

**Bonaparte Indian Band  
Consolidated Financial Statements  
For the year ended March 31, 2014**

**Bonaparte Indian Band**  
**Consolidated Financial Statements**  
**For the year ended March 31, 2014**

**Contents**

---

<b>Management's Responsibility for Financial Reporting</b>	<b>2</b>
<b>Independent Auditor's Report</b>	<b>3 - 4</b>
<b>Consolidated Financial Statements</b>	
Exhibit A - Consolidated Statement of Financial Position	5
Exhibit B - Consolidated Statement of Change in Net Debt	6
Exhibit C - Consolidated Statement of Operations	7
Exhibit D - Consolidated Statement of Cash Flows	8
Summary of Significant Accounting Policies	9 - 10
Notes to Consolidated Financial Statements	11 - 22

---

## Management's Responsibility for Financial Reporting

---

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

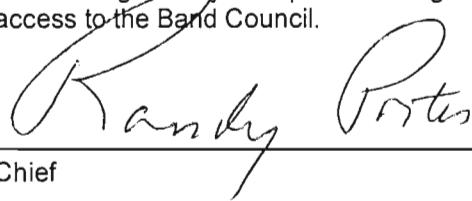
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen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

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

The Bonaparte Indian Band Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out this responsibility principally through the Band's 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 financial statements and the external auditor's report. The Chief and Council takes this information into consideration when approving the 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.

  
\_\_\_\_\_  
Randy Protas  
Chief

  
\_\_\_\_\_  
Councilor

---

## Independent Auditor's Report

---

### To the Members of Bonaparte Indian Band

We have audited the accompanying consolidated financial statements of Bonaparte Indian Band, which comprise the consolidated statement of financial position as at March 31, 2014 and the consolidated statements of change in net debt, 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### 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 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 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

As noted in the Summary of Significant Accounting Policies regarding tangible capital assets, the Social Housing 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 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 possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Bonaparte Indian Band as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Other Matters**

Bonaparte Indian Band has also prepared another set of consolidated financial statements for the year ended March 31, 2014 in accordance with Canadian public sector accounting standards. However, these consolidated financial statements include unaudited supplementary exhibits and schedules which present detailed program revenues and expenditures prepared to assist management of Bonaparte Indian Band to meet the reporting requirements of various funding agencies. In addition, these consolidated financial statements have expanded disclosures for Chief and Council. Our audit report on the other set of consolidated financial statements was issued to Chief and Council of Bonaparte Indian Band and was dated August 25, 2014.

*BDO Canada LLP*

**Chartered Accountants**

**Kamloops, British Columbia**  
**August 25, 2014**

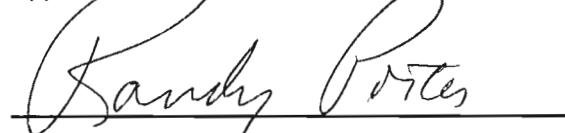
**Bonaparte Indian Band**  
**Exhibit A - Consolidated Statement of Financial Position**

<u>As at March 31</u>	<u>2014</u>	<u>2013</u>
<b>Financial Assets</b>		
Cash (Note 2)	\$ 975,414	\$ 254,728
Restricted cash (Note 3)	629,577	613,298
Accounts receivable (Note 4)	310,116	317,526
Investments (Note 6)	2	2
Due from related parties (Note 6)	703	703
	<u>1,915,812</u>	<u>1,186,257</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 8)	667,536	313,063
Deferred revenue (Note 9)	310,075	158,832
Due to social housing reserves (Note 10)	212,705	427,903
Long term debt (Note 11)	1,416,900	1,558,517
	<u>2,607,216</u>	<u>2,458,315</u>
<b>Net Debt</b>	<u>(691,404)</u>	<u>(1,272,058)</u>
<b>Non-financial Assets</b>		
Prepaid expenses	55,437	26,321
Tangible capital assets (Note 12)	<u>9,290,729</u>	<u>8,463,091</u>
	<u>9,346,166</u>	<u>8,489,412</u>
<b>Accumulated surplus (Note 13)</b>	<u>\$ 8,654,762</u>	<u>\$ 7,217,354</u>

**Commitments (Note 14)**

**Contingencies (Note 15)**

Approved on behalf of the Band Council:



Chief



Councilor

**Bonaparte Indian Band**  
**Exhibit B - Consolidated Statement of Change in Net Debt**

<u>For the year ended March 31</u>	<u>2014</u>	<u>2013</u>
<b>Annual surplus</b>	<b>\$ 1,439,692</b>	<b>\$ 241,042</b>
Acquisition of tangible capital assets	(1,172,526)	(209,879)
Amortization of tangible capital assets	344,888	407,855
	<u>612,054</u>	<u>439,018</u>
Change in prepaid expenses	(29,123)	22,330
Equity change in Ottawa Trust	17,229	150,499
Equity change in funded reserves	(950)	23,145
Equity transfer to operating reserves	(9,219)	(15,583)
Equity transfer to subsidy surplus reserves	(9,337)	(53,612)
	<u>(2,277)</u>	<u>104,449</u>
<b>Change in net debt</b>	<b>580,654</b>	<b>565,797</b>
<b>Net debt, beginning of year</b>	<b>(1,272,058)</b>	<b>(1,837,855)</b>
<b>Net debt, end of year</b>	<b>\$ (691,404)</b>	<b>\$ (1,272,058)</b>

**Bonaparte Indian Band**  
**Exhibit C - Consolidated Statement of Operations**

<b>For the year ended March 31</b>		<b>Budget</b>	<b>2014</b>	<b>2013</b>
<b>Revenue</b>				
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 2,356,979	\$ 1,412,586	
AANDC recoveries	-	(44,776)	(249,748)	
Canada Mortgage and Housing Corporation	-	37,057	90,475	
Health Canada	-	406,843	410,028	
Province of British Columbia	-	251,426	411,814	
Other income	-	1,543,602	992,928	
Interest income	-	3,504	1,942	
Rental revenue	-	161,073	225,418	
		<b>4,715,708</b>	<b>3,295,443</b>	
<b>Expenses</b>				
Community Welfare	-	805,959	921,550	
Administration	-	989,650	965,191	
Operations & Maintenance	-	411,546	294,075	
Education	-	398,343	275,110	
Natural Resources & Economic Development	-	501,896	351,688	
Capital	-	5,304	16,887	
Social Housing	-	163,318	229,900	
		<b>3,276,016</b>	<b>3,054,401</b>	
<b>Annual surplus</b>	<b>\$ -</b>	<b>\$ 1,439,692</b>	<b>\$ 241,042</b>	

**Bonaparte Indian Band**  
**Exhibit D - Consolidated Statement of Cash Flows**

<u>For the year ended March 31</u>	<u>2014</u>	<u>2013</u>
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Cash receipts from various sources	\$ 4,874,361	\$ 3,294,452
Cash paid to employees and suppliers	(2,786,243)	(2,980,374)
Interest paid	<u>(53,289)</u>	<u>(59,703)</u>
<b>Cash flows from operating activities</b>	<b><u>2,034,829</u></b>	<b><u>254,375</u></b>
<b>Capital activities</b>		
Purchase of tangible capital assets	(1,172,526)	(214,254)
Proceeds on disposal of tangible capital assets	-	4,374
<b>Cash flows from capital activities</b>	<b><u>(1,172,526)</u></b>	<b><u>(209,880)</u></b>
<b>Investing activities</b>		
Change in equity in Ottawa Trust	17,229	150,499
Change in equity in funded reserves	<u>(950)</u>	<u>23,145</u>
<b>Cash flows from investing activities</b>	<b><u>16,279</u></b>	<b><u>173,644</u></b>
<b>Financing activity</b>		
Repayment of long term debt	<u>(141,617)</u>	<u>(184,620)</u>
<b>Net increase in cash and cash equivalents</b>	<b><u>736,965</u></b>	<b><u>33,519</u></b>
<b>Cash and cash equivalents, beginning of year</b>	<b><u>868,026</u></b>	<b><u>834,507</u></b>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 1,604,991</u></b>	<b><u>\$ 868,026</u></b>
<b>Represented by:</b>		
Cash	\$ 975,414	\$ 254,728
Restricted cash	<u>629,577</u>	<u>613,298</u>
	<b><u>\$ 1,604,991</u></b>	<b><u>\$ 868,026</u></b>

---

## Bonaparte Indian Band Summary of Significant Accounting Policies

**March 31, 2014**

---

<b>Basis of Presentation</b>	These financial statements have been prepared in accordance with Canadian public sector accounting standards, which encompasses the following principles.
<b>Reporting Entity and Principles of Financial Reporting</b>	<p>The Bonaparte Indian Band reporting entity includes the Bonaparte Indian Band government and all related entities which are accountable to the Bonaparte Indian Band and are either owned or controlled by the Bonaparte Indian Band.</p> <p>The Band is a limited partner in Bonaparte Economic Development Limited Partnership with Bonaparte Development Corporation being the general partner. The Band's 99.99% share of partnership activities is reflected in the Operating fund. The investment in this partnership is accounted for using the proportionate consolidation method.</p> <p>All inter-entity balances have been eliminated on consolidation.</p>
<b>Revenue Recognition</b>	<p>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.</p> <p>Rental revenue is recognized when a tenant commences occupancy and rent is due. Bonaparte Indian Band retains all benefits and risks of ownership of its property and, therefore, accounts for leases with its tenants as operating leases.</p> <p>Periodic revenue is recognized on an accrual basis commencing at the beginning of the month.</p>
<b>Ottawa Trust Funds</b>	The Band uses the accrual method of accounting for Ottawa Trust Fund revenues earned in the Fund. Trust monies are recognized in revenue of the Band upon withdrawal from the Ottawa Trust Fund.

---

## Bonaparte Indian Band Summary of Significant Accounting Policies

**March 31, 2014**

---

### **Investments**

The Band accounts for its investment in Bonaparte Development Corporation using the modified equity method. Under this method the cost of this investment is adjusted by earnings or losses of Bonaparte Development Corporation from the date of acquisition. The Band's share of losses have not been recorded as this would create a negative investment balance. No income inclusion will be recorded until these unrecognized losses have been eliminated.

Inter-entity balances and transactions are not eliminated under the modified equity method.

**Tangible Capital Assets** Tangible capital assets are stated at cost less accumulated amortization and are recorded in the Capital Fund. The acquisition costs of tangible capital assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations through interfund transfers and matched with the applicable revenue source in the year of expenditure. Tangible capital asset acquisitions are also recorded as an addition to assets of the Capital Fund with a corresponding increase in equity in tangible capital assets.

Amortization is charged against tangible capital assets and equity in tangible capital assets on a straight-line basis at the following rates:

Automotive equipment	5 years
Buildings	20 years
Furniture and equipment	5 years
Infrastructure	50 years

Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in the related long term debt, as required for Canada Mortgage and Housing Corporation reporting purposes.

### **Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make assumptions and estimates that have an effect on the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could be different from those estimates.

---

## Bonaparte Indian Band Notes to Consolidated Financial Statements

**March 31, 2014**

---

### **1. Economic Dependence**

The Band receives a significant portion of its revenue pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada ("AANDC").

---

### **2. Cash**

	<b>2014</b>	<b>2013</b>
Operating Fund	\$ 939,911	\$ 189,809
Social Housing	<u>35,503</u>	<u>64,919</u>
	<b><u>\$ 975,414</u></b>	<b><u>\$ 254,728</u></b>

---

### **3. Restricted Cash**

	<b>2014</b>	<b>2013</b>
Ottawa Trust Fund	\$ 545,719	\$ 528,490
Social Housing replacement reserve	<u>83,858</u>	<u>84,808</u>
	<b><u>\$ 629,577</u></b>	<b><u>\$ 613,298</u></b>

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. These funds are restricted in their use. The Band is permitted to use its revenue for any purpose that will promote the general progress and welfare of the Band and Band members. The expenditures of capital funds requires the consent of Aboriginal Affairs and Northern Development 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 Housing restricted cash is derived under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the account is to be credited annually. These funds along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation.

---

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**4. Accounts Receivable**

Accounts receivable by program area is summarized as follows:

	<b>2014</b>	<b>2013</b>
<b>Operating Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Xyntax System - Financial Management	\$ -	\$ 22,049
Basic Needs	19,397	-
Trade accounts receivable	127,283	198,287
Health Canada	-	70,448
	<hr/> <b>146,680</b>	<hr/> <b>290,784</b>
<b>Capital Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Water CPMS #7322 FNWWAP DWS Upgrading IR #3	57,179	23,787
Municipal Services CMPS #6710	93,102	-
Major Renovations CPMS #10792	10,200	-
	<hr/> <b>160,481</b>	<hr/> <b>23,787</b>
Accounts receivable - Social Housing	<hr/> <b>2,955</b>	<hr/> <b>2,955</b>
	<hr/> <b>\$ 310,116</b>	<hr/> <b>\$ 317,526</b>

---

**5. Rent Receivable**

Rents receivable are the accumulated arrears and vary in amount based on the unit being rented.

	<b>2014</b>	<b>2013</b>
Rents receivable	\$ 913,423	\$ 794,904
Less: Allowance for doubtful accounts	<hr/> (913,423)	<hr/> (794,904)
	<hr/> <b>\$ -</b>	<hr/> <b>\$ -</b>

---

## Bonaparte Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2014**

---

#### 6. Investments

	2014	2013
Bonaparte Development Corporation	<u>\$ 2</u>	<u>\$ 2</u>

Bonaparte Indian Band owns 100% of Bonaparte Development Corporation. The corporation is involved as a general partner in Bonaparte Economic Development Limited Partnership. For the year ended March 31, 2014 the corporation's share of partnership income amounted to \$0 (2013 - \$0).

All partnership transactions were administered by the Band.

Summary of the unaudited financial statements of Bonaparte Development Corporation Limited Partnership and Bonaparte Development Corporation for the year ended March 31, 2014 are as follows:

	Bonaparte Development Corporation Limited Partnership	Bonaparte Development Corporation
<b>Balance Sheet</b>		
Advances from Bonaparte Indian Band	\$ -	\$ 703
Share capital	- -	2
Surplus (deficit)	<u>-</u>	<u>(705)</u>
	<u>\$ -</u>	<u>\$ -</u>
<b>Statement of Operations</b>		
Surplus (deficit), beginning of year	\$ -	\$ (705)
Surplus (deficit), end of year	<u>\$ -</u>	<u>\$ (705)</u>

---

#### 7. Unused Credit Facility

The Band has a Royal Bank of Canada business operating line of credit that is secured by a general security agreement. The authorized credit limit is \$100,000, at a rate of prime plus 1.0%. As of March 31, 2014, the Band had not drawn on this facility; however, cheques were issued in excess of bank balance in the amount \$nil at March 31, 2014 (2013 - \$71,211).

---

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**8. Accounts Payable**

	<b>2014</b>	<b>2013</b>
<b>Operating Fund</b>		
Accounts payable and accrued liabilities	\$ 531,455	\$ 299,450
Payable to AANDC	<u>126,352</u>	-
	<b><u>657,807</u></b>	<b>299,450</b>
<b>Social Housing Fund</b>		
Accounts payable and accrued liabilities	<b><u>9,729</u></b>	13,613
	<b><u>\$ 667,536</u></b>	<b>\$ 313,063</b>

---

**9. Deferred Revenue**

Deferred revenue represents amounts received that relate to a subsequent period. A breakdown of deferred revenue is as follows:

	<b>2014</b>	<b>2013</b>
<b>Operating Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Adult In-home Care	\$ 604	\$ -
Basic Needs	<b>151,542</b>	10,984
T.E.S.I.	<b>16,695</b>	16,680
Special Needs	<b>3,463</b>	-
Child out of Parental House	<b>3,955</b>	3,097
P&ID - Financial Management Governance Capacity	<b>33,545</b>	31,920
National Child Benefit Re-Investment	<b>33,368</b>	33,368
Band Employee Benefits	<b>2,698</b>	-
Community Economic Development Program	<b>-</b>	<b>62,783</b>
	<b><u>245,870</u></b>	<b>158,832</b>
<b>Capital Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Major Renovations - CPMS #10792	<b>10,200</b>	-
IR 3 Water Systems - CPMS #7322	<b>54,005</b>	-
	<b><u>\$ 310,075</u></b>	<b>\$ 158,832</b>

---

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**10. Social Housing Reserves**

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$31,939 annually. These funds along with accumulating interest are to be held in a separate bank account. The funds in this account may only be used for approved expenditures. Withdrawals are credited to interest first and then principal.

In addition the agreement with Canada Mortgage and Housing Corporation requires that the surplus in operations be transferred into an operating reserve fund for all post-1997 housing phases and into a subsidy surplus reserve fund for all pre-1997 housing phases.

The balance due to reserves at the end of the year is comprised of:

	<b>2014</b>	<b>2013</b>
Replacement reserve	\$ 117,522	\$ 334,761
Operating reserve	30,969	38,265
Subsidy surplus reserve	<u>64,214</u>	<u>54,877</u>
	<hr/> <b>\$ 212,705</b>	<hr/> <b>\$ 427,903</b>

The Band is not in compliance with the Canada Mortgage and Housing Corporation agreement as these reserves are not fully funded.

---

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**11. Long Term Debt**

	<b>2014</b>	<b>2013</b>
<b>Bonaparte Indian Band - Capital Fund</b> Demand loans, repayable in combined monthly instalments of \$7,311 including interest at prime plus 2.65% and 3.74% on the two loans, secured by a general security agreement, due between April 2014 and June 2016	<u>\$ 610,201</u>	<u>\$ 668,088</u>
<b>Social Housing Projects</b> Loans repayable in combined monthly instalments of \$7,797 including interest ranging from 1.64% to 3.43%, due between April 2014 and February 2017	<u>806,699</u>	<u>890,429</u>
	<u><b>\$ 1,416,900</b></u>	<u><b>\$ 1,558,517</b></u>

All Social Housing loans are secured by a ministerial guarantee from the federal government.

Assuming payment is not demanded, regular principal repayments due in the next five years and thereafter are as follows:

2015	\$ 130,944
2016	517,138
2017	418,371
2018	24,608
2019	25,326
Thereafter	<u>300,513</u>
	<u><b>\$ 1,416,900</b></u>

Subsequent to year-end, a demand loan in the amount of \$506,060 was renewed. The security remained the same but the payment terms changed to monthly instalments of \$6,053 including interest at 3.75%. This mortgage now becomes due April 2015. In addition, a demand loan in the amount of \$420,541 was renewed, first for a term of three months and then for a term of five years. After the latter renewal, the security remained the same but the payment terms changed to monthly instalments of \$2,865 including interest at 2.88%. The demand loan now becomes due July 2019. The above principal repayments scheduled over the next four years reflects these new payment terms.

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**12. Tangible Capital Assets**

	2014		2013	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automotive equipment	\$ 251,902	\$ 215,012	\$ 233,402	\$ 203,166
Buildings	4,376,796	874,227	4,363,803	689,881
Furniture and equipment	372,064	254,913	362,473	226,824
Infrastructure	1,843,853	73,754	1,843,853	36,877
Infrastructure under construction	1,679,769	-	548,327	-
Land	478,982	-	478,982	-
	<b>9,003,366</b>	<b>1,417,906</b>	<b>7,830,840</b>	<b>1,156,748</b>
 Social Housing				
Buildings	3,164,427	1,758,546	3,164,427	1,674,816
Furniture and equipment	44,982	-	44,982	-
Land	254,406	-	254,406	-
	<b>3,463,815</b>	<b>1,758,546</b>	<b>3,463,815</b>	<b>1,674,816</b>
	<b>12,467,181</b>	<b>3,176,452</b>	<b>11,294,655</b>	<b>2,831,564</b>
Net book value		<b>\$ 9,290,729</b>		<b>\$ 8,463,091</b>

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**12. Tangible Capital Assets (continued)**

		<b>2014</b>				
		Building under construction	Buildings	Furniture and equipment	Infrastructure under construction	Total
Automotive equipment	\$ 233,402	\$ 7,528,230	\$ 407,455	\$ 548,327	\$ 733,388	\$ 11,294,655
Additions	18,500	-	12,992	9,592	1,131,442	-
Disposals	-	-	-	-	-	1,172,526
Transfers	-	-	-	-	-	-
<b>Cost, end of year</b>	<b>251,902</b>	<b>7,541,222</b>	<b>417,047</b>	<b>1,679,769</b>	<b>733,388</b>	<b>12,467,181</b>
Accumulated amortization, beginning of year	203,166	-	2,364,697	226,824	-	36,877
Amortization	11,846	-	268,076	28,089	-	36,877
Accumulated amortization, end of year	215,012	-	2,632,773	254,913	-	344,888
<b>Net carrying amount, end of year</b>	<b>\$ 36,890</b>	<b>\$ -</b>	<b>\$ 4,908,449</b>	<b>\$ 162,134</b>	<b>\$ 1,679,769</b>	<b>\$ 733,388</b>
						<b>\$ 1,770,099</b>
						<b>\$ 9,290,729</b>

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**12. Tangible Capital Assets (continued)**

	2013							
	Automotive equipment	Building under construction	Buildings	Furniture and equipment	Infrastructure under construction	Land	Infrastructure	Total
Cost, beginning of year	\$ 233,402	\$ 4,952,252	\$ 4,315,793	\$ 342,845	\$ 507,096	\$ 733,388	\$ -	\$ 11,084,776
Additions	104,038	-	64,610	41,231	-	-	-	209,879
Transfers	-	(5,056,290)	3,212,437	-	-	-	1,843,853	-
Cost, end of year	<u>233,402</u>	<u>-</u>	<u>7,528,230</u>	<u>407,455</u>	<u>548,327</u>	<u>733,388</u>	<u>1,843,853</u>	<u>11,294,655</u>
Accumulated amortization, beginning of year	190,208	-	2,032,513	200,988	-	-	-	2,423,709
Amortization	12,958	-	332,184	25,836	-	-	36,877	407,855
Accumulated amortization, end of year	<u>203,166</u>	<u>-</u>	<u>2,364,697</u>	<u>226,824</u>	<u>-</u>	<u>-</u>	<u>36,877</u>	<u>2,831,564</u>
Net carrying amount, end of year	<u>\$ 30,236</u>	<u>\$ -</u>	<u>\$ 5,163,533</u>	<u>\$ 180,631</u>	<u>\$ 548,327</u>	<u>\$ 733,388</u>	<u>\$ 1,806,976</u>	<u>\$ 8,463,091</u>

---

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**13. Accumulated Surplus**

Accumulated surplus of the Band is comprised of the following:

	<b>2014</b>	<b>2013</b>
Funded reserves	\$ 83,858	\$ 84,808
Equity in long-term investment	2	2
Equity in Ottawa Trust	545,719	528,490
Equity in tangible capital assets	7,873,828	6,904,573
Unrestricted surplus (deficit)	<u>151,355</u>	<u>(300,519)</u>
	<b>\$ 8,654,762</b>	<b>\$ 7,217,354</b>

---

**14. Commitments**

Bonaparte Indian Band has entered into various lease agreements for office equipment. Minimum annual lease payments due are approximately as follows:

2015	\$ 15,240
2016	15,240
2017	15,240
2018	<u>15,240</u>
	<b><u>\$ 60,960</u></b>

---

**15. Contingencies**

Bonaparte Indian Band has guaranteed certain band member loans. The total amount guaranteed amounts to \$195,416 (2013 - \$195,416) with \$63,116 being outstanding at March 31, 2014 (2013 - \$76,922).

Aboriginal Affairs and Northern Development Canada is currently undergoing a compliance review of certain segments of the Bonaparte Indian Band. This review may result in recoveries that would be owing to Aboriginal Affairs and Northern Development Canada. The amount of these potential recoveries is not determinable until the final report has been issued by Aboriginal Affairs and Northern Development Canada and, therefore, no accrual has been reflected in these consolidated financial statements. Any potential future recoveries will be reflected in the Statement of Operations in the year in which they become owing.

---

## **Bonaparte Indian Band** **Notes to Consolidated Financial Statements**

**March 31, 2014**

---

### **16. Fiscal Plan**

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

---

### **17. Employee Benefits**

The Group has a defined contribution plan providing pension benefits to certain of its employees. The pension cost charge represents contributions payable by the Band to the plan and amounts to \$42,469 (2013 - \$39,886).

---

### **18. Segment Disclosure**

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

#### **Community Welfare**

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 the operations of an on-reserve school, 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.

#### **Natural Resources and Economic Development**

This service area provides for the development of economic opportunities to the Members, along with the exploration of the development of natural resource revenues.

#### **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.

**Bonaparte Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**18. Segment Disclosure -  
continued**

**2014**

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Total
<b>Revenue</b>								
AANDC	\$ 319,726	\$ 335,917	\$ 131,026	\$ 361,610	\$ 1,163,924	\$ -	\$ 2,312,203	
Other	480,456	1,105,560	9,879	3,554	612,676	-	191,380	2,403,505
<b>Total</b>	<b>800,182</b>	<b>1,441,477</b>	<b>140,905</b>	<b>365,164</b>	<b>612,676</b>	<b>1,163,924</b>	<b>191,380</b>	<b>4,715,708</b>
<b>Expenses</b>								
Wages & benefits	297,959	229,369	159,116	33,079	50,726	-	-	770,249
Purchases	508,000	578,951	172,602	365,264	451,170	5,304	79,588	2,160,879
Amortization	-	181,330	79,828	-	-	-	83,730	344,888
<b>Total</b>	<b>805,959</b>	<b>989,650</b>	<b>411,546</b>	<b>398,343</b>	<b>501,896</b>	<b>5,304</b>	<b>163,318</b>	<b>3,276,016</b>
<b>Surplus (deficit)</b>	<b>\$ (5,777)</b>	<b>\$ 451,827</b>	<b>\$ (270,641)</b>	<b>\$ (33,179)</b>	<b>\$ 110,780</b>	<b>\$ 1,158,620</b>	<b>\$ 28,062</b>	<b>\$ 1,439,692</b>

**2013**

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Total
<b>Revenue</b>								
AANDC	\$ 450,601	\$ 182,900	\$ 95,900	\$ 359,024	\$ 21,328	\$ 53,085	\$ -	\$ 1,162,838
Other	470,642	307,863	5,800	16,490	985,937	29,980	315,893	2,132,605
<b>Total</b>	<b>921,243</b>	<b>490,763</b>	<b>101,700</b>	<b>375,514</b>	<b>1,007,265</b>	<b>83,065</b>	<b>315,893</b>	<b>3,295,443</b>
<b>Expenses</b>								
Wages & benefits	247,621	189,843	105,303	38,771	69,083	-	-	650,621
Purchases	673,929	588,890	106,195	236,339	282,605	16,887	91,080	1,995,925
Amortization	-	186,458	82,577	-	-	-	138,820	407,855
<b>Total</b>	<b>921,550</b>	<b>965,191</b>	<b>294,075</b>	<b>275,110</b>	<b>351,688</b>	<b>16,887</b>	<b>229,900</b>	<b>3,054,401</b>
<b>Surplus (deficit)</b>	<b>\$ (307)</b>	<b>\$ (474,428)</b>	<b>\$ (192,375)</b>	<b>\$ 100,404</b>	<b>\$ 655,577</b>	<b>\$ 66,178</b>	<b>\$ 85,993</b>	<b>\$ 241,042</b>