating activities	<u>717,679</u>	<u>666,917</u>
Capital activity		
Purchase of tangible capital assets	(103,277)	-
Cash flows used for capital activities	<u>(103,277)</u>	<u>-</u>
Financing activities		
Repayment of long-term debt	(300,671)	(332,152)
Repayment of capital lease	(101,432)	-
Related Party advances	201,980	256,310
Cash flows used for financing activities	<u>(200,123)</u>	<u>(75,842)</u>
Net increase in cash and cash equivalents	<u>414,279</u>	<u>591,075</u>
Cash and cash equivalents, beginning of year	<u>2,994,876</u>	<u>2,403,801</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,409,155</u></u>	<u><u>\$ 2,994,876</u></u>
Represented by:		
Cash	\$ 2,894,215	\$ 2,341,691
Restricted cash	514,940	653,185
	<u><u>\$ 3,409,155</u></u>	<u><u>\$ 2,994,876</u></u>

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

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, 2018

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, 2018

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 Canada Mortgage and Housing Corporation ("CMHC") 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 capital 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, 2018

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

	2018	2017
Operating reserve fund	\$ -	\$ 87,704
Replacement reserve fund	<u>159,123</u>	<u>216,989</u>
	159,123	304,693
Ottawa Trust Funds	<u>355,817</u>	<u>348,492</u>
	\$ 514,940	\$ 653,185

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 require 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 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, 2018

3. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	2018	2017
Trade accounts receivable	\$ 854,963	\$ 631,061
Rents receivable	229,280	194,775
Allowance for doubtful accounts	<u>(350,013)</u>	<u>(337,755)</u>
	<u><u>\$ 734,230</u></u>	<u><u>\$ 488,081</u></u>

4. Due to Related Parties

	2018	2017
Upper Similkameen Economic Development Ltd.	\$ 19,913	\$ 19,913
Chuchuwayha Forestry Limited Partnership	<u>52,763</u>	<u>53,388</u>
	<u><u>\$ 72,676</u></u>	<u><u>\$ 73,301</u></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.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

5. Investments in Government Business Enterprises and Partnerships

Investment in Non-Controlled Entities

	2018	2017
All Nations Trust Company Group	\$ 11,151	\$ 11,151
952 class A common shares		
StuWix Resources Ltd. and StuWix Resources Joint Venture	629,977	580,263
Vermilion Forks Community Forest Corporation	104,750	356,444
	<hr/>	<hr/>
	\$ 745,878	\$ 947,858

						2018		2017	
	Assets	Liabilities	Net Assets	Revenue	Expenses	Total Earnings (Loss)	Total Earnings (Loss)		
StuWix Resources Ltd. and StuWix Resources Joint Venture	\$ 11,143,042	\$ 6,070,737	\$ 5,072,305	\$ 21,323,106	\$ 19,373,519	\$ 1,949,587	\$ 1,547,111		
Vermilion Forks Community Forest Corporation	\$ 347,383	\$ 33,061	\$ 314,322	\$ -	\$ 45,677	\$ (45,677)	\$ 787,491		

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

6. Long-term Debt

	2018	2017
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.	\$ 12,074	\$ 17,987
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.	77,631	95,606
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.	98,565	109,897
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.	100,179	109,670
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.	173,685	182,962
Caterpillar loan, repayable in monthly instalments of \$9,158 including interest at 3.27% per annum, maturing November 2018, secured by certain equipment.	45,048	124,246
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.	<u>549,437</u>	<u>716,923</u>
	<u>1,056,619</u>	<u>1,357,291</u>
Less amount due within one year	<u>257,392</u>	<u>300,607</u>
	<u><u>\$ 799,227</u></u>	<u><u>\$ 1,056,684</u></u>

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

2019	\$ 257,392
2020	219,129
2021	218,488
2022	110,476
2023	35,209
Thereafter	<u>215,925</u>
	<u><u>\$ 1,056,619</u></u>

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

7. Capital Lease

	<u>2018</u>
John Deere Financial Inc. capital lease, with interest at the rate of 1.9%, maturing in September 2021, secured by certain equipment.	\$ 427,243
Current portion	<u>(129,620)</u>
Long-term portion of obligations	<u>\$ 297,623</u>

Interest expense for the year related to the capital lease is \$4,560.

Future minimum lease payments under the capital lease for subsequent years are as follows:

2019	\$ 129,620
2020	132,103
2021	134,633
2022	<u>30,887</u>
	427,243
Less: imputed interest	<u>(15,384)</u>
	<u>\$ 411,859</u>

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

8. Tangible Capital Assets

	2018						
	Land	Buildings	Automotive	Equipment	Social Housing	Leasehold Improvement	Total
Cost, beginning of year	\$ 43,584	\$ 1,377,708	\$ 392,247	\$ 2,640,624	\$ 1,577,274	\$ 7,000	\$ 6,038,437
Additions	-	15,799	49,723	565,755	-	-	631,277
Cost, end of year	\$ 43,584	\$ 1,393,507	\$ 441,970	\$ 3,206,379	\$ 1,577,274	\$ 7,000	\$ 6,669,714
Accumulated amortization, beginning of year	\$ -	\$ 854,455	\$ 341,418	\$ 1,159,319	\$ 578,366	\$ 2,100	\$ 2,935,658
Amortization	-	58,572	15,759	387,656	53,987	-	515,974
Accumulated amortization, end of year	-	913,027	357,177	1,546,975	632,353	2,100	3,451,632
Net carrying amount, end of year	\$ 43,584	\$ 480,480	\$ 84,793	\$ 1,659,404	\$ 944,921	\$ 4,900	\$ 3,218,082

Included in equipment are assets acquired during the year under a capital lease. The cost of the equipment is \$528,000 (2017 - nil), the net book value of these assets is \$490,786 (2017 - nil).

Upper Similkameen Indian Band
Notes to Consolidated Financial Statements

March 31, 2018

8. Tangible Capital Assets (continued)

	2017						
	Land	Buildings	Automotive	Equipment	Social Housing	Leasehold Improvement	Total
Cost, beginning of year	\$ 43,584	\$ 1,377,708	\$ 388,247	\$ 2,509,704	\$ 1,577,274	\$ 7,000	\$ 5,903,517
Additions	-	-	4,000	1,077,250	-	-	1,081,250
Disposals	-	-	-	(946,330)	-	-	(946,330)
Cost, end of year	\$ 43,584	\$ 1,377,708	\$ 392,247	\$ 2,640,624	\$ 1,577,274	\$ 7,000	\$ 6,038,437
Accumulated amortization, beginning of year	\$ -	\$ 796,278	\$ 329,579	\$ 1,225,096	\$ 525,371	\$ 700	\$ 2,877,024
Amortization	-	58,177	11,839	272,118	52,995	1,400	396,529
Disposals	-	-	-	(337,895)	-	-	(337,895)
Accumulated amortization, end of year	-	854,455	341,418	1,159,319	578,366	2,100	2,935,658
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, 2018

9. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	2018	2017
Equity in Operating Fund	\$ 2,413,703	\$ 2,641,963
Equity in Social Housing	391,876	364,659
Equity in Capital Assets	2,308,835	1,745,489
Equity in Ottawa Trust	355,817	348,492
Equity in Enterprise Fund	745,878	947,856
	<hr/> \$ 6,216,109	<hr/> \$ 6,048,459

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

10. 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 social housing to the members.

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

10. Segment Disclosure (continued)

2018	Band Administration	Capital	Economic Development	Health	Education	Sub Total
Revenue						
Indigenous Services Canada	\$ 177,646	\$ 40,973	\$ 10,000	\$ -	\$ 78,281	\$ 306,900
Logging income	-	-	1,512,745	-	-	1,512,745
General income	236,449	-	211,086	8,600	-	456,135
Province of BC	640,004	-	-	95,359	-	735,363
Administration income	38,390	-	-	-	-	38,390
First Nation Health Authority				255,396		255,396
Rental income	8,095	-	-	-	-	8,095
Other revenue (recovery)	350,850	-	58,294	(14,810)	10,142	404,476
Total	1,451,434	40,973	1,792,125	344,545	88,423	3,717,500
Expenses						
Amortization	68,504	-	393,483	-	-	461,987
Professional fees	107,896	-	34,647	-	-	142,543
Travel	30,887	-	18,095	16,923	3,899	69,804
Utilities and telephone	13,891	11,983	9,390	1,001	-	36,265
Wages and benefits	196,944	12,997	996,371	105,697	8,282	1,320,291
Other expenses	484,547	21,761	789,224	161,040	81,734	1,538,306
Total	902,669	46,741	2,241,210	284,661	93,915	3,569,196
Surplus (deficit)	\$ 548,765	\$ (5,768)	\$ (449,085)	\$ 59,884	\$ (5,492)	\$ 148,304

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

10. Segment Disclosure (continued)

2018	Social Assistance	Social Housing	Capital fund	Ottawa Trust Fund	Enterprise Fund	Consolidated Total
Revenue						
Indigenous Services Canada	\$ 72,983	\$ -	\$ -	\$ -	\$ -	\$ 379,883
Logging income	-	-	-	-	-	1,512,745
General income	-	-	-	-	-	456,135
Province of BC	-	-	-	-	-	735,363
Administration income	-	-	-	-	-	38,390
First Nation Health Authority	-	90,736	-	-	-	255,396
Rental income	-	54,366	-	7,325	-	98,831
Other revenue	-	-	-	-	-	466,167
Total	72,983	145,102	-	7,325	-	3,942,910
Expenses						
Amortization	-	53,987	-	-	-	515,974
Professional fees	-	7,000	-	-	-	149,543
Travel	633	-	-	-	-	70,437
Utilities and telephone	-	5,200	-	-	-	41,465
Wages and benefits	38,264	-	-	-	-	1,358,555
Other expenses	40,745	60,235	-	-	-	1,639,286
Total	79,642	126,422	-	-	-	3,775,260
Surplus (deficit)	\$ (6,659)	\$ 18,680	\$ -	\$ 7,325	\$ -	\$ 167,650

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

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10. Segment Disclosure (continued)

<u>2017</u>	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	330,108	-	54,638	52,754	3,540	441,040
Total	1,595,768	20,444	2,148,008	267,243	57,858	4,089,321
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)	\$ 385,129	\$ (23,718)	\$ (258,585)	\$ 12,202	\$ (1,106)	\$ 113,922

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

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10. Segment Disclosure (continued)

	2017	Social Assistance	Social Housing	Capital Fund	Ottawa Trust Fund	Enterprise Fund	Consolidated Total
Revenue							
Indigenous Services Canada	\$ 90,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 342,537
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	-	519,640
Total	90,897	156,958	-	6,042	-	4,343,218	
Expenses							
Amortization	-	52,996	-	-	-	-	396,529
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	137,584	-	-	-	-	4,216,568
Surplus (deficit)	\$ (12,688)	\$ 19,374	\$ -	\$ 6,042	\$ -	\$ 126,650	

Upper Similkameen Indian Band

Notes to Consolidated Financial Statements

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11. 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.

12. 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.