

BONAPARTE INDIAN BAND
Consolidated Financial Statements
Year Ended March 31, 2015

BONAPARTE INDIAN BAND
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Year Ended March 31, 2015

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Management's Responsibility for Financial Reporting

The financial statements of BONAPARTE INDIAN BAND have been prepared in accordance with Canadian generally accepted accounting principles. 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 BONAPARTE 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.

Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out this responsibility by meeting periodically with management and the auditors to review significant accounting, reporting and internal control matters. Council also considers the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Moine & Co. Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.



Chief



Councillor

Cache Creek, BC

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, 2015, and the consolidated statements of revenues and expenditures, changes in net assets, changes in net financial assets 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 audits. We conducted our audits 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 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 in our audits is sufficient and appropriate to provide a basis for our audit opinion.

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Independent Auditor's Report to the Members of BONAPARTE INDIAN BAND *(continued)*

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of BONAPARTE INDIAN BAND as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



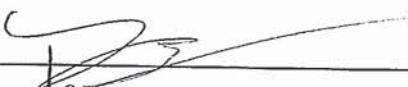
White Rock, British Columbia
July 20, 2015

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

BONAPARTE INDIAN BAND
Statement of Financial Position
March 31, 2015

	2015	2014
FINANCIAL ASSETS		
Cash	\$ 1,854,365	\$ 975,414
Restricted cash (Note 2)	643,951	629,577
Accounts receivable	<u>166,378</u>	310,820
	<u>2,664,694</u>	1,915,811
LIABILITIES		
Accounts payable	573,008	667,493
Deferred income	67,505	310,075
Mortgages payable (Note 5)	<u>1,285,930</u>	1,416,900
	<u>1,926,443</u>	2,394,468
NET FINANCIAL ASSETS	<u>738,251</u>	(478,657)
NON-FINANCIAL ASSETS		
Prepaid expenses	64,457	55,437
Tangible capital assets (Notes 3, 4)	<u>9,045,862</u>	9,290,728
	<u>9,110,319</u>	9,346,165
ACCUMULATED SURPLUS	<u>\$ 9,848,570</u>	\$ 8,867,508

ON BEHALF OF THE COUNCIL

 _____ *Chief*
 _____  _____ *Councillor*

BONAPARTE INDIAN BAND
Consolidated Statement of Revenues and Expenditures
Year Ended March 31, 2015

	Budget 2015	2015	2014
REVENUE			
Aboriginal Affairs and Northern Development			
Canada	\$ 984,830	\$ 1,962,213	\$ 2,356,979
AANDC recoveries	-	(66,908)	(44,776)
Canada Mortgage and Housing Corporation	-	42,382	37,057
First Nations Health Authority	423,297	431,659	406,843
Province of British Columbia	-	43,405	51,470
Rental revenue	-	171,280	161,073
Interest income	-	4,962	3,504
Other income	12,147	2,131,231	1,743,560
Income from Ottawa Trusts	-	15,361	17,229
Allocation to RRF	-	19,672	20,339
	<hr/>	<hr/>	<hr/>
	1,420,274	4,755,257	4,753,278
EXPENSES			
Advertising	2,000	2,587	2,643
Amortization	-	369,823	344,888
Bad debts	-	149,719	148,007
Licenses, dues and fees	6,436	18,389	26,306
Pension plan	-	37,161	25,270
Miscellaneous	17,165	15,116	31,107
Honoraria	39,000	41,355	26,550
Rental	31,750	38,738	56,517
Insurance	18,306	92,167	86,698
Interest and bank charges	5,100	23,669	34,025
Interest on long term debt	-	16,676	21,928
Patient travel	24,168	33,379	18,164
Office	34,785	30,906	33,301
Tuition	105,000	98,277	151,895
Student allowance	173,000	253,356	175,350
Replacement reserve allocation	-	19,672	20,339
Professional fees	70,300	193,226	129,406
Social assistance	-	298,736	292,986
Repairs and maintenance	2,280	127,222	25,163
Wages and benefits	646,562	1,169,303	702,512
Contracts and consulting	67,800	236,367	556,075
Materials and supplies	55,956	266,568	130,402
Telephone	38,870	34,107	37,184
Training	12,659	32,284	15,144
Travel	12,900	48,994	35,605
Program expenses	33,438	50,069	72,018
Utilities	34,600	59,219	53,472
Vehicle	25,800	17,103	26,106
	<hr/>	<hr/>	<hr/>
	1,457,875	3,774,188	3,279,061
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES			
	<hr/>	<hr/>	<hr/>
	\$ (37,601)	\$ 981,069	\$ 1,474,217

BONAPARTE INDIAN BAND
Consolidated Statement of Changes in Net Assets
Year Ended March 31, 2015

	2014 Balance	Excess (deficiency) of revenue over expenses	Transfers	2015 Balance
Equity in Ottawa Trust	\$ 545,719	\$ 15,361	\$ -	\$ 561,080
Equity in capital assets	7,873,828	(297,599)	183,702	7,759,931
Unrestricted funds	246,581	1,281,639	(183,702)	1,344,518
Replacement Reserve Fund	201,380	(18,332)	-	183,048
	<hr/> <u>\$ 8,867,508</u>	<hr/> <u>\$ 981,069</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ 9,848,577</u>
	2013 Balance	Excess (deficiency) of revenue over expenses	Transfers	2014 Balance
Equity in Ottawa Trust	\$ 528,490	\$ 17,229	\$ -	\$ 545,719
Equity in capital assets	6,904,573	(261,158)	1,230,413	7,873,828
Unrestricted funds	26,075	1,702,886	(1,482,380)	246,581
Replacement Reserve Fund	186,120	15,260	-	201,380
	<hr/> <u>\$ 7,645,258</u>	<hr/> <u>\$ 1,474,217</u>	<hr/> <u>\$ (251,967)</u>	<hr/> <u>\$ 8,867,508</u>

BONAPARTE INDIAN BAND
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2015

	2015	2014
ANNUAL SURPLUS	\$ 981,069	\$ 1,474,217
Amortization	369,823	344,888
Prepaid expenses	(9,028)	(29,116)
Purchase of tangible capital assets	<u>(124,956)</u>	<u>(1,172,526)</u>
	235,839	(856,754)
INCREASE IN NET FINANCIAL ASSETS	1,216,908	617,462
Net financial assets, beginning of year	<u>(478,657)</u>	<u>(1,096,119)</u>
NET FINANCIAL ASSETS, END OF YEAR	\$ 738,251	\$ (478,657)

BONAPARTE INDIAN BAND
Consolidated Statement of Cash Flows
Year Ended March 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 981,069	\$ 1,474,217
Item not affecting cash:		
Amortization of tangible capital assets	<u>369,823</u>	344,888
	<u>1,350,892</u>	1,819,105
Changes in non-cash working capital:		
Accounts receivable	144,442	7,410
Reserve adjustment	-	(252,008)
Accounts payable	(94,494)	354,473
Deferred income	(242,570)	151,243
Prepaid expenses	<u>(9,020)</u>	(29,116)
	<u>(201,642)</u>	232,002
Cash flow from operating activities	<u>1,149,250</u>	2,051,107
INVESTING ACTIVITY		
Purchase of tangible capital assets	<u>(124,956)</u>	(1,172,526)
FINANCING ACTIVITY		
Repayment of mortgages payable	<u>(130,969)</u>	(141,617)
INCREASE IN CASH FLOW	<u>893,325</u>	736,964
Cash - beginning of year	<u>1,604,991</u>	868,027
CASH - END OF YEAR	<u>\$ 2,498,316</u>	\$ 1,604,991
CASH CONSISTS OF:		
Cash	\$ 1,854,365	\$ 975,414
Restricted cash	<u>643,951</u>	629,577
	<u>\$ 2,498,316</u>	\$ 1,604,991

BONAPARTE INDIAN BAND
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements were prepared in accordance with Canadian generally accepted accounting principles for governments, as prescribed by the Canadian Public Sector Accounting Standards ("PSAB") of the Canadian Institute of Chartered Accountants, which encompasses the following principles:

Revenue recognition

The Nation follows the deferral method of accounting for contributions. Accordingly, amounts received under funding arrangements which relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position.

Fund accounting

The Nation records accounting transactions using the fund accounting method generally in use for governments. A fund is determined for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Each fund has its own statement of operations which presents the results of operations for the fund. The consolidated statement of financial position of the Nation includes the assets, liabilities and equity of all funds presented in the consolidated financial statements.

The various funds, being the capital fund which accounts for the capital assets of the Nation, the operating fund which accounts for the operating programs of the Nation, the social housing fund which accounts for the operations of the CMHC housing programs and the replacement reserve fund which accounts for the funds held for repairs to the CMHC housing units, have been amalgamated for the purpose of presentation in the consolidated financial statements. Details of the operations of each program are set out in the supplementary schedules.

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Buildings	20 years
Infrastructure	50 years
Furniture and fixtures	5 years
Motor vehicles	5 years

Except for Social Housing where assets acquired under the social housing program 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 requirements.

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BONAPARTE INDIAN BAND
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

2. RESTRICTED CASH

	2015	2014
Ottawa Trust	\$ 561,080	\$ 545,719
Replacement Reserve	<u>82,871</u>	<u>83,858</u>
	\$ 643,951	\$ 629,577

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Buildings	\$ 7,541,223	\$ 2,889,343	\$ 4,651,880	\$ 4,908,450
Furniture and fixtures	417,046	283,002	134,044	162,133
Land	733,388	-	733,388	733,388
Infrastructure	3,620,344	145,893	3,474,451	1,770,099
Infrastructure under construction	-	-	-	1,679,769
Motor vehicles	280,136	228,037	52,099	36,889
	\$ 12,592,137	\$ 3,546,275	\$ 9,045,862	\$ 9,290,728

BONAPARTE INDIAN BAND
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

4. CHANGES IN TANGIBLE CAPITAL ASSETS

	Beginning of year	Additions	Disposals	2015	2014
Cost					
Land	\$ 733,388	\$ -	\$ -	\$ 733,388	\$ 733,388
Buildings	7,541,223	- -	- -	7,541,223	7,541,223
Infrastructure	1,843,853	1,776,491	- -	3,620,344	1,843,853
Infrastructure under construction	1,679,769	(1,679,769)	- -		1,679,769
Vehicles	251,902	28,234	- -	280,136	251,901
Furniture and fixtures	417,046	- -	- -	417,046	417,046
	\$ 12,467,181	\$ 124,956	\$ -	\$ 12,592,137	\$ 12,467,180
Accumulated amortization					
Buildings	\$ 2,632,773	\$ 256,570	\$ -	\$ 2,889,343	\$ 2,632,773
Infrastructure	73,754	72,139	- -	145,893	73,754
Vehicles	215,012	13,025	- -	228,037	215,012
Furniture and fixtures	254,913	28,089	- -	283,002	254,913
	\$ 3,176,452	\$ 369,823	\$ -	\$ 3,546,275	\$ 3,176,452

BONAPARTE INDIAN BAND
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

5. MORTGAGES PAYABLE

	2015	2014
All Nations Trust loan bearing interest at 1.64% per annum, repayable in monthly blended payments of \$2,475. The loan matures on February 1, 2022 and is secured by a ministerial guarantee.	\$ 194,061	\$ 220,350
All Nations Trust loan bearing interest at 1.64% per annum, repayable in monthly blended payments of \$1,100. The loan matures on February 15, 2027 and is secured by a ministerial guarantee.	142,834	153,604
RBC demand loan bearing interest at 1.92% per annum, repayable in monthly blended payments of \$1,231. The loan matures on January 1, 2015 and is secured by a ministerial guarantee.	-	12,204
RBC demand loan bearing interest at 2.88% per annum, repayable in monthly blended payments of \$2,865. The loan matures on July 1, 2019 and is secured by a ministerial guarantee.	397,581	420,541
RBC term loan bearing interest at 3.75% per annum, repayable in monthly blended payments of \$6,053. The loan matures on April 30, 2015 and is secured by a general security agreement.	451,703	506,060
RBC demand loan bearing interest at 3.74% per annum, repayable in monthly blended payments of \$683. The loan is unsecured.	99,751	104,141
	<u>\$ 1,285,930</u>	<u>\$ 1,416,900</u>

Principal repayment terms are approximately:

2016	\$ 516,540
2017	157,417
2018	63,502
2019	365,421
2020	40,199
Thereafter	142,851
	<u>\$ 1,285,930</u>

6. FINANCIAL INSTRUMENTS

It is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from its financial instruments.

7. COMPARATIVE FIGURES

The prior year comparative figures were audited by another firm of public accountants.