

Okanagan Indian Band

Consolidated Financial Statements

March 31, 2014

(See Independent Auditor's Report)

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Okanagan Indian Band
Index to the Consolidated Financial Statements
Year Ended March 31, 2014

Management's Responsibility for Financial Reporting

Independent Auditor's Report

Statement A	Consolidated Statement of Financial Position
Statement B	Consolidated Statement of Fund Balances
Statement C	Consolidated Statement of Operations
Statements C 1 to C 107	Unaudited Statements of Revenue and Expenditure For Each Fund
Statement D	Consolidated Statement of Cash Flow
Statement E	Consolidated Statement of Changes in Net Financial Assets (Net Debt)
	Notes to the Consolidated Financial Statements
Schedule 1	Schedule of Council Honouraria, Travel and Other Expenses
Schedule 2	Schedule of Salaries, Travel Expenses and Other Remuneration

Management's Responsibility for Financial Reporting

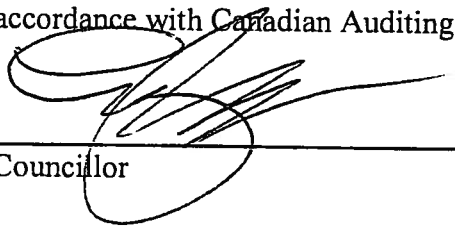
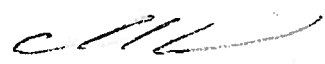
The accompanying financial statements of the Okanagan Indian Band are the responsibility of management and have been approved by the Chief and Council.

The financial statements of the Okanagan Indian Band have been prepared in accordance with Canadian Public Sector Accounting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Okanagan Indian Band 's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

Chief and Council are responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Following a review of the financial statements and discussions with the auditors, Chief and Council approve the financial statements.

The financial statements have been audited on behalf of the members by Clark, Robinson, CGA's in accordance with Canadian Auditing Standards.


Councillor
Councillor

July 29, 2014
Date

Vernon, B.C.

INDEPENDENT AUDITOR'S REPORT

To the Members of Okanagan Indian Band

We have audited the accompanying consolidated financial statements of Okanagan Indian Band, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of fund balances, operations, cash flow and changes in net financial assets 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 consolidated 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 auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

Amortization of housing assets is provided in an amount equal to the annual principal reduction of the mortgages in accordance with the terms of the agreements with Canada Mortgage and Housing Corporation. Under this method, amortization of housing assets is not in accordance with Canadian Public Sector Accounting Standards. The effect on the consolidated financial statements of this amortization method has not been determined.

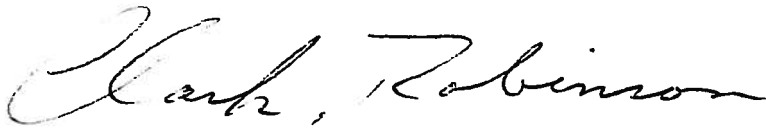
As explained in Note 1 to the consolidated financial statements, certain capital assets have not been recorded in accordance with Canadian Public Sector Accounting Standards. The effect on the consolidated financial statements of not recording these assets has not been determined.

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Qualified Opinion

In our opinion, except for possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Okanagan Indian Band as at March 31, 2014, and its financial performance, cash flow and net debt for the year then ended in accordance with Canadian Public Sector Accounting Standards.

A handwritten signature in cursive script that reads "Clark, Robinson".

Clark, Robinson
Certified General Accountants

Vernon, British Columbia
July 29, 2014

Okanagan Indian Band
Consolidated Statement of Financial Position
March 31, 2014
(See Independent Auditor's Report)

	2014	2013
Financial assets		
Cash and equivalents (Note 2)	\$ 1,558,098	\$ 3,236,411
Accounts receivable (Note 3)	1,111,919	292,687
Due from Government (Note 4)	965,464	991,783
Inventory for resale (Note 5)	1,599,886	-
Investment in Band-owned entities (Note 6)	3,499,780	3,513,006
Funds held in Ottawa Trust (Note 7)	3,835,996	3,778,868
Total financial assets	<u>12,571,143</u>	<u>11,812,755</u>
Financial liabilities		
Accounts payable (Note 8)	1,431,646	1,178,760
Due to Government (Note 9)	6,447	75,013
Employee benefit obligations (Note 10)	119,448	95,503
Royalties payable (Note 11)	793,430	793,430
Long-term liabilities (Note 12)	-	62,741
Security deposits (Note 13)	17,738	15,262
Long-term debt (Note 14)	6,062,549	5,537,002
Total liabilities	<u>8,431,258</u>	<u>7,757,711</u>
Net financial assets (liabilities)	<u>4,139,886</u>	<u>4,055,045</u>
Non-financial assets		
Tangible capital assets (Note 15)	17,905,929	16,744,016
Inventory of supplies	53	53
Prepaid expenses	116,495	141,180
Total non-financial assets	<u>18,022,477</u>	<u>16,885,249</u>
Accumulated surplus	<u>\$ 22,162,363</u>	<u>\$ 20,940,294</u>
Accumulated surplus, as represented by:		
Unrestricted net assets		
Band accumulated surplus, beginning of year	\$ 868,458	\$ 241,138
Current year surplus (deficit)	(281,900)	1,109,596
Band accumulated surplus, end of year (Note 16)	586,559	868,458
Equity from investments in band-owned entities	3,499,779	3,513,005
	<u>4,086,338</u>	<u>4,381,464</u>
Restricted net assets		
CMHC housing reserves (Note 17)	993,691	1,112,936
Equity in Ottawa Trust Funds	3,835,996	3,778,868
Restricted capital surplus	39,195	39,195
	<u>4,868,882</u>	<u>4,930,999</u>
Equity in tangible capital assets		
Equity in tangible capital assets (Note 18)	13,207,143	11,627,831
	<u>\$ 22,162,363</u>	<u>\$ 20,940,294</u>
Contingent Liability (Note 22)		
Commitments (Note 23)		

Approved on Behalf of Chief and Council:

Councillor

Councillor

The accompanying notes are an integral part of these financial statements
Amounts may not add due to rounding

**CLARK
ROBINSON**

Okanagan Indian Band
Consolidated Statement of Fund Balances
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

Statement	Aboriginal Affairs and Northern Development Canada funding	Other revenue	Interfund transfers	Total revenue and interfund transfers	Current expenditures	Year to date surplus (deficit)	Fund balance, beginning of the year	Funding adjustments recoveries (reimbursements)	Fund balance, end of the year
C1 General Band Revenue	-	929,455	(615,440)	314,015	923,128	(609,113)	3,728,956	145,014	3,264,858
C2 Band Support Funding	490,088	116,746	44,686	651,520	709,570	(58,050)	123,223	-	65,172
C3 Governance Bylaw Development	-	-	-	-	-	-	(692)	-	(692)
C4 Band Employee Benefits	91,609	-	28,391	120,000	120,000	-	(17,210)	-	(17,210)
C5 Land Claims	-	-	19,515	19,515	19,720	(205)	(551,519)	-	(551,724)
C6 Colonial Specific Claims	-	116,962	-	116,962	261,752	(144,790)	(47,922)	-	(192,712)
C7 Ottawa Trust Funds	-	329,329	(329,329)	-	-	-	-	-	-
C8 Indian Registry	-	1,935	-	1,935	18,155	(1,744)	42,366	-	40,621
C9 Education Ancillary Support	14,476	800	47,000	88,280	69,623	18,657	237,169	-	255,826
C10 Education FNESC School Funding	40,480	75,645	-	116,125	62,313	13,332	100,825	-	114,157
C11 Education Instructional Services Formula Immersion	-	32,220	(283,466)	422,617	514,928	(92,312)	568,694	-	476,383
C12 Education Enhanced Teachers Salaries Band Op	673,863	-	1	1	-	1	(1)	-	-
C13 Education Comprehensive Ed Support Services	77,116	-	-	77,116	39,583	37,533	(15,586)	-	21,947
C14 Education Reciprocal Tuition	-	71,784	70,766	142,550	31,679	110,871	76,805	-	187,676
C15 Education Financial Assistance Allowance	22,880	-	-	22,880	4,897	17,983	1,036	-	19,019
C16 Education Guidance and Counseling	31,490	-	-	31,490	33,824	(2,334)	31,472	-	29,138
C17 Education Private Schools	229,682	-	-	229,682	229,682	-	(2,778)	-	(2,778)
C18 Education Post Sec Student Support	743,252	-	-	743,252	922,415	(179,163)	179,162	-	(0)
C19 Education Tuition Agreement	1,049,543	-	-	1,049,543	1,049,543	(8,245)	(8,245)	-	(8,245)
C20 Education Student Transportation Services	-	-	-	-	361	(361)	361	-	-
C21 Education FNESC Community Funding	-	4,335	47,000	51,335	23,739	27,597	36,259	-	63,855
C22 Education Language Nest	-	4,700	-	4,700	23,867	(19,167)	(4,480)	-	(23,647)
C23 Education Kekuli Project	-	14,820	-	14,820	8,771	6,049	(572)	-	5,477
C24 Education Early Childhood Education	-	231,041	189,746	420,786	415,659	5,127	323,372	-	328,499
C25 Education OTDC	-	333,565	(201,630)	131,935	135,974	(4,039)	(16,252)	-	(20,291)
C26 Health Planning and Management	-	114,345	-	114,345	191,065	(76,720)	51,699	-	(25,021)
C27 Health Facilities and Capital Program	-	34,182	-	34,182	37,964	(3,782)	(940)	-	(4,722)
C28 Health ONA Truth and Reconciliation	-	1,500	-	1,500	1,778	(278)	26,125	-	25,847
C29 Health Aboriginal Head Start	-	99,000	-	99,000	95,196	3,804	1,812	-	5,616
C30 Health Prenatal Nutrition	-	25,041	-	25,041	8,663	16,378	42	-	16,420
C31 Health Mental Health Crisis Mgmt	-	46,759	-	46,759	27,732	19,027	(30,786)	-	(11,759)
C32 Health Solvent Abuse Program	-	18,636	-	18,636	20,499	(1,863)	9	-	(1,854)
C33 Health Brighter Futures	-	80,718	-	80,718	65,354	15,364	11,332	-	26,696
C34 Health Native Alcohol and Drug Abuse	-	85,844	-	85,844	94,601	(8,757)	(38,651)	-	(47,407)
C35 Health Aboriginal Diabetes Initiatives	-	31,829	-	31,829	17,564	14,265	(11,414)	-	2,851
C36 Health Community Injury Illness Prevention	-	257,478	-	257,478	232,310	25,167	1,810	-	26,977
C37 Health Blood Borne Disease and Sexually Trms Infections	-	2,815	-	2,815	2,938	(123)	97	-	(26)
C38 Health Drinking Water Safety	-	42,646	-	42,646	42,647	(1)	1,927	-	1,926
C39 Health FN Home and Community Care	-	251,409	-	251,409	308,370	(56,961)	(87,573)	-	(144,534)
C40 Health Interior Health	-	4,167	-	4,167	-	4,167	14,077	-	18,244
C41 Health Non-Insured Health - Medical Transportation	-	47,916	-	47,916	40,622	7,294	(6,505)	-	790

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Okanagan Indian Band
Consolidated Statement of Fund Balances
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

Statement	Aboriginal Affairs and Northern Development Canada funding	Other revenue	Interfund transfers	Total revenue and interfund transfers	Current expenditures	Year to date surplus (deficit)	Fund balance, beginning of the year	Funding adjustments recovery (reimbursements)	Fund balance, end of the year
C42 SA Service Delivery	93,667	-	-	93,667	108,753	(15,086)	94,469	-	79,383
C43 SA Centre of Excellence	201,575	75,982	-	277,557	218,970	58,587	23,530	-	82,117
C44 SA Active Measures	133,550	-	-	133,550	108,814	24,736	52,852	-	77,389
C45 SA Basic Needs	1,123,810	-	-	1,123,810	1,147,507	(23,697)	(72,330)	-	(2,755)
C46 SA Child Out of Parental Home	32,112	-	-	32,112	15,813	16,299	-	93,271	(16,299)
C47 SA Special Needs	42,344	-	-	42,344	38,706	3,638	(3,531)	(3,638)	(3,531)
C48 SA for Employment and Training	-	-	-	-	-	-	126	-	126
C49 SA National Child Benefit Reinvestment	131,873	-	-	131,873	131,873	-	(1,506)	-	(1,506)
C50 Health Interior Health AHIP 1 Red Rd	-	16,667	-	16,667	16,082	585	0	-	585
C51 SA Family Support	9,693	-	-	9,693	11,046	(1,353)	38,230	-	36,877
C52 SA In-Home Care	116,662	-	-	116,662	136,716	(20,054)	(20,426)	-	(20,426)
C53 SA In-Home Care Service Delivery	20,587	-	-	20,587	20,587	-	4,150	-	4,150
C54 Ministry of Children and Families	-	126,288	-	126,288	126,810	(522)	(2,269)	-	(2,269)
C55 OLH Administration	-	-	164,292	164,292	161,819	2,473	(924,281)	-	(921,808)
C56 OLH Emergency Preparedness	12,685	-	-	12,685	11,196	1,489	-	(1,489)	-
C57 OLH Buildings	16,557	78,764	79,584	174,905	449,697	(274,793)	(154,248)	-	(429,041)
C58 OLH Roads and Bridges	112,618	-	-	112,618	113,147	(529)	55,017	-	54,488
C59 OLH Domestic Water	108,878	-	-	108,878	146,635	(37,757)	37,757	-	0
C60 OLH Wastewater Systems	4,637	-	-	4,637	41,072	(36,435)	4,261	-	(32,174)
C61 OLH Fire Protection	18,620	8,360	-	26,980	36,132	(9,152)	(12,668)	-	(21,820)
C62 OLH Training - Fire Protection	21,000	-	-	21,000	32,784	(11,784)	21,505	-	9,721
C63 OLH Emergency Flooding	-	-	-	-	374	(374)	-	-	(374)
C64 OLH Community Parks	-	8,600	-	8,600	18,219	(9,619)	(5,504)	-	(15,123)
C65 OLH Church and Cemeteries	-	-	-	-	11,290	(11,290)	(7,520)	-	(18,809)
C66 OLH Municipal Services	88,272	-	-	88,272	103,802	(15,530)	(8,128)	-	(23,658)
C67 OLH Mun Services CPMS 8027 Six Mile Crk Subdivision	-	-	(47,307)	(47,307)	-	(47,307)	47,307	-	-
C68 OLH Outside Work	-	2,551	-	2,551	2,577	(26)	(1,823)	-	(1,849)
C69 OLH Six Mile Subdivision 15 Lot Completion	-	160,649	8,711	169,359	160,648	8,711	-	-	8,711
C70 OLH Special Services ACRS	-	-	-	-	-	-	(51)	51	0
C71 OLH Special Services Pinus Dam	128,625	8,229	-	136,854	193,339	(56,485)	1,203	-	(55,282)
C72 OLH Equipment Lease	-	248	-	248	62,297	(11,050)	117,329	-	106,280
C73 OLH Land Management RLAP	101,267	-	51,000	152,267	101,267	-	73,716	-	73,716
C74 OLH Land Use Planning	112,809	-	-	112,809	104,987	7,822	76,742	-	84,563
C75 OLH Environment Site Assessment	-	-	-	-	-	-	(1,489)	-	(1,489)
C76 OLH Band Owned Housing	-	172,219	(3,452)	168,766	105,708	63,058	95,019	-	158,077
C77 OLH Six Mile Housing 6 Unit Completion	-	745,419	-	745,419	745,419	-	(7,736)	-	(10,987)
C78 CMHC Housing Section 56.1	-	44,488	-	44,488	47,739	(3,251)	(148,357)	-	(74,738)
C79 CMHC Housing Section 95	-	540,837	3,452	544,289	470,670	73,619	(229,087)	-	(229,087)
C80 OLH Health Building - Capital	-	-	-	-	-	-	101,909	-	(65,057)
C81 OLH Bradley Creek DWS Improvement - Capital	2,280,039	-	-	2,280,039	2,446,904	(166,865)	(11,688)	-	(11,688)
C82 OLH Other Capital Projects	-	-	-	-	-	-	455	-	455
C83 OLH Capital Planning	-	-	-	-	-	-	-	-	-

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Amounts may not add due to rounding

Okanagan Indian Band
Consolidated Statement of Fund Balances
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

Statement	Aboriginal Affairs and Northern Development Canada funding	Other revenue	Interfund transfers	Total revenue and interfund transfers	Current expenditures	Year to date surplus (deficit)	Fund balance, beginning of the year	Funding adjustments recoveries (reimbursements)	Fund balance, end of the year
C84 OLH Phase 4 Reno - Capital	-	-	-	-	-	-	21,461	-	21,461
C85 OLH Winfield Infrastructure - Capital	-	-	-	-	-	-	(57,664)	-	(57,664)
C86 OLH Restricted Capital Surplus	-	-	-	-	-	-	39,195	-	39,195
C87 OLH Social Housing Construction Consolidated	-	-	349,127	349,127	349,127	-	(2,539,508)	-	(1,703,789)
C88 OLH Louis Creek Subdivision - Capital	-	-	38,596	38,596	-	-	(38,596)	835,719	-
C89 OLH Social Housing 06/07 - Capital	-	-	-	-	-	38,596	(22,789)	-	(22,789)
C90 OLH Phase 18 - 15 Unit - Capital	-	-	-	-	-	-	(167,785)	-	(167,785)
C91 OLH Phase 19 - 5 Unit - Capital	-	-	-	-	-	-	(62,478)	-	(62,478)
C92 OLH General Renovations - Capital	-	-	-	-	-	(3,158)	(172,951)	(415)	(176,523)
C93 OLH Individual Subsidy - Capital	-	-	-	-	3,158	-	-	-	-
C94 EcDev Program CEDP	162,823	1,264	-	218,902	-	-	-	-	-
C95 OLH Six Mile Contractor/Manager 2014	-	80,567	54,815	80,567	218,865	36	164,645	-	164,681
C96 EcDev UXO Project	110,880	-	-	110,880	80,567	-	-	-	-
C97 EcDev Management	-	-	-	-	111,435	(555)	6,566	-	6,011
C98 EcDev Clean Energy Fund	-	-	(3,972)	(3,972)	-	(3,972)	3,972	-	-
C99 Education Abor Lang Initiative	-	22,000	-	22,000	19,714	2,286	-	-	2,286
C100 EcDev Paragon Site Master Plan	-	66,500	-	66,500	56,771	9,729	-	-	9,729
C101 EcDev Swan Lake North Development	-	-	62,300	62,300	62,300	-	(200)	-	(200)
C102 Education First Peoples Cultural Council	-	-	140,000	140,000	71,711	68,289	(1,166)	-	67,123
C103 Education Story of Our Ways	-	-	-	-	649	(649)	-	-	(649)
C104 Territorial Stewardship	-	50,000	-	50,000	27,375	22,625	-	-	22,625
C105 EcDev N'Kwala Industrial Park	-	710,350	66,000	776,350	776,327	23	214,193	-	214,216
C106 EcDev ERA	-	-	-	-	-	-	(13,956)	-	(13,956)
C107 TSD BCCI AANDC	75,000	3,724	19,615	23,339	101,672	(78,334)	(415,425)	-	(493,758)
Totals	\$ 8,725,062	\$ 6,331,324	\$ 0	\$ 15,056,386	\$ 16,410,555	\$ (1,354,169)	\$ 907,653	\$ 1,072,269	\$ 625,754

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The accompanying notes are an integral part of these financial statements
Amounts may not add due to rounding

Okanagan Indian Band
Consolidated Statement of Operations
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

	2014 Budget	2014 Actual	2013 Actual
Revenue			
Federal government transfers for operating	7,936,732	7,993,620	7,768,119
Federal government transfers for capital	2,280,039	2,279,624	1,924,498
Provincial government transfers for operating	1,678,138	1,666,422	3,360,261
Rent	653,178	651,960	656,217
Income from portfolio investments	7,300	7,236	7,269
Other	2,704,925	2,549,060	1,121,329
Total Revenues	15,260,312	15,147,923	14,837,692
Expenses			
Education	3,444,194	3,444,633	3,252,062
Health	1,240,129	1,203,386	1,316,024
Economic development	332,042	312,939	255,938
Housing	229,291	276,963	378,233
Social services	1,928,690	2,065,595	1,924,088
Community services	672,905	785,327	1,336,561
Band Government	2,430,726	2,642,545	1,459,719
Employment programs	340,748	337,604	317,730
Public works	4,796,106	4,750,138	3,002,076
Interest	117,267	122,603	116,966
Land Claims	200,124	261,957	170,319
Amortization	206,000	206,864	198,378
Total Expenses	15,938,223	16,410,555	13,728,096
Annual surplus (deficit)	\$ (677,911)	(1,262,633)	1,109,596
Surplus (deficit) beginning of year		907,654	(201,943)
Adjustment for social housing units transferred to inventory		980,733	-
Ending surplus (deficit)		\$ 625,754	\$ 907,654

The accompanying notes are an integral part of these financial statements
Amounts may not add due to rounding

**CLARK
ROBINSON**

Okanagan Indian Band

Notes to the Financial Statements For the Year Ended March 31, 2014 (See Independent Auditor's Report)

PURPOSE OF THE ORGANIZATION

Okanagan Indian Band (the Band) is part of the Okanagan Nation, which is comprised of seven Indian Bands, including; Lower Similkameen Indian Band, Upper Similkameen Indian Band, Osoyoos Indian Band, Penticton Indian Band, Westbank First Nation, Upper Nicola Indian Band and the Okanagan Indian Band. Okanagan Indian Band is located at the head of Okanagan Lake in Vernon, B.C., and provides various services to its members.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY AND PRINCIPLES OF FINANCIAL REPORTING

These Consolidated Financial Statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The Band includes the Okanagan Indian Band government and all related entities which are accountable to the Band and are either owned or controlled by the Band.

These financial statements consolidate the assets, liabilities and result of operations of Eagle Rock Aggregates, a proprietorship of the Band.

All inter-entity balance sheet items have been eliminated, but in order to present the results of operations for each specific fund, transactions between funds have not been eliminated on the statements of revenue and expenditure.

FUND ACCOUNTING

The Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund. The various funds have been summarized for the purpose of presentation in the statement of Operations and Fund Balances. Details of the operations of each fund are set out in the individual statements of Revenue and Expenditure.

PORTFOLIO INVESTMENTS

Portfolio investments are stated at the lower of cost and market value.

INVENTORY

Inventory is stated at the lower of cost and estimated realizable value and consists of financial housing units available for sale and non-financial processed aggregate supplies.

continued...

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Okanagan Indian Band

Notes to the Financial Statements For the Year Ended March 31, 2014 (See Independent Auditor's Report)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

INVESTMENT IN BAND-OWNED ENTITIES

Incorporated business entities, which are owned by the Band are included in the consolidated financial statements using the modified equity method. Under the modified equity method, advances to or from the incorporated businesses are recognized in income in the Band Revenue Fund with a corresponding change in equity in the investment. Changes in retained earnings of the incorporated businesses are reflected in the value of the investment and equity in the investment. These include:

- 631640 B.C. Ltd.
- ERA Aggregates Ltd. (Inactive)
- Okanagan Band Development Corporation
- Okanagan Indian Band Land Holding Company Ltd.
- Okanagan Log Homes Inc. (Inactive)
- Swan Lake Industrial Park Ltd. (Inactive)

FUNDS HELD IN TRUST

Funds held in trust are accounted for on an accrual basis.

TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost less accumulated amortization except designated reserve lands assigned for social housing units which are recorded at a nominal amount determined by Canada Mortgage and Housing Corporation or the Band.

The acquisition costs of tangible capital assets are charged directly to the appropriate fund. These expenditures are also recorded as an addition to the tangible capital asset account with a corresponding increase in equity in tangible capital assets or a related liability.

Certain tangible capital assets have not been recorded in accordance with Canadian Public Sector Accounting Standards. The Band is developing an inventory of unrecorded tangible capital assets in anticipation of implementing a change to tangible capital asset policies in the future.

continued...

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Okanagan Indian Band

Notes to the Financial Statements For the Year Ended March 31, 2014 (See Independent Auditor's Report)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

AMORTIZATION

Tangible capital assets recorded at cost are amortized annually on the declining balance basis with a corresponding reduction in equity in tangible capital assets. Tangible capital assets are not amortized until they are available for use. The following describes the amortization basis per tangible capital asset type:

- Buildings - Declining balance basis at 4% and 5%. In the year of acquisition, one half of the normal rate is charged.
- Equipment - Declining balance basis at 20% and 30%. In the year of acquisition one half of the normal rate is charged.
- Social housing assets acquired under CMHC sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in related long term debt, as required for CMHC reporting purposes.
- Social housing infrastructure funded by the Band - Declining balance basis at 2%.

In the year of acquisition, one half of the normal rate is charged.

REVENUE RECOGNITION

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relate to a subsequent fiscal period is recorded as revenue in the year of receipt, and is carried as Band accumulated surplus on the statement of financial position. Unexpended resources are budgeted for expenditure in the subsequent year.

Revenue from leases are recognized in the year in which the revenue relates. Lease revenue received in advance is reflected as deferred revenue on the statement of financial position.

RETIREMENT BENEFIT

The Band maintains a defined contribution pension plan. Employee contributions are deducted as a percentage of earnings and the Band matches employee contributions. During the year, the Band contributed \$86,964 (2013 - \$87,063) to the defined contribution pension plan and does not have any other obligations with regard to the pension plan.

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Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as reported amounts of revenues and expenditures during the reporting period. Assumptions are based on a number of factors, including historical experience, current events, actions that the Band may undertake in the future and other assumptions believed reasonable under the circumstances. Such estimates are periodically reviewed and any necessary adjustments are reported in earnings in the period in which they become known. These estimates are subject to measurement uncertainty and actual results could differ from these estimates. Examples of significant estimates include:

- Valuation of inventory;
- Providing for amortization of tangible capital assets;
- The estimated useful lives of assets;
- The allowance for doubtful accounts; and
- The recoverability of investments in Band-owned entities.

NOTE 2 - CASH AND EQUIVALENTS

Under the terms of agreements with Canada Mortgage and Housing Corporation (CMHC), the Band must set aside funds annually for the repair, maintenance or replacement of assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC, with any interest earned to be credited as revenue to the appropriate housing fund.

The Band has internally restricted certain surpluses in the Band Revenue Fund.

	2014	2013
Externally Restricted:		
CMHC Reserves	\$ 993,691	\$ 1,112,936
Internally Restricted:		
Restricted Band Accumulated Surpluses	71,457	486,735
Unrestricted:		
Operating	302,434	1,603,767
Social Housing	141,618	23,561
Eagle Rock Aggregates	48,898	9,412
	492,950	1,636,740
Total Cash and Equivalents	\$ 1,558,098	\$ 3,236,411
Cash and Equivalents consist of:		
Cash	\$ 480,052	\$ 2,181,708
Marketable Securities (Market Value - \$1,083,260 2013 - \$1,064,405)	1,078,046	1,054,703
	\$ 1,558,098	\$ 3,236,411

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Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 3 - ACCOUNTS RECEIVABLE

	2014	2013
Trade Accounts Receivable	\$ 167,167	\$ 508,083
Less Allowance for Doubtful Accounts	<u>(131,366)</u>	<u>(278,043)</u>
Net Trade Accounts Receivable	<u>35,801</u>	<u>230,040</u>
Social Housing Rents Receivable	257,591	312,601
Less Allowance for Doubtful Accounts	<u>(171,468)</u>	<u>(256,505)</u>
Net Social Housing Rents Receivable	<u>86,123</u>	<u>56,096</u>
Band Member Accounts Receivable	27,161	25,954
Less Allowance for Doubtful Accounts	<u>(23,801)</u>	<u>(19,403)</u>
Net Band Member Accounts Receivable	<u>3,360</u>	<u>6,551</u>
Loan Proceeds Receivable	<u>986,635</u>	<u>-</u>
	<u>\$ 1,111,919</u>	<u>\$ 292,687</u>

NOTE 4 - DUE FROM GOVERNMENT

	2014	2013
Federal Government		
Aboriginal Affairs and Northern Development Canada (AANDC)	\$ 630,780	\$ 399,415
Canada Mortgage and Housing Corporation (CMHC)	11,117	13,027
Sales Taxes	<u>1,466</u>	<u>-</u>
	<u>643,363</u>	<u>412,442</u>
Provincial Government	<u>219,033</u>	<u>523,499</u>
Other Government Organizations		
Okanagan Nation Alliance (ONA)	25,840	34,765
Okanagan Training & Development Council (OTDC)	<u>77,228</u>	<u>21,077</u>
	<u>103,068</u>	<u>55,842</u>
	<u>\$ 965,464</u>	<u>\$ 991,783</u>

Okanagan Indian Band

Notes to the Financial Statements

For the Year Ended March 31, 2014

(See Independent Auditor's Report)

NOTE 5 - INVENTORY FOR RESALE

Inventory for resale comprises of 6 detached residential housing units and 9 lots.

	2014
Cost	1,806,718
Write-down to estimated realizable value	<u>(206,832)</u>
Estimated realizable value	<u>\$ 1,599,886</u>

NOTE 6 - INVESTMENT IN BAND OWNED ENTITIES

	Okanagan Indian Band Land Holding Company Ltd.	631640 BC Ltd.	Okanagan Band Development Corporation	Swan Lake Industrial Park Ltd.	Okanagan Log Homes Inc.	ERA Aggregates Ltd.	Total
Shares	\$ <u>331,864</u>	\$ <u>1</u>	\$ <u>120</u>	\$ <u>12</u>	\$ <u>100</u>	\$ <u>120</u>	\$ <u>332,217</u>
Advances							
Opening Balance	1,502,714	2,167,900	3,929	3,071	(100)	(120)	3,677,394
Advances For Year	<u>1,440</u>	<u>15,000</u>	<u>(7,858)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,582</u>
Closing Balance	1,504,154	2,182,900	(3,929)	3,071	(100)	(120)	3,685,976
Retained Earnings (deficit)							
Opening Balance	(492,266)	(5,065)	3,809	(3,083)	-	-	(496,605)
Net Income (Loss)	<u>(25,757)</u>	<u>-</u>	<u>3,949</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,808)</u>
Closing Balance	<u>(518,023)</u>	<u>(5,065)</u>	<u>7,758</u>	<u>(3,083)</u>	<u>-</u>	<u>-</u>	<u>(518,413)</u>
Total	\$ <u>1,317,995</u>	\$ <u>2,177,836</u>	\$ <u>3,949</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,499,780</u>

Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 7 - FUNDS HELD IN OTTAWA TRUST

The Ottawa Trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds are primarily governed by Sections 63 through 69 of the Indian Act.

	Capital Account	Revenue Account	Total 2014	Total 2013
Balance, Beginning of the Year	\$ 258,964	\$ 3,519,904	\$ 3,778,868	\$ 3,418,335
Receipts During the Year				
Federal Government Interest	-	105,821	105,821	82,918
Province of B.C.	-	4,636	4,636	4,615
Permits and Leases	-	276,000	276,000	273,000
	258,964	3,906,361	4,165,325	3,778,868
Transfer to Okanagan Indian Band (Statement C 7)	-	(329,329)	(329,329)	-
Balance, End of the Year	\$ 258,964	\$ 3,577,032	\$ 3,835,996	\$ 3,778,868

NOTE 8 - ACCOUNTS PAYABLE

	2014	2013
Trade Accounts Payable	\$ 669,340	\$ 601,453
Contract Holdbacks Payable	51,177	-
Social Assistance Payable	3,665	32,247
Education Payable	603,274	455,072
Salaries and Wages Payable	104,190	89,988
	\$ 1,431,646	\$ 1,178,760

NOTE 9 - DUE TO GOVERNMENT

	2014	2013
Federal Government		
Canada Mortgage and Housing Corporation (CMHC)	\$ 6,160	\$ 20,361
Source Deductions	287	36,194
Sales Taxes	-	18,458
	\$ 6,447	\$ 75,013

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Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 10 - EMPLOYEE BENEFIT OBLIGATIONS

	2014	2013
Vacation pay and overtime	\$ 118,665	\$ 94,722
Pension contributions	<u>783</u>	<u>781</u>
	<u>\$ 119,448</u>	<u>\$ 95,503</u>

The vacation pay and overtime consist of amounts that employees have earned and are entitled to within the next budgetary year.

Pension contributions consist of Band and employee contributions due to Okanagan Indian Band Pension Plan.

NOTE 11 - ROYALTIES PAYABLE

Royalties Payable to Funds Held in Trust, related to the sale of aggregates, are calculated at rates established by Band Council. A formal lease permit for the Eagle Rock Aggregates lands has not been established.

NOTE 12 - LONG-TERM LIABILITIES

	2014	2013
Mandell Pinder LLP	\$ <u>-</u>	\$ <u>62,741</u>

NOTE 13 - SECURITY DEPOSITS

Security deposits are received from tenants of Band owned and CMHC social housing units.

Okanagan Indian Band
Notes to the Financial Statements
Notes to the Financial Statements March 31, 2014
(See Independent Auditor's Report)

NOTE 14 - LONG-TERM DEBT

	2014	2013
Phase 11 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$2,240 including interest at 2.53% per annum, mortgage term matures December 1, 2017, mortgage matures October 1, 2022 and is secured by ministerial guarantee.	216,140	239,531
Phase 12 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$3,268 including interest at 2.61% per annum, mortgage term matures September 1, 2014, mortgage matures August 1, 2024 and is secured by ministerial guarantee.	357,528	387,041
Phase 13 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$2,026 including interest at 1.80% per annum, mortgage term matures October 1, 2016, mortgage matures July 1, 2026 and is secured by ministerial guarantee.	268,785	288,085
Phase 14 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$1,665 including interest at 1.53% per annum, mortgage term matures December 1, 2017, mortgage matures July 1, 2027 and is secured by ministerial guarantee.	240,863	257,032
Phase 15 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$2,405 including interest at 1.81% per annum, mortgage term matures April 1, 2014, mortgage matures February 1, 2029 and is secured by ministerial guarantee.	377,190	399,032
Phase 16 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$2,431 including interest at 2.69% per annum, mortgage term matures August 1, 2015, mortgage matures July 1, 2025 and is secured by ministerial guarantee.	284,871	306,107
Phase 17 - Canada Mortgage and Housing Corporation Mortgage advances were repaid during the year.	-	347,197
Sub total	<u>1,745,377</u>	<u>2,224,025</u>

Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 14 - LONG-TERM DEBT (continued)

	2014	2013
Balance Forward:	<u>1,745,377</u>	<u>2,224,025</u>
Phase 18 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$6,556 including interest at 2.17% per annum, mortgage term matures December 1, 2015, mortgage matures November 1, 2035 and is secured by ministerial guarantee.	1,351,687	1,400,586
Phase 19 - Canada Mortgage and Housing Corporation Mortgage payable in monthly installments of \$1,930 including interest at 2.11% per annum, mortgage term matures January 1, 2019, mortgage matures November 1, 2033 and is secured by ministerial guarantee.	372,728	386,825
Winfield Infrastructure - Bank of Montreal demand loan bearing monthly interest at prime rate plus 1% per annum and repayable in annual installments of \$50,000 commencing April 30, 2014. The bank has advised that it will not call the loan within the next year.	600,000	600,000
Winfield 15 Units - Bank of Montreal demand loan payable in monthly installments of \$3,134 including interest at prime rate plus 1% per annum payable monthly. The bank has advised that it will not call the loan within the next year.	327,581	351,567
Six Mile Mould Remediation - Bank of Montreal demand loan payable in monthly installments of \$1,594 including interest at prime rate plus 1% per annum payable monthly. The bank has advised that it will not call the loan within the next year.	140,760	153,180
Six Mile Renovation Costs - Bank of Montreal demand loan accrued proceeds to be fully advanced subsequent to year end up to the amount of \$999,000. During construction, monthly interest is payable at prime rate plus 1% per annum. Upon completion, the loan will be repaid in monthly blended instalments over a 20 year period. The bank has advised that it will not call the loan within the next year.	745,419	-
Six Mile Infrastructure Costs - Bank of Montreal demand loan accrued proceeds to be fully advanced subsequent to year end up to the amount of \$352,000. During construction, monthly interest is payable at prime rate plus 1% per annum. Upon completion, the loan will be repaid in monthly blended instalments over a 20 year period. The bank has advised that it will not call the loan within the next year.	<u>160,649</u>	<u>-</u>
Sub total	<u>5,444,201</u>	<u>5,116,183</u>

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Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 14 - LONG-TERM DEBT (continued)

	2014	2013
Balance Forward:	<u>5,444,201</u>	<u>5,116,183</u>
Six Mile Management Costs - Bank of Montreal demand loan accrued proceeds to be fully advanced subsequent to year end up to the amount of \$100,000. During construction, monthly interest is payable at prime rate plus 1% per annum. Upon completion, the loan will be repaid in monthly blended instalments over a 20 year period. The bank has advised that it will not call the loan within the next year.	80,567	-
Aboriginal Affairs and Northern Development Canada Native Claims Loan Agreement payable, without interest, on the date on which the Commonage claim is settled.	332,659	332,659
Aboriginal Affairs and Northern Development Canada Native Claims Loan Agreement payable, without interest, on the date on which the Colonial claim is settled.	<u>205,122</u>	<u>88,160</u>
	<u>\$ 6,062,549</u>	<u>\$ 5,537,002</u>

Principal payments over the next five years are estimated as follows:

2015	\$ 307,000
2016	342,000
2017	350,000
2018	895,781
2019	365,000

Okanagan Indian Band

Notes to the Financial Statements For the Year Ended March 31, 2014 (See Independent Auditor's Report)

NOTE 15 - TANGIBLE CAPITAL ASSETS

	<u>2014</u>			<u>2013</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,103,666	\$ -	\$ 1,103,666	\$ 1,103,666
Buildings	14,576,721	3,549,663	11,027,058	12,369,325
Infrastructure	5,067,871	125,165	4,942,706	2,409,418
Equipment	<u>4,418,785</u>	<u>3,586,286</u>	<u>832,499</u>	<u>861,607</u>
	<u>\$ 25,167,043</u>	<u>\$ 7,261,114</u>	<u>\$ 17,905,929</u>	<u>\$ 16,744,016</u>

Obsolete machinery and equipment with a total cost of \$540,259 and total accumulated amortization of \$504,057 was written off through an increase to amortization of \$36,202.

During the year, social housing construction costs with a net book value of \$980,733 were transferred to inventory for resale.

NOTE 16 - BAND ACCUMULATED SURPLUS

Band accumulated surplus consists of individual fund balances. The use of certain surpluses have specific requirements.

Okanagan Indian Band
Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 17 - HOUSING REPLACEMENT RESERVES

	Phase 1	Phase 2	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Phase 9	Phase 10
CMHC Replacement Reserves									
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Provision	-	-	-	-	-	-	-	-	-
Interest Earned	-	-	-	-	-	-	-	-	-
Disbursements	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Okanagan Indian Band Replacement Reserves									
Beginning Balance	504	22,923	30,213	22,225	49,268	44,318	135,649	57,925	147,502
Current Provision	-	-	-	-	-	-	-	-	-
Interest Earned	-	-	-	-	-	-	-	-	-
Disbursements	504	22,923	3,642	7,416	8,211	-	56,352	22,806	47,870
Total	-	-	26,571	14,809	41,057	44,318	79,297	35,119	99,632
	\$ -	\$ -	\$ 26,571	\$ 14,809	\$ 41,057	\$ 44,318	\$ 79,297	\$ 35,119	\$ 99,632

Okanagan Indian Band
Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

Phase 11	Phase 12	Phase 13	Phase 14	Phase 15	Phase 16	Phase 17	Phase 18	Phase 19	Total
\$ 157,201	\$ 118,966	\$ 81,158	\$ 64,134	\$ 58,910	\$ 45,470	\$ 259	\$ 53,272	\$ 23,039	\$ 602,409
8,759	9,000	6,000	5,040	6,000	6,000	-	15,000	5,000	60,799
4,205	3,182	2,171	1,715	1,576	1,216	-	1,425	616	16,106
1,207	6,524	4,733	-	13,148	428	259	-	127	26,426
168,958	124,624	84,596	70,889	53,338	52,258	-	69,697	28,528	652,888
-	-	-	-	-	-	-	-	-	510,527
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	169,724
-	-	-	-	-	-	-	-	-	340,803
\$ 168,958	\$ 124,624	\$ 84,596	\$ 70,889	\$ 53,338	\$ 52,258	\$ -	\$ 69,697	\$ 28,528	\$ 993,691

Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 18 - MEMBERS' EQUITY IN TANGIBLE CAPITAL ASSETS

	2014	2013
Balance, Beginning of the Year	\$ 11,627,831	\$ 10,046,080
Tangible Capital Assets Purchased	2,801,918	2,175,187
Proceeds from Long Term Debt	(160,649)	(230,450)
Disposals at Net Book Value	(4,846)	8,566
Tangible Capital Assets Transferred to Inventory for Resale	(980,733)	-
Principal Repayment of Long Term Debt	578,050	221,056
Amortization	(654,407)	(592,608)
Balance, End of the Year	<u>\$ 13,207,164</u>	<u>\$ 11,627,831</u>

NOTE 19 - COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

NOTE 20 - FINANCIAL INSTRUMENTS

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Band has a significant number of customers which minimizes the concentration of credit risk.

Fair Value

The Band's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short-term maturity of these instruments.

The carrying value of the long-term debt approximates the fair value as the interest rates are consistent with the current rates offered to the Band for debt with similar terms.

Liquidity Risk

Liquidity risk is dependent on receipt of government funds and other revenue sources to be able to pay liabilities as they become due.

Okanagan Indian Band

Notes to the Financial Statements

For the Year Ended March 31, 2014

Note 21 Segmented Disclosure

	2014					Total 2014
	Social Development	Health Services	Education	Other	Housing	
Revenue						
AANDC	\$ 1,999,262	\$ -	\$ 2,868,306	\$ 3,949,030	\$ -	\$ 8,816,598
Health Canada	-	1,135,206	-	-	-	1,135,206
Province of BC	126,288	21,433	628,062	890,638	-	1,666,422
Other Income	75,982	4,311	257,348	3,434,216	653,534	4,425,392
Total Revenues	2,201,532	1,160,951	3,753,716	8,273,885	653,534	16,043,618
Expenditures						
Salaries and Benefits	465,138	744,359	1,071,404	1,929,545	55,054	4,265,499
Debt Servicing	-	-	-	39,640	82,963	122,603
Amortization	-	-	-	-	206,864	206,864
Other Expenses	1,600,457	459,027	2,710,834	6,738,324	221,910	11,730,551
Total Expenses	2,065,595	1,203,386	3,782,237	8,707,509	566,791	16,325,518
Annual surplus (deficit)	135,937	(42,435)	(28,521)	(433,624)	86,743	(281,900)
Surplus (deficit) beginning of year	113,096	(66,938)	1,507,244	(506,079)	(139,669)	907,654
Ending surplus (deficit)	\$ 249,033	\$ (109,372)	\$ 1,478,722	\$ (939,703)	\$ (52,926)	\$ 625,754

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Okanagan Indian Band

Notes to the Financial Statements

For the Year Ended March 31, 2014

Note 21 Segmented Disclosure

	2013					Total
	Social Development	Health Services	Education	Other	Housing	2013
Revenue						
LANDC	\$ 1,860,997	\$ -	\$ 2,868,764	\$ 3,070,451	\$ -	\$ 7,800,212
Health Canada	-	1,174,249	-	-	-	1,174,249
Province of BC	133,120	25,157	569,893	2,632,090	-	3,360,261
Other Income	11,184	34,575	338,707	1,493,194	625,312	2,502,971
Total Revenues	2,005,301	1,233,981	3,777,364	7,195,735	625,312	14,837,692
Expenditures						
Salaries and Benefits	368,988	789,389	980,318	1,464,097	77,691	3,680,482
Debt Servicing	-	-	-	14,934	102,033	116,966
Mortization	-	-	-	-	198,378	198,378
Other Expenses	1,555,101	526,636	2,589,474	4,760,516	300,542	9,732,269
Total Expenses	1,924,088	1,316,024	3,569,792	6,239,547	678,644	13,728,096
Annual surplus (deficit)	81,212	(82,044)	207,572	956,188	(53,332)	1,109,596
Surplus (deficit) beginning of year	31,884	15,106	1,299,672	(1,462,268)	(86,337)	(201,943)
Ending surplus (deficit)	\$ 113,096	\$ (66,938)	\$ 1,507,244	\$ (506,079)	\$ (139,669)	\$ 907,653

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Okanagan Indian Band

Notes to the Financial Statements
For the Year Ended March 31, 2014
(See Independent Auditor's Report)

NOTE 22 - CONTINGENT LIABILITY

Provision for unclaimed Land Claims resulting from the 1985 settlement was written off to the Band Revenue Fund following the May 8, 2012 Chief and Council meeting. The maximum unrecorded liability is \$156,450. The Band maintains a listing of member claims, and will expense any future claims in the year of distribution.

NOTE 23 - COMMITMENTS

During the year, the Band withdrew \$329,329 from the Ottawa Trust Fund Revenue Account to fund Band operated housing replacement reserves. Of the \$169,727 in replacement reserve disbursements, the Band paid out \$36,474 in replacement reserves directly to Band members, disbursed \$63,153 towards eligible renovation and maintenance costs and recovered \$70,100 of social housing rents receivable. The Band has committed the remaining \$229,702 to payout further replacement reserve disbursements in subsequent years.