

**Little Shuswap Lake Indian Band  
Consolidated Financial Statements  
For the year ended March 31, 2015**

**Little Shuswap Lake Indian Band**  
**Consolidated Financial Statements**  
**For the year ended March 31, 2015**

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## Management's Responsibility for Financial Reporting

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

The 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.

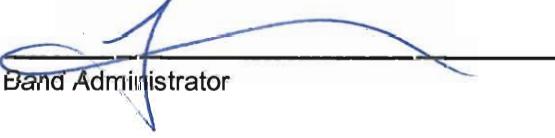
The Little Shuswap Lake Indian Band maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Band's assets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

The Little Shuswap Lake Indian Band 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 its Finance review meetings.

The Chief and Council review the Band's 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 auditors' 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 engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP has full access to the Band Council.

  
\_\_\_\_\_  
Chief Councilor

  
\_\_\_\_\_  
Band Administrator

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## Independent Auditor's Report

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**To the Members of  
Little Shuswap Lake Indian Band**

We have audited the accompanying consolidated financial statements of Little Shuswap Lake Indian Band, which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of change in net financial assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the 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 opinion.



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300 - 272 Victoria Street  
Kamloops BC V2C 1Z6

## Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Little Shuswap Lake 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.

## Other Matters

These consolidated financial statements include unaudited supplementary exhibits and schedules which present detailed program revenues and expenditures and have been prepared to assist management of Little Shuswap Lake Indian Band to meet the reporting requirements of various funding agencies. Our report is intended solely for management of Little Shuswap Lake Indian Band and various funding agencies. As a result, the financial statements should not be distributed to or used by other parties.

Little Shuswap Lake Indian Band has also prepared another set of consolidated financial statements for the year ended March 31, 2015 in accordance with Canadian public sector accounting standards. However, these consolidated financial statements do not include unaudited supplementary exhibits and schedules, and have more aggregated disclosures in the consolidated financial statements. Our audit report on the other set of consolidated financial statements was issued to the members of Little Shuswap Lake Indian Band and was dated August 21, 2015.

Chartered Professional Accountants

Kamloops, British Columbia  
August 21, 2015

**Little Shuswap Lake Indian Band**  
**Exhibit A - Consolidated Statement of Financial Position**

As at March 31	2015	2014
<b>Financial Assets</b>		
Cash (Note 2)	\$ 5,942,954	\$ 3,638,035
Restricted cash (Note 3)	1,599,357	1,489,744
Accounts receivable (Note 4)	1,846,850	1,545,961
Inventory held for resale	206,768	162,577
Long-term investments (Note 5)	150,002	150,002
	<hr/>	<hr/>
	9,745,931	6,986,319
<b>Liabilities</b>		
Accounts payable (Note 6)	1,293,588	870,611
Deferred revenue (Note 7)	2,926,422	1,496,741
Long term debt (Note 8)	5,626,896	5,997,135
	<hr/>	<hr/>
	9,846,906	8,364,487
<b>Net Asset (Debt)</b>	<hr/>	<hr/>
	(100,975)	(1,378,168)
<b>Non-financial Assets</b>		
Prepaid expense	63,812	31,355
Capital assets (Note 9)	27,687,896	26,446,285
	<hr/>	<hr/>
	27,751,708	26,477,640
<b>Accumulated Surplus (Note 10)</b>	<hr/>	<hr/>
	\$ 27,650,733	\$ 25,099,472

Approved on behalf of the Band Council:


Chief Councilor

Band Administrator

**Little Shuswap Lake Indian Band**  
**Exhibit B - Consolidated Statement of Change in Net Debt**

<b>For the year ended March 31</b>	<b>2015</b>	<b>2014</b>
<b>Surplus - Exhibit C</b>	<b>\$ 4,089,321</b>	<b>\$ 2,267,394</b>
Purchases of tangible capital assets	(2,800,525)	(2,333,390)
Amortization of tangible capital assets	- <u>1,091,779</u>	(1,061,557) <u>1,159,085</u>
	<b>(2,800,525)</b>	<b>(1,241,611)</b>
	<b>97,528</b>	
Change in prepaid expense	-	(32,457)
Use of prepaid expenses	-	52,085
	<u>-</u>	<u>(5,249)</u>
	<b>(32,457)</b>	<b>46,836</b>
Equity change in Ottawa Trust	-	109,490
Change in reserves	-	173,031
Equity change in funded reserves	-	1,346
	<u>-</u>	<u>283,867</u>
	<b>119,414</b>	
<b>Increase in net debt</b>	<b>1,288,796</b>	<b>1,277,193</b>
<b>Net debt, beginning of year</b>	<b>(1,378,168)</b>	<b>(1,378,168)</b>
<b>Net debt, end of year</b>	<b>\$ (89,372)</b>	<b>\$ (100,975)</b>
	<b>\$ (1,378,168)</b>	

**Little Shuswap Lake Indian Band**  
**Exhibit C - Consolidated Statement of Operations**

<b>For the year ended March 31</b>	<b>Budget</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	\$ 5,244,830	\$ 4,141,876	\$ 2,091,608
Taxation	961,000	885,894	733,016
Fisheries and Oceans Canada	196,879	205,079	54,900
Province of British Columbia	180,425	372,368	384,899
Human Resources and Skills Development Canada	2,000	3,151	1,170
Canada Mortgage and Housing Corporation	180,000	178,729	179,925
Health Canada	26,536	30,036	382,207
Other income	3,094,343	10,069,795	7,169,902
	<hr/>	<hr/>	<hr/>
	9,886,013	15,886,928	10,997,627
<b>Expenses</b>			
Administration	1,673,095	1,659,732	1,727,642
Community Welfare	926,173	913,403	696,493
Operations & Maintenance	508,804	2,458,524	516,273
Education	603,870	566,628	548,113
Economic Development	16,709	98,358	191,659
Health Services	792,650	894,569	832,725
Social Housing	498,000	544,887	748,079
Natural Resource Management	754,247	716,559	551,117
Skwlax Investments Inc.	-	5,281,718	4,636,017
Capital	-	485,156	(60,516)
	<hr/>	<hr/>	<hr/>
	5,773,548	13,619,534	10,387,602
<b>Surplus for the year</b>	<b>\$ 4,112,465</b>	<b>\$ 2,267,394</b>	<b>\$ 610,025</b>

**Little Shuswap Lake Indian Band**  
**Exhibit D - Consolidated Statement of Cash Flows**

<b>For the year ended March 31</b>	<b>2015</b>	<b>2014</b>
<b>Operating activities</b>		
Cash receipts from various sources	\$ 16,956,487	\$ 11,148,598
Cash paid to employees and suppliers	(11,907,481)	(8,898,519)
Interest paid	(187,398)	(207,042)
Interest earned	59,233	29,545
<b>Cash flows from operating activities</b>	<b>4,920,841</b>	<b>2,072,582</b>
<b>Investing activities</b>		
Purchase of capital assets	(2,333,390)	(1,061,557)
Increase (decrease) in investments	195,974	75,517
Change in contributed surplus	1,346	(12,043)
<b>Cash flows from investing activities</b>	<b>(2,136,070)</b>	<b>(998,083)</b>
<b>Financing activity</b>		
Repayment of long term debt, net of debt issuance	<u>(370,239)</u>	<u>(402,616)</u>
<b>Net increase in cash and cash equivalents</b>	<b>2,414,532</b>	<b>671,883</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,127,779</b>	<b>4,455,896</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,542,311</b>	<b>\$ 5,127,779</b>
<b>Represented by:</b>		
Cash	\$ 5,942,954	\$ 3,638,035
Restricted cash	<u>1,599,357</u>	<u>1,489,744</u>
	<b>\$ 7,542,311</b>	<b>\$ 5,127,779</b>

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## Little Shuswap Lake Indian Band Summary of Significant Accounting Policies

**March 31, 2015**

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<b>Basis of Presentation</b>	These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook.
<b>Reporting Entity and Principles</b>	<p>The reporting entity includes the government and all related entities which are accountable to the Band and are either owned or controlled by the Band.</p> <p>The financial statements consolidate the assets, liabilities and results of operations for the following non-incorporated entities:</p> <p>The Little Shuswap Lake Indian Band, which include the Operating, Capital, Trust and Social Housing Funds, and the following incorporated entity:</p> <p>Skwlax Investments Inc., which has a year end of December 31, 2014. All amounts that have been consolidated are as of the December 31, 2014 year end date.</p>

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## Little Shuswap Lake Indian Band Summary of Significant Accounting Policies

**March 31, 2015**

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### **Reporting Entity and Principles (continued)**

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 been necessarily eliminated on the individual schedules.

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and bank balances, and lines of credit used for operating purposes.

### **Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that have an effect on the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

### **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 to 50 years
Computer Software	3 years
Furniture and equipment	5 years
Water systems	15 to 25 years
Water wells	20 years

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## **Little Shuswap Lake Indian Band** **Summary of Significant Accounting Policies**

**March 31, 2015**

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<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. For annual lease agreements the Little Shuswap Lake 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>The Little Shuswap Lake Indian Band, also has "sales type leases" where prepaid leases of 75 years were initiated. As the value of these leases approximates the fair value of a land purchases these prepaid amounts are recognized upon the signing and prepayment of the lease.</p>
<b>Ottawa Trust Funds</b>	<p>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.</p>

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# Little Shuswap Lake Indian Band

## Notes to Consolidated Financial Statements

March 31, 2015

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### 1. Economic Dependence

The Little Shuswap Lake Indian Band receives as part of its operational funding, a significant portion of its revenues pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada ("AANDC") and other federal departments.

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### 2. Cash

	2015	2014
Operating	\$ 5,388,768	\$ 3,480,774
Short-term deposits	7,489	7,447
Tourism Corporation	<u>546,697</u>	149,814
	<hr/> <b>\$ 5,942,954</b>	<hr/> <b>\$ 3,638,035</b>

The bank indebtedness is owed by Tourism Corporation (a wholly owned subsidiary of the Little Shuswap Lake Indian Band) in the form of a operating line of credit payable to a Canadian Chartered Bank to a maximum of \$500,000 based on the concentrated bank accounts on a consolidated basis. As at March 31, 2015, \$ Nil (2014 - \$ Nil) of this credit facility was outstanding directly related to Tourism Corporation.

Cash is held in two Canadian Chartered Banks and earns interest at the current prevailing rates for business operating accounts.

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## Little Shuswap Lake Indian Band

### Notes to Consolidated Financial Statements

March 31, 2015

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#### 3. Restricted Cash

	2015	2014
Ottawa Trust Funds	\$ 1,173,012	\$ 1,063,522
Social Housing reserves	<u>426,345</u>	<u>426,222</u>
	<hr/> <b>\$ 1,599,357</b>	<hr/> <b>\$ 1,489,744</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 and Northern Affairs Canada and generally must be for projects of a capital nature. Withdrawals of revenue or capital funds are recorded as revenue in the applicable fund where the monies are expended.

In order to provide for replacement of major capital items, the terms of the operating agreements between Little Shuswap Lake Indian Band and CMHC provide that a replacement reserve fund be established by annual charges to operations in amount prescribed by the agreements. Under these agreements, Little Shuswap Lake Indian Band is required to segregate annual transfers to reserve funds and interest earned on these funds from other cash. As at March 31, 2015, the replacement reserve was fully funded and the operating surplus reserve was underfunded by \$120,226.

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#### 4. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	2015	2014
Operating Fund	2,597,259	2,338,198
Allowance for doubtful accounts	<u>\$ (980,676)</u>	<u>\$ (982,276)</u>
	<hr/> <b>1,616,583</b>	<hr/> <b>1,355,922</b>
Social Housing Fund	14,419	14,948
Skwlax Investments Inc	<u>215,848</u>	<u>175,091</u>
	<hr/> <b>\$ 1,846,850</b>	<hr/> <b>\$ 1,545,961</b>

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## Little Shuswap Lake Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2015**

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#### 5. Investments

	2015	2014
Investments at cost		
Investments at cost	<u>\$ 150,002</u>	<u>\$ 150,002</u>

The Shares in Tourism Corporation are held in Trust by specified band members under a trust agreement.

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#### 6. Accounts Payable

	2015	2014
Operating Fund	\$ 999,073	\$ 690,667
Tourism Corporation	285,596	166,527
Social Housing Fund	8,919	13,417
	<u>\$ 1,293,588</u>	<u>\$ 870,611</u>

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#### 7. Deferred Revenue

Deferred revenue represents funding received for programs/projects that were not completed during the year.

	2015	2014
Operating Fund		
Deferred lease revenue	\$ 1,235,075	\$ 1,174,938
Social Assistance	177,113	-
Local education agreements	63,068	-
Capital Fund		
CPMS 11347 NAHS Stream 1	\$ 22,541	\$ -
Tappen Water	<u>1,222,674</u>	<u>124,404</u>
	<u>2,720,471</u>	<u>1,299,342</u>
Tourism Corporation	<u>205,951</u>	<u>197,399</u>
	<u><b>\$ 2,926,422</b></u>	<u><b>\$ 1,496,741</b></u>

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## Little Shuswap Lake Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2015**

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#### 8. Long Term Debt

	<b>2015</b>	<b>2014</b>
<b>Capital Fund</b>		
Demand loans repayable in monthly instalments of \$28,048 including interest ranging from 3.66% to 6.09% per annum, due April 2015 to April 2016.	<u>\$ 2,396,419</u>	<u>\$ 2,607,419</u>
<b>Social Housing Fund</b>		
Social housing mortgages repayable in monthly instalments of \$18,377 including interest ranging from 0.98 % to 2.75% per annum, due February 2016 to March 2020.	<u>3,230,477</u>	<u>3,389,716</u>
Total Loans Payable	<u>\$ 5,626,896</u>	<u>\$ 5,997,135</u>

**All Social Housing mortgages are secured by a Ministerial Guarantee from Indian and Northern Affairs Canada**

The estimated principal repayments on the above long term debt required over the next five years are as follows:

2016	\$ 719,766
2017	541,263
2018	1,105,274
2019	2,598,529
2020	<u>662,064</u>
	<u>\$ 5,626,896</u>

# Little Shuswap Lake Indian Band

## Notes to Consolidated Financial Statements

**March 31, 2015**

### 9. Tangible Capital Assets

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automotive	\$ 873,114	\$ (651,061)	\$ 830,347	\$ (561,155)
Computer software	282,927	(178,707)	200,592	(157,467)
Water systems	7,837,370	(1,791,992)	5,797,963	(1,527,721)
Land improvements	6,667,106	-	6,667,106	-
Equipment				
Furniture and equipment	1,169,446	(1,085,986)	1,084,367	(1,065,231)
Other equipment	158,287	(158,287)	158,287	(158,287)
Buildings	11,612,410	(5,481,417)	11,608,905	(5,244,026)
Water wells	267,426	(49,942)	267,426	(36,571)
	<b>28,868,086</b>	<b>(9,397,392)</b>	26,614,993	(8,750,458)
Social Housing				
Buildings and equipment	<b>5,539,561</b>	<b>(2,346,351)</b>	5,539,561	(2,213,300)
Tourism Company				
Automotive	234,612	(175,610)	234,612	(150,362)
Arts and Artifacts	8,833	-	8,833	-
Buildings	6,726,606	(2,213,717)	6,653,686	(2,046,425)
Computers	115,815	(113,100)	115,215	(111,124)
Equipment	1,600,703	(1,160,150)	1,593,925	(1,044,359)
Land Improvements	420,285	(420,285)	420,286	(418,798)
	<b>9,106,854</b>	<b>(4,082,862)</b>	9,026,557	(3,771,068)
	<b>\$ 43,514,501</b>	<b>\$ (15,826,605)</b>	\$ 41,181,111	\$ (14,734,826)
Net book value			<b>\$ 27,687,896</b>	<b>\$ 26,446,285</b>

# Little Shuswap Lake Indian Band

## Notes to Consolidated Financial Statements

**March 31, 2015**

### **9. Tangible Capital Assets (continued)**

	<b>2015</b>								
	Water Systems	Water Wells	Furniture and Equipment	Buildings	Land Improvements	Automotive	Computer Software	Art and Artifacts	Total
Cost, beginning of year	\$5,797,963	\$ 267,426	\$ 2,836,579	\$ 23,802,152	\$ 7,087,392	\$ 1,064,959	\$ 315,807	\$ 8,833	\$ 41,181,111
Additions	2,039,407	-	90,237	76,425	-	42,767	84,554	-	2,333,390
Disposals									
Cost, end of year	<u>\$7,837,370</u>	<u>\$ 267,426</u>	<u>\$ 2,926,816</u>	<u>\$ 23,878,577</u>	<u>\$ 7,087,392</u>	<u>\$ 1,107,726</u>	<u>\$ 400,361</u>	<u>\$ 8,833</u>	<u>\$ 43,514,501</u>
Accumulated amortization, beginning of year	\$1,527,721	\$ 36,571	\$ 2,267,877	\$ 9,503,751	\$ 418,798	\$ 711,517	\$ 268,591	\$ -	\$ 14,734,826
Amortization	264,271	13,371	136,545	537,696	1,488	115,191	23,217	-	1,091,779
Accumulated amortization, end of year	<u>\$1,791,992</u>	<u>\$ 49,942</u>	<u>\$ 2,404,422</u>	<u>\$ 10,041,447</u>	<u>\$ 420,286</u>	<u>\$ 826,708</u>	<u>\$ 291,808</u>	<u>\$ -</u>	<u>\$ 15,826,605</u>
Net carrying amount, end of year	<u>\$6,045,378</u>	<u>\$ 217,484</u>	<u>\$ 522,394</u>	<u>\$ 13,837,130</u>	<u>\$ 6,667,106</u>	<u>\$ 281,018</u>	<u>\$ 108,553</u>	<u>\$ 8,833</u>	<u>\$ 27,687,896</u>

## Little Shuswap Lake Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2015**

#### **9. Tangible Capital Assets (continued)**

	2014								
	Water Systems	Water Wells	Furniture and Equipment	Buildings	Land Improvements	Automotive	Computer Software	Art and Artifacts	Total
Cost, beginning of year	\$5,345,077	\$267,426	\$2,769,601	\$23,605,750	\$ 6,787,102	\$1,049,705	\$ 286,548	\$ 8,345	\$ 40,119,554
Additions	452,886	-	66,978	196,402	300,290	15,254	29,259	488	1,061,557
Cost, end of year	<u>\$5,797,963</u>	<u>\$267,426</u>	<u>\$2,836,579</u>	<u>\$23,802,152</u>	<u>\$ 7,087,392</u>	<u>\$1,064,959</u>	<u>\$ 315,807</u>	<u>\$ 8,833</u>	<u>\$ 41,181,111</u>
Accumulated amortization, beginning of year	\$1,281,566	\$ 23,200	\$2,084,353	\$ 8,965,269	\$ 411,204	\$ 585,451	\$ 243,729	\$ -	\$ 13,594,772
Amortization	246,155	13,371	183,524	538,482	7,594	126,066	24,862	-	1,140,054
Accumulated amortization, end of year	<u>\$1,527,721</u>	<u>\$ 36,571</u>	<u>\$2,267,877</u>	<u>\$ 9,503,751</u>	<u>\$ 418,798</u>	<u>\$ 711,517</u>	<u>\$ 268,591</u>	<u>\$ -</u>	<u>\$ 14,734,826</u>
Net carrying amount, end of year	<u>\$ 4,270,242</u>	<u>\$230,855</u>	<u>\$ 568,702</u>	<u>\$14,298,401</u>	<u>\$ 6,668,594</u>	<u>\$ 353,442</u>	<u>\$ 47,216</u>	<u>\$ 8,833</u>	<u>\$ 26,446,285</u>

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## Little Shuswap Lake Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2015**

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#### **10. Accumulated Surplus**

	<b>2015</b>	<b>2014</b>
Operating surplus	\$ 2,082,623	\$ 1,336,325
Equity in capital assets	23,783,532	22,175,889
Equity in replacement reserve	546,572	460,088
Equity in Ottawa trust	1,173,012	1,063,522
Equity in replacement reserve health	14,992	13,646
Restricted surplus	50,002	50,002
	<hr/>	<hr/>
	\$ 27,650,733	\$ 25,099,472

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#### **11. Federal Assistance Payments**

The Little Shuswap Lake Indian Band Housing Project has received federal assistance through Canada Mortgage and Housing Corporation pursuant to Section 56-1 of the *National Housing Act* to reduce mortgage interest expense to 2% to enable the project to provide housing to low income individuals. The amount of the assistance received through March 31, 2015 was \$178,729 (2014 - \$179,925). This assistance will continue, providing the Band is not in default of the agreement.

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#### **12. Replacement Reserve**

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited annually in the amount of \$44,267. These funds along with accumulating interest are to be held in a separate bank account. The funds in this account may only be used as approved by Canada Mortgage and Housing Corporation. Withdrawals are credited to interest first and then principal. As at March 31, 2015 the Little Shuswap Lake Indian Band has fully funded these reserves and is in compliance with the agreement.

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## **Little Shuswap Lake Indian Band**

### **Notes to Consolidated Financial Statements**

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**March 31, 2015**

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#### **13. Commitments and Contingent Liabilities**

The council has guaranteed loans for three Band members for the year ended March 31, 2015 in the amount of \$192,995 (2014 - \$213,037). These loans are in addition to the Canada Mortgage and Housing loans for Social Housing that are reflected as liabilities in these financial statements.

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#### **14. 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 Group to the plans and amount to for the year ended March 31, 2015 \$58,129 (2014 - \$58,129)

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# **Little Shuswap Lake Indian Band**

## **Notes to Consolidated Financial Statements**

**March 31, 2015**

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### **15. Segment Disclosure**

The Little Shuswap Lake Indian 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:

#### **Administration**

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

#### **Community Welfare**

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

#### **Operations and Maintenance**

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

#### **Education**

This service area provides educational services through the operations of elementary, secondary and 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 Little Shuswap Lake Indian Band's Members.

#### **Economic Development**

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

#### **Health Services**

This service area provides for health-related services and programs to the Members.

#### **Social Housing**

This service area provides for social housing to the Members.

#### **Natural Resource Management**

This service area includes exploration of natural resources and development of natural resource revenues.

#### **Capital**

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

# Little Shuswap Lake Indian Band

## Notes to Consolidated Financial Statements

March 31, 2015

### 18. Segment Disclosure (continued)

<u>2015</u>		Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Social Housing	Natural Resource Management	Skwlax Investments Inc.	Capital	Total
<b>Revenue</b>												
AANDC		\$ 324,892	\$ 552,232	\$ 245,734	\$ 397,773	\$ 16,709	\$ -	\$ 95,205	\$ -	\$ 2,509,331	\$ 4,141,876	
Other		72,541	40,249	2,064,837	144,708	30,660	952,515	637,664	3,130,262	4,838,471	(166,855)	11,745,052
		<b>397,433</b>	<b>592,481</b>	<b>2,310,571</b>	<b>542,481</b>	<b>47,369</b>	<b>952,515</b>	<b>637,664</b>	<b>3,225,467</b>	<b>4,838,471</b>	<b>2,342,476</b>	<b>15,886,928</b>
<b>Expenses</b>												
Payroll		390,533	248,468	503,737	98,690	60,814	526,523	25,058	238,216	2,285,798	21,729	4,399,566
Other		622,266	664,935	1,954,787	467,938	37,544	368,046	386,779	478,343	2,684,125	463,427	8,128,190
Amortization		646,933	-	-	-	-	-	133,050	-	311,795	-	1,091,778
		<b>1,659,732</b>	<b>913,403</b>	<b>2,458,524</b>	<b>566,628</b>	<b>98,358</b>	<b>894,569</b>	<b>544,887</b>	<b>716,559</b>	<b>5,281,718</b>	<b>485,156</b>	<b>13,619,534</b>
<b>Surplus (deficit)</b>		<b>\$ (1,262,299)</b>	<b>\$ (320,922)</b>	<b>\$ (147,953)</b>	<b>\$ (24,147)</b>	<b>\$ (50,989)</b>	<b>\$ 57,946</b>	<b>\$ 92,777</b>	<b>\$ 2,508,908</b>	<b>\$ (443,247)</b>	<b>\$ 1,857,320</b>	<b>\$ 2,267,394</b>
<u>2014</u>		Administration	Community Welfare	Operations & Maintenance	Education	Economic Development	Health Services	Social Housing	Natural Resource Management	Skwlax Investments Inc.	Capital	Total
<b>Revenue</b>												
AANDC		\$ 329,954	\$ 545,871	\$ 237,833	\$ 462,761	\$ 84,406	\$ -	\$ 95,159	\$ -	\$ 335,624	\$ 2,091,608	
Other		470,521	34,946	55,760	45,913	(4,500)	767,917	603,361	2,511,124	4,365,056	55,921	8,906,019
		<b>800,475</b>	<b>580,817</b>	<b>293,593</b>	<b>508,674</b>	<b>79,906</b>	<b>767,917</b>	<b>603,361</b>	<b>2,606,283</b>	<b>4,365,056</b>	<b>391,545</b>	<b>10,997,627</b>
<b>Expenses</b>												
Payroll		601,218	104,727	259,327	65,199	107,273	494,807	134,031	216,279	2,139,654	-	4,122,515
Other		458,407	591,766	256,946	482,914	84,386	337,918	475,454	334,838	2,144,049	(60,516)	5,106,162
Amortization		668,017	-	-	-	-	-	138,594	-	352,314	-	1,158,925
		<b>1,727,642</b>	<b>696,493</b>	<b>516,273</b>	<b>548,113</b>	<b>191,659</b>	<b>832,725</b>	<b>748,079</b>	<b>551,117</b>	<b>4,636,017</b>	<b>(60,516)</b>	<b>10,387,602</b>
<b>Surplus (deficit)</b>		<b>\$ (927,167)</b>	<b>\$ (115,676)</b>	<b>\$ (222,680)</b>	<b>\$ (39,439)</b>	<b>\$ (111,753)</b>	<b>\$ (64,808)</b>	<b>\$ (144,718)</b>	<b>\$ 2,055,166</b>	<b>\$ (270,961)</b>	<b>\$ 452,061</b>	<b>\$ 610,025</b>