

**COOK'S FERRY BAND**  
**SUMMARY FINANCIAL STATEMENTS**

**March 31, 2015**

**EXHIBIT**

***SUMMARY FINANCIAL STATEMENTS:***

A	MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	
A1	INDEPENDENT AUDITORS' REPORT	
A2	SUMMARY STATEMENT OF FINANCIAL POSITION	
A3	SUMMARY STATEMENT OF ACCUMULATED SURPLUS	
A4	SUMMARY STATEMENT OF OPERATIONS	
A5	SUMMARY STATEMENT OF REMEASUREMENT GAINS AND LOSSES	
A6	SUMMARY OF STATEMENT OF CHANGES IN NET FINANCIAL ASSETS	
A7	SUMMARY STATEMENT OF CASH FLOWS	
	NOTES TO SUMMARY FINANCIAL STATEMENTS	
	SUMMARY SCHEDULE OF TANGIBLE CAPITAL ASSETS	APPENDIX 1
	SUMARY STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED	APPENDIX 2

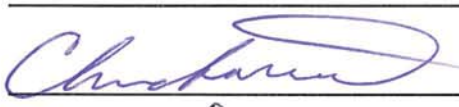
**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of Cook's Ferry 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 judgements. 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.

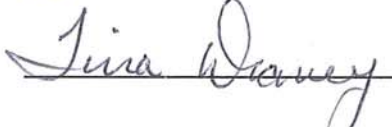
The Band maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Band's assets are appropriately accounted for and adequately safeguarded. The Band Council is responsible for ensuring that management fulfils its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility periodically through its Finance Committee. The Finance Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Daley & Company Chartered Accountants LLP in accordance with Canadian auditing standards.

---

 July 23, 2015

---

 July 24, 2015



**DALEY &  
COMPANY** LLP

Chartered Accountants

900-235 1st Ave.  
Kamloops, BC V2C 3J4  
p. 250.374.5577  
f. 250.374.5573  
toll free. 1.877.374.5577  
email. admin@daleyllp.ca  
www.daleyllp.ca

Norman Daley, CPA, CA  
Paul Mumford, CPA, CA  
Michael Parker, CPA, CA  
Maureen McCurdy, CPA, CA  
Sean Wandler, CPA, CA  
Incorporated Professionals

**INDEPENDENT AUDITORS' REPORT**

To the members of COOK'S FERRY BAND

EXHIBIT A1

***Report on the Financial Statements***

We have audited the accompanying financial statements of COOK'S FERRY BAND, which comprise the summary statement of financial position as at March 31, 2015, and the summary statement of accumulated surplus, summary statement of operations, summary statement of remeasurement gains and losses, summary statement of changes in net financial assets and summary statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***Opinion***

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

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2 and schedules 1 to 35 are presented for the purposes of additional analysis and are not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the summary financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Daley & Company LLP*  
Chartered Professional Accountants

Kamloops, BC  
June 24, 2015

***Disclaimer of Liability***


These summary financial statements were examined and this Audit Opinion issued solely for the use of COOK'S FERRY BAND. Daley & Company Chartered Accountants LLP makes no representations of any kind to any other person in respect of these financial statements and accepts no responsibility for their use by any other person in the absence of the written consent of Daley & Company Chartered Accountants LLP.

**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF FINANCIAL POSITION**  
**March 31, 2015**

<b>FINANCIAL ASSETS</b>	<b>2015</b>	<b>2014</b>
Cash	\$ 1,821,315	\$ 1,799,860
Restricted cash (Note A3)	489,724	464,120
Grants and accounts receivable (Note A4)	181,337	200,654
Note receivable (Note A5)	59,724	-
Long-term investments and advances (Note A6)	848,260	904,286
Investment in 9086 Investments Ltd. (Note A7)	112,869	107,446
	<u>3,513,229</u>	<u>3,476,366</u>
<b>LIABILITIES</b>		
Accounts payable and accruals	466,742	357,979
Deferred revenue (Note A8)	163	326
Demand loans (Note A9)	5,834	40,834
Long-term debt (Note A10)	202,358	186,551
Obligation under capital lease (Note A11)	24,352	42,705
Reforestation obligation (Note A12)	889	889
	<u>700,338</u>	<u>629,284</u>
<b>NET FINANCIAL ASSETS</b>	<b>2,812,891</b>	<b>2,847,082</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note A13)	10,177,134	10,342,161
Prepaid expenses	30,783	16,969
<b>ACCUMULATED SURPLUS (Note A14)</b>	<b>\$ 13,020,808</b>	<b>\$ 13,206,212</b>

COMMITMENTS AND CONTINGENCIES (Note A15)

APPROVED BY THE BAND:

  
 Pearl Hewitt

**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF ACCUMULATED SURPLUS**  
**March 31, 2015**

---

	2015	2014
ACCUMULATED SURPLUS, beginning of year	\$ 13,206,212	\$ 12,991,246
EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES	(131,387)	94,467
UNREALIZED GAINS (LOSSES) (Exhibit A5)	<u>(54,017)</u>	<u>120,499</u>
ACCUMULATED SURPLUS, end of year	<u><u>\$ 13,020,808</u></u>	<u><u>\$ 13,206,212</u></u>



**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF OPERATIONS**  
**Year ended March 31, 2015**

	Budget	2015	2014
<b>REVENUE:</b>			
Aboriginal Affairs and Northern Development Canada	\$ 940,233	\$ 940,838	\$ 1,027,882
Leases and rentals	28,200	60,809	56,172
Property taxes	-	78,463	76,118
First Nations Education Steering Committee	-	-	1,998
CNR Grant-in-lieu	-	11,994	11,979
Interior Salish Employment and Training Society	-	5,852	6,585
Teck Highland Valley Copper Partnership	-	-	632,108
Income - Ottawa Trust Funds	-	27,150	46,037
Canada Mortgage and Housing Corporation	15,840	15,066	15,581
Province of BC - Forest and Range Opportunity	98,155	117,080	122,759
Forest and Range Opportunity - Log Sales	-	276,259	325,976
Heskw'en'scutxe Health Services Society	-	38,447	26,350
Miscellaneous revenues	26,500	204,665	145,860
	<u>1,108,928</u>	<u>1,776,623</u>	<u>2,495,405</u>
<b>EXPENSES:</b>			
Band Revenue	-	322,126	214,489
Teck Highland Valley Copper Partnership Protocol Agreement	-	-	597,613
Teck Highland Valley Copper Partnership Interim Participation Agreement	-	14,257	3,946
Band Support	-	216,013	280,010
Band Employee Benefits	-	19,384	19,599
Social Services	-	191,967	166,989
Fundraising	-	6,464	3,595
National Child Benefit	19,724	19,724	19,774
Economic Development	-	8,929	16,016
Real Property Taxation	-	24,759	23,156
BC Capacity Initiative	-	110,900	-
Environment Canada - Species at Risk Project	-	18,888	26,948
Steelhead Recovery Project	-	8,600	31,486
Post Secondary Education	-	108,898	145,046
Tuition Agreement	-	102,488	193,305
Brighter Futures	-	10,271	11,582
Training Program	-	-	1,815
New Relationship Trust	-	-	25,000
Scholarship	-	500	-
Community Infrastructure - Operation & Maintenance	-	445,389	410,431
Cook's Ferry Band / TNRD Water System	-	31,910	23,877
Municipal Services	-	29,720	26,913
Community Centre Operations	-	35,065	41,854
Basque Ranch	-	75,746	33,560
Modular Home	-	2,578	3,172
Safe Water Operations Program	-	7,800	7,800
Interior Allied Memorial Project	-	983	2,321
ICMS #9-00113978 ACRS 2014	-	25,192	-
Rental Housing	-	23,917	27,264
Social Housing Operation	43,473	45,542	43,377
	<u>63,197</u>	<u>1,908,010</u>	<u>2,400,938</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<b>\$ 1,045,731</b>	<b>\$ (131,387)</b>	<b>\$ 94,467</b>

See accompanying notes to financial statements.

**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**Year ended March 31, 2015**

---

	<b>2015</b>	2014
ACCUMULATED REMEASUREMENT GAINS, beginning of year	<u><b>\$ 517,208</b></u>	<u>\$ 396,709</u>
UNREALIZED GAINS (LOSSES) ATTRIBUTED TO:		
Equity in 9086 Investments Ltd.	<b>2,011</b>	1,060
Equity in Swl'eps Limited Partnership	<u><b>(56,028)</b></u>	<u>119,439</u>
	<u><b>(54,017)</b></u>	<u>120,499</u>
ACCUMULATED REMEASUREMENT GAINS, end of year	<u><u><b>\$ 463,191</b></u></u>	<u><u>\$ 517,208</u></u>

---

**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
**Year ended March 31, 2015**

	Budget	2015	2014
EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES	\$ 1,045,731	\$ (131,387)	\$ 94,467
Acquisition of tangible capital assets	-	(171,642)	(178,046)
Amortization of tangible capital assets	-	336,669	333,254
Unrealized gains (Exhibit A5)	-	(54,017)	120,499
Change in prepaid expenses	-	(13,814)	36,037
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	1,045,731	(34,191)	406,211
NET FINANCIAL ASSETS, beginning of year	2,847,082	2,847,082	2,440,871
NET FINANCIAL ASSETS, end of year	\$ 3,892,813	\$ 2,812,891	\$ 2,847,082

See accompanying notes to financial statements.



**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF CASH FLOWS**  
**Year ended March 31, 2015**

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess (shortfall) of revenue over expenses	\$ (131,387)	\$ 94,467
Non-cash charges to operations:		
Amortization	336,669	333,254
Investments	50,603	(108,980)
(Increase) decrease in:		
Grants and accounts receivable	19,317	181,379
Note receivable	(59,724)	-
Prepaid expenses	(13,814)	36,037
Increase (decrease) in:		
Accounts payable and accruals	108,762	79,559
Deferred revenue	(163)	-
Cash flows from operations	<u>310,263</u>	<u>615,716</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds on obligation under capital lease	-	56,099
Proceeds on long-term debt	34,352	-
Debt reduction	(53,545)	(54,271)
Repayment of obligation under capital lease	(18,352)	(13,395)
Cash flows used in financing	<u>(37,545)</u>	<u>(11,567)</u>
<b>CASH FLOWS FROM CAPITAL ACTIVITIES:</b>		
Restricted cash	(25,604)	(49,144)
Unrealized gains (losses) (Exhibit A5)	(54,017)	120,499
Acquisition of tangible capital assets	(171,642)	(178,046)
Cash flows used in investing	<u>(251,263)</u>	<u>(106,691)</u>
<b>INCREASE IN CASH RESOURCES</b>	<b>21,455</b>	<b>497,458</b>
<b>CASH, beginning of year</b>	<b><u>1,799,860</u></b>	<b><u>1,302,402</u></b>
<b>CASH, end of year</b>	<b><u>\$ 1,821,315</u></b>	<b><u>\$ 1,799,860</u></b>

See accompanying notes to financial statements.

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

---

**NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:**

These summary financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The significant accounting policies are summarized as follows:

**a) Fund Accounting:**

The Cook's Ferry Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the summary financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Cook's Ferry Band maintains the following funds:

- The Band Operating Fund which reports the general activities of the First Nation Administration.
- The Ottawa Trust Fund which reports on trust funds owned by the First Nation and held by Aboriginal Affairs and Northern Development Canada.
- The Capital Fund which reports the property and equipment of the First Nation, together with their related financing.
- The Social Housing Fund which reports the social housing assets of the First Nation, together with related activities.

**b) Reporting Entity and Principles of Financial Reporting:**

The Cook's Ferry Band reporting entity includes the Cook's Ferry Band government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Cook's Ferry Band Operating Fund
- Cook's Ferry Band Ottawa Trust Fund
- Cook's Ferry Band Capital Fund
- Cook's Ferry Band Social Housing Fund

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.

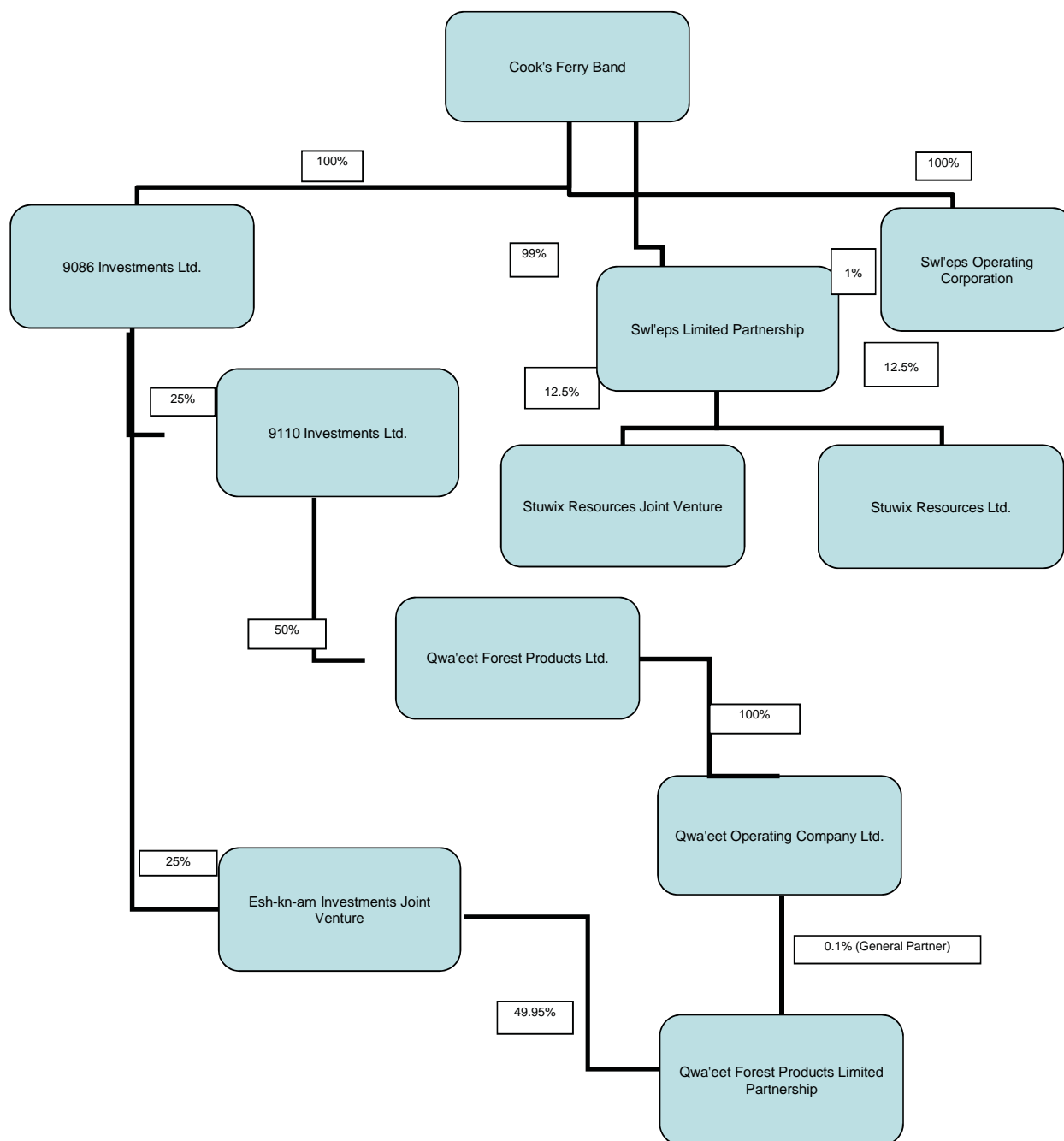
Incorporated business entities, which are owned or controlled by Cook's Ferry Band and which are not dependent on the First Nation for their continuing operations, are included in the summary financial statements using the modified equity method. These include:

- 9086 Investments Ltd.
- Swl'eps Limited Partnership
- Swl'eps Operating Corporation

A detailed organization chart follows:

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
 March 31, 2015

**NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):**



**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

---

**NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):**

c) Accrual Method:

The accrual method is used in accounting.

d) Non-financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Changes in Net Financial Assets for the year.

1) Tangible Capital Assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Major Asset Category

Roads	5 to 75 years
Parking lot	20 to 75 years
Water Systems	20 to 80 years
Pimainus Dam	60 years
Buildings	20 to 40 years
Automotive	10 years
Equipment	5 to 15 years

Assets under construction are not amortized until the asset is available for productive use.

The Band's interest in reserve lands is not reflected in these financial statements, as no consideration was paid by the Band to acquire these lands.

The Band reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Band's ability to provide services. When assets no longer have any long-term service potential to the Band, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

2) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

e) Deferred Revenue:

Revenue is recorded in the period to which it relates.

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

---

**NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):**

**f) Revenue Recognition:**

The Cook's Ferry Band derives revenues from a number of sources.

Amounts received from Aboriginal Affairs and Northern Development Canada (AANDC) are reported in accordance with the terms of the funding arrangement. Amounts specified as set contributions are reported as revenue as program terms and conditions are met and delivered. Any resulting surpluses are repayable to AANDC and any deficits incurred are refundable by AANDC. Amounts specified as fixed contributions are recognized as revenue as program terms and conditions are met and delivered. Any resulting surpluses may be retained by the Band provided delivery of the program is complete at March 31. Any resulting deficits are the responsibility of the Band. Grants received from AANDC are unconditional and are reported as revenue when received or receivable and collection is reasonably assured.

Amounts received from other government departments, both federal and provincial, are reported as revenue in accordance with the terms of the contract or agreement.

Own source revenues derived from such sources as housing rents, resource based revenues, interest income, etc. are reported when received or receivable and collection is reasonably assured.

**g) Long-term Investments:**

Long-term investments are recorded at cost.

**h) Replacement Reserve:**

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

**i) Operating Reserve:**

The Operating Reserve account is funded by an allocation of the excess or shortfall of annual minimum revenue contribution and Canada Mortgage and Housing Corporation subsidies over current eligible expenditures.

**j) Reforestation:**

As part of the Band's Woodlot #1477 agreement, the Band is required to perform reforestation on areas logged under conditions set out in the acts governing forestry operations. The Band estimates the costs of reforestation through to the free-to-grow stage and records the present value obligation of these costs as timber is harvested.

**k) Use of Estimates:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

**NOTE A2. FINANCIAL INSTRUMENTS:**

**Fair Value of Financial Assets and Financial Liabilities:**

The carrying values of cash, grants and accounts receivable, note receivable, accounts payable and accrued liabilities, and demand loans approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

The carrying value of long-term debt approximates its fair value as the terms and conditions of the borrowing arrangements are comparable to current market terms and conditions for similar items.

It is not practicable to determine the fair value of advances to related parties due to the limited amount of comparable market information available.

**Credit Risk:**

The Band is exposed to credit risk by its funding agencies and suppliers. However, because the majority of funding is from government agencies and there is a large number of suppliers, credit risk concentration is reduced to the minimum.

**Interest Risk:**

Demand loans have both fixed and variable interest rates based on the bank's prime rate, therefore the interest expense will vary with changes in the bank's prime rate. Long-term debt has a fixed interest rate at 2.11% until January 2019. Therefore interest expense will decrease with principal repayment of the mortgage and interest risk is reduced to the minimum.

**NOTE A3. RESTRICTED CASH:**

	2015	2014
Replacement Reserve (CMHC)	\$ 95,892	\$ 90,065
Operating Reserve (CMHC)	28,713	36,086
Ottawa Trust Funds	<u>365,119</u>	<u>337,969</u>
	<u><u>\$ 489,724</u></u>	<u><u>\$ 464,120</u></u>

a) Replacement Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$8,300 annually plus interest. 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 or as may otherwise be approved by Canada Mortgage and Housing Corporation from time to time. Withdrawals are credited to interest first and then principal.

Balance, beginning of year	\$ 97,421	\$ 90,043
Allocation for the year	8,300	8,300
Interest earned	23	22
Approved expenditures	<u>(3,203)</u>	<u>(944)</u>
Balance, end of year	<u><u>\$ 102,541</u></u>	<u><u>\$ 97,421</u></u>

The Replacement Reserve is represented by:

Cash	<u><u>\$ 95,892</u></u>	<u><u>\$ 90,065</u></u>
------	-------------------------	-------------------------



**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

**NOTE A3. RESTRICTED CASH (continued):**

b) Operating Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, after the payment of all costs and expenditures, including the allocation of the Replacement Reserve, any surplus revenue will be retained by the First Nation within an Operating Reserve fund. Interest earnings must accrue to and be maintained in the Operating Reserve fund. The Project's Operating Reserve fund may only be used for the ongoing operating costs of the housing projects committed under the On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. The First Nation agrees to maintain Operating Reserve funds in a separate bank account and / or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be mutually agreed to by the First Nation and Canada Mortgage and Housing Corporation.

	2015	2014
Balance, beginning of year	\$ 26,507	\$ 27,230
Transfer from operations	(2,039)	(732)
Interest income	8	9
	<u>24,476</u>	<u>26,507</u>
Balance, end of year	<u>\$ 24,476</u>	<u>\$ 26,507</u>
The Operating Reserve is represented by:		
Cash	<u>\$ 28,713</u>	<u>\$ 36,086</u>

c) Ottawa Trust Funds:

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 is primarily governed by Sections 63 to 69 of the Indian Act.

**NOTE A4. GRANTS AND ACCOUNTS RECEIVABLE:**

	2015	2014
Grants and Accounts Receivable	\$ 223,597	\$ 241,939
Less: Allowance for doubtful accounts	<u>(42,260)</u>	<u>(41,285)</u>
	<u>\$ 181,337</u>	<u>\$ 200,654</u>

**NOTE A5. NOTE RECEIVABLE:**

	2015	2014
Nlaka'pamux Legacy Trust (2013):		
Note receivable, unsecured, non-interest bearing, no stated terms of repayment	<u>\$ 59,724</u>	<u>\$ -</u>

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

**NOTE A6. LONG-TERM INVESTMENTS AND ADVANCES:**

	2015	2014
Swl'eps Operating Corporation, at cost:		
Share capital - 100%	\$ 1	\$ 1
Advances, unsecured, noninterest bearing, no stated terms of repayment	2,090	2,090
Accumulated equity in losses	<u>(2,090)</u>	<u>(2,090)</u>
	<u>1</u>	<u>1</u>
Swl'eps Limited Partnership:		
Advances, unsecured, noninterest bearing, no stated terms of repayment	51,962	51,962
Accumulated equity in income	<u>796,297</u>	<u>852,323</u>
	<u>848,259</u>	<u>904,285</u>
	<u>\$ 848,260</u>	<u>\$ 904,286</u>

Financial information for Swl'eps Operating Corporation is as follows:

Assets	\$ 1,349	\$ 3,553
Liabilities	<u>12,923</u>	<u>12,357</u>
Equity	<u>\$ (11,574)</u>	<u>\$ (8,804)</u>
Revenues	\$ (565)	\$ 1,207
Expenses	<u>2,205</u>	<u>2,246</u>
Net loss	<u>\$ (2,770)</u>	<u>\$ (1,039)</u>

Financial information for Swl'eps Limited Partnership is as follows:

Assets	\$ 1,500,814	\$ 1,512,741
Liabilities	<u>663,264</u>	<u>618,597</u>
Equity	<u>\$ 837,550</u>	<u>\$ 894,144</u>
Revenues	\$ 920,452	\$ 1,767,382
Expenses	<u>977,046</u>	<u>1,646,737</u>
Net income (loss)	<u>\$ (56,594)</u>	<u>\$ 120,645</u>

**NOTE A7. INVESTMENT IN 9086 INVESTMENTS LTD.:**

	2015	2014
9086 Investments Ltd. (100%):		
Shares	\$ 1	\$ 1
Advances	443,883	440,470
Accumulated equity in losses	<u>(331,015)</u>	<u>(333,025)</u>
	<u>\$ 112,869</u>	<u>\$ 107,446</u>

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

---

NOTE A7. **INVESTMENT IN 9086 INVESTMENTS LTD. (continued):** 2015 2014

Shares are held in trust by specified Band Members under a trust agreement.

Financial information for 9086 Investments Ltd. is as follows:

Assets	\$ 186,399	\$ 157,635
Liabilities	<u>517,414</u>	<u>490,660</u>
Equity	<u>\$ (331,015)</u>	<u>\$ (333,025)</u>
Revenues	\$ 193,155	\$ 160,662
Expenses	<u>191,144</u>	<u>159,604</u>
Net income	<u>\$ 2,011</u>	<u>\$ 1,058</u>

NOTE A8. **DEFERRED REVENUE:** 2015 2014

Amounts deferred are summarized below:

Rent	<u>\$ 163</u>	<u>\$ 326</u>
------	---------------	---------------

NOTE A9. **DEMAND LOANS:** 2015 2014

Band Operations:

TD Canada Trust, demand loan, repayable in monthly installments of \$2,917 plus interest at the bank's prime rate plus 1.5%, secured by a general security agreement covering all assets of Band, due May 2015

<u>\$ 5,834</u>	<u>\$ 40,834</u>
-----------------	------------------

Principal repayments due in the ensuing year is approximately as follows:

2016	\$ 5,834
------	----------

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

**NOTE A10. LONG-TERM DEBT:**

**2015**

**2014**

Band Operations:

\$954 including interest at 0%, secured by a 2015 Jeep Cherokee with a carrying value of \$31,817, due February 2018

**\$ 33,398      \$ -**

Social Housing Operations:

Canada Mortgage and Housing Corporation, repayable in monthly installments of \$1,779 including interest at 2.11% per annum, due January 2019, secured by buildings with a carrying value of \$331,247

**168,960      186,551**

**202,358      186,551**

Less current portion

**29,401      17,575**

**\$ 172,957      \$ 168,976**

The mortgage is guaranteed by Aboriginal Affairs and Northern Development Canada.

Principal repayments due in the ensuing 4 years are approximately as follows:

2016	\$ 29,401
2017	29,783
2018	29,219
2019	113,955

**NOTE A11. OBLIGATION UNDER CAPITAL LEASE:**

The Band entered into two capital leases for computer equipment with RCAP Leasing Inc., for a period of 36 months commencing June and August 2013.

Payments due on the capital lease for each of the 2 years subsequent to March 31, 2015 are as follows:

2016	<b>\$ 21,098</b>
2017	<b>4,522</b>
Total minimum lease payments	<b>25,620</b>

Less amounts representing interest at average of 7.42% **1,268**

Present value of net minimum capital lease payments **24,352**

Current portion of obligation under capital lease **19,882**

**\$ 4,470**

**NOTE A12. REFORESTATION OBLIGATION:**

**2015**

**2014**

Reforestation obligation (Woodlot License #1477)

**\$ 889      \$ 889**

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
March 31, 2015

<b>NOTE A13. TANGIBLE CAPITAL ASSETS:</b>	<b>2015</b>	2014
---	-------------	------

Tangible capital assets consist of the following:

Band Operations:

Land	\$ 389,177	\$ 389,177
Roads	1,469,432	1,506,261
Parking Lot	10,174	11,593
Water Systems	5,646,034	5,692,561
Pimainus Dam	515,598	526,583
Buildings	1,604,490	1,710,077
Automotive	119,641	29,913
Equipment	124,698	155,192
	9,879,244	10,021,357

Social Housing:

Buildings	297,890	320,804
-----------	---------	---------

	\$ 10,177,134	\$ 10,342,161
--	---------------	---------------

The Band is the primary beneficiary of the Pimainus Dam project. At March 31, 2015, legal title has not been transferred to the Band.

For additional information, see the Summary Schedule of Tangible Capital assets (Appendix 1).

<b>NOTE A14. ACCUMULATED SURPLUS:</b>	<b>2015</b>	2014
---------------------------------------	-------------	------

Accumulated surplus consists of individual fund surpluses and reserves as follows:

Surplus from operations	\$ 2,120,889	\$ 2,206,044
Externally restricted deficit (see below)	-	(51,010)
Accumulated remeasurement gains	463,191	517,208
Invested in tangible capital assets	9,944,590	10,072,071
Long-term investments	2	2
Funded reserves:		
Ottawa trust funds (Note A3)	365,119	337,969
Replacement reserve (CMHC) (Note A3)	102,541	97,421
Operating reserve (CMHC) (Note A3)	24,476	26,507
	492,136	461,897
	\$ 13,020,808	\$ 13,206,212

Externally restricted deficit consists of the expenses related to the negotiations for the Participation Agreement with Teck / Highland Valley Copper Partnership, the Economic and Community Development Agreement with the Province of BC, and the establishment of the Nlaka'pamux Legacy Trust (2013).

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

**NOTE A15. COMMITMENTS AND CONTINGENCIES:**

**Lease commitment:**

The Band rents a photocopier under a long-term lease which expires August 2020.

The Band entered into a long-term supply agreement for internet services which expires April 2021.

Future minimum lease payments as at March 31, 2015, are as follows:

2016	\$ 27,240
2017	27,240
2018	27,240
2019	27,240
2020	27,240
Thereafter	<u>2,060</u>
	<u><u>\$ 138,260</u></u>

**Contingencies:**

a) The Band receives a portion of its funding under a contribution authority with Aboriginal Affairs and Northern Development Canada which, if unexpended, may be refundable to Aboriginal Affairs and Northern Development Canada. Further, amounts which are overexpended may be reimbursed by Aboriginal Affairs and Northern Development Canada to the Band.

b) **Housing Mortgages:**

The Band is guarantor of various Housing mortgages, secured by Ministerial guarantees, including \$29,225 for capital housing and \$169,261 for Social Housing for a total of \$198,486.

c) **Pension Plan:**

The Band and its employees contribute to a defined contribution pension plan. There is no obligation for past service or periods in which an employee was not employed. Total contributions to the plan during the year were \$3,177 (2014 \$4,940).

**NOTE A16. EXPENDITURE BY OBJECT:**

	<b>2015</b>	<b>2014</b>
Wages and benefits	\$ 279,956	\$ 341,476
Repairs and maintenance	69,874	77,342
Office, materials and supplies	962,269	987,672
Professional fees, contracted services and other fees to governments	352,063	749,987
Social Assistance	<u>243,848</u>	<u>244,461</u>
	<u><u>\$ 1,908,010</u></u>	<u><u>\$ 2,400,938</u></u>



**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

---

**NOTE A17. SEGMENTED INFORMATION:**

The Cook's Ferry Band is a First Nations government institution that provides a range of programs and services to its members, including band revenue, administration, community services, natural resources/economic development, education, maintenance, capital and housing. For management reporting purposes the First Nations operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

**Band Revenue**

The Band Revenue department is responsible for administering projects the Band is involved in annually and on an on-going basis relating to the overall objectives of the First Nation.

**Administration**

Administration supports the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

**Community Services**

Community Services provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

**Natural Resources/Economic Development**

Natural Resources/Economic Development department is responsible for the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, as well as research and advocacy. It also manages economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects.

**Education**

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs. It also provides services for students at the elementary/secondary and post secondary level, including instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

**Maintenance**

Maintenance supports the construction, operation and basic maintenance of community facilities and services such as water and sewage, roads and electrification. It is also responsible for ensuring that the facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

**Capital**

Capital manages capital projects within the community undertaken to support the growth and / or maintenance of the First Nation's infrastructure.

**Housing**

Housing is responsible for the administration and management of Social Housing units, Band-owned housing units and renovation projects for private homeowners.

**COOK'S FERRY BAND**  
**NOTES TO SUMMARY FINANCIAL STATEMENTS**  
**March 31, 2015**

---

**NOTE A17. SEGMENTED INFORMATION (continued):**

The accounting policies used in these segments are consistent with those followed in the preparation of the summary financial statements as disclosed in Note A1. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

**NOTE A18. ECONOMIC DEPENDENCE:**

Cook's Ferry Band receives a major portion of its revenues pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada.

**NOTE A19. RELATED PARTY TRANSACTIONS:**

During the year, the Band charged rent of \$13,860 (2014 \$13,860) and business internet fees of \$17,303 (2014 \$18,000) to Heskwen'scutxe Health Services Society, the Band is one of two members of this Health Services Society.

During the year, the Band received funds for Brighter Futures fees of \$24,587 (2014 \$12,490) from Heskwen'scutxe Health Services Society, the Band is one of two members of this Health Services Society.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**NOTE A20. CASH FLOW INFORMATION:**

During the year, the Band paid interest on long-term debt of \$4,703 (2014 \$7,407) and received interest of \$20,731 (2014 \$15,130).

**NOTE A21. BUDGET FIGURES:**

The budget information has been provided for presentation purposes only, but has not been approved by Chief and Council.

**NOTE A22. COMPARATIVE FIGURES:**

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

**COOK'S FERRY BAND**  
**SUMMARY SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
Year ended March 31, 2015

	Land	Roads	Parking Lot	Water Systems	Pimainus Dam	Buildings	Automotive	Equipment	Social Housing	2015	2014
<b>Cost</b>											
Balance, beginning of year	\$ 389,177	\$ 1,917,628	\$ 35,719	\$ 6,207,321	\$ 621,709	\$ 3,000,034	\$ 74,015	\$ 595,696	\$ 536,024	\$ 13,377,323	\$ 13,199,277
Add: Additions during the year	-	3,691	-	51,357	-	-	107,922	8,672	-	171,642	178,046
Balance, end of year	389,177	1,921,319	35,719	6,258,678	621,709	3,000,034	181,937	604,368	536,024	13,548,965	13,377,323
<b>Accumulated amortization</b>											
Balance, beginning of year	-	411,367	24,126	514,760	95,126	1,289,957	44,102	440,504	215,220	3,035,162	2,701,908
Add: Amortization	-	40,520	1,419	97,884	10,985	105,587	18,194	39,166	22,914	336,669	333,254
Balance, end of year	-	451,887	25,545	612,644	106,111	1,395,544	62,296	479,670	238,134	3,371,831	3,035,162
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 389,177</b>	<b>\$ 1,469,432</b>	<b>\$ 10,174</b>	<b>\$ 5,646,034</b>	<b>\$ 515,598</b>	<b>\$ 1,604,490</b>	<b>\$ 119,641</b>	<b>\$ 124,698</b>	<b>\$ 297,890</b>	<b>\$ 10,177,134</b>	<b>\$ 10,342,161</b>

See accompanying notes to financial statements.

**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED**  
**Year ended March 31, 2015**

	Band Revenue	Administration	Community Services	Natural Resources/ Economic Development	Education	Maintenance	Capital	Housing	Other	Total 2015	Total 2014
<b>REVENUE:</b>											
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 178,119	\$ 188,551	\$ 63,530	\$ 251,213	\$ 187,670	\$ 71,755	\$ -	\$ -	\$ 940,838	\$ 1,027,882
Leases and rentals	-	-	-	-	-	17,175	-	47,400	-	64,575	55,346
CMHC	-	-	-	-	-	-	-	15,066	-	15,066	15,581
Province of BC	117,080	-	-	-	-	-	-	-	-	117,080	122,759
Consulting and contract	276,259	-	-	-	-	8,999	-	-	-	285,258	899,278
Interest	12,275	184	-	43	-	-	-	42	8,188	20,732	15,130
Miscellaneous	98,266	13,140	6,442	78,463	98,356	18,467	-	978	18,962	333,074	359,429
	<u>503,880</u>	<u>191,443</u>	<u>194,993</u>	<u>142,036</u>	<u>349,569</u>	<u>232,311</u>	<u>71,755</u>	<u>63,486</u>	<u>27,150</u>	<u>1,776,623</u>	<u>2,495,405</u>
<b>EXPENSES:</b>											
Administration fees	-	-	-	-	-	-	-	3,830	-	3,830	3,830
Amortization	-	1,436	-	-	-	312,320	-	22,914	-	336,670	333,255
Assistance	-	-	145,020	-	98,828	-	-	-	-	243,848	244,461
Automotive	-	-	-	-	-	350	-	-	-	350	2,231
Community infrastructure	-	-	-	-	-	12,997	-	-	-	12,997	13,987
Contract services	87,092	33,952	-	97,440	-	18,521	25,193	-	-	262,198	254,004
Education	-	-	-	-	112,759	-	-	-	-	112,759	200,877
Honorarium	91,046	-	-	12,375	5,875	-	-	-	-	109,296	122,971
Insurance	-	600	426	-	-	13,548	-	12,276	-	26,850	27,644
Interest and bank charges	1,140	2,957	-	-	-	-	982	25	-	5,104	5,948
Materials and supplies	6,388	3,531	25,165	22,853	4,195	17,635	-	-	-	79,767	45,410
Office and other	22,487	11,932	-	283	500	47,376	-	3,720	-	86,298	46,461
Professional fees	43,404	19,950	-	14,391	-	6,270	-	5,850	-	89,865	495,983
Repairs and maintenance	508	83	-	-	-	49,758	-	19,525	-	69,874	77,342
Training	12,974	715	728	-	-	17,548	-	-	-	31,965	20,994
Travel	11,815	7,555	7,243	14,649	-	7,885	-	-	-	49,147	47,844
Utilities	25,818	16,224	2,449	-	-	61,426	-	1,319	-	107,236	116,220
Wages and benefits	33,711	136,461	37,124	10,085	-	62,575	-	-	-	279,956	341,476
	<u>336,383</u>	<u>235,396</u>	<u>218,155</u>	<u>172,076</u>	<u>222,157</u>	<u>628,209</u>	<u>26,175</u>	<u>69,459</u>	<u>-</u>	<u>1,908,010</u>	<u>2,400,938</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<u>\$ 167,497</u>	<u>\$ (43,953)</u>	<u>\$ (23,162)</u>	<u>\$ (30,040)</u>	<u>\$ 127,412</u>	<u>\$ (395,898)</u>	<u>\$ 45,580</u>	<u>\$ (5,973)</u>	<u>\$ 27,150</u>	<u>\$ (131,387)</u>	<u>\$ 94,467</u>

See accompanying notes to financial statements.

**COOK'S FERRY BAND**  
**SUMMARY STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED**  
**Year ended March 31, 2014**

	Band Revenue	Administration	Community Services	Natural Resources/ Economic Development	Education	Maintenance	Capital	Housing	Other	Total 2014
<b>REVENUE:</b>										
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 189,941	\$ 184,244	\$ 82,964	\$ 281,157	\$ 170,743	\$ 118,833	\$ -	\$ -	\$ 1,027,882
Leases and rentals	-	-	-	-	-	14,486	-	40,860	-	55,346
CMHC	-	-	-	-	-	-	-	15,581	-	15,581
Province of BC	122,759	-	-	-	-	-	-	-	-	122,759
Consulting and contract	899,278	-	-	-	-	-	-	-	-	899,278
Interest	5,880	332	-	30	-	-	-	9	8,879	15,130
Miscellaneous	132,034	38,305	4,432	76,118	39,488	27,755	-	4,139	37,158	359,429
	<u>1,159,951</u>	<u>228,578</u>	<u>188,676</u>	<u>159,112</u>	<u>320,645</u>	<u>212,984</u>	<u>118,833</u>	<u>60,589</u>	<u>46,037</u>	<u>2,495,405</u>
<b>EXPENSES:</b>										
Administration fees	-	-	-	-	-	-	-	3,830	-	3,830
Amortization	-	1,436	-	-	-	308,905	-	22,914	-	333,255
Assistance	-	-	122,173	-	122,288	-	-	-	-	244,461
Automotive	-	-	-	-	-	2,231	-	-	-	2,231
Community infrastructure	-	-	-	-	-	13,987	-	-	-	13,987
Contract services	149,198	13,115	-	61,473	23,550	6,498	-	170	-	254,004
Education	-	-	-	-	200,877	-	-	-	-	200,877
Honorarium	116,846	-	-	-	6,125	-	-	-	-	122,971
Insurance	-	5,200	-	-	-	11,618	-	10,826	-	27,644
Interest and bank charges	-	3,576	-	-	-	26	2,321	25	-	5,948
Materials and supplies	426	4,079	22,129	-	9,430	9,346	-	-	-	45,410
Office and other	25,487	13,426	229	1,030	-	1,228	-	5,061	-	46,461
Professional fees	445,518	16,287	2,913	14,221	5,825	5,556	-	5,663	-	495,983
Repairs and maintenance	-	1,048	-	-	-	54,747	-	21,547	-	77,342
Training	1,026	6,406	-	-	300	13,262	-	-	-	20,994
Travel	22,553	11,576	6,713	3,459	1,097	2,446	-	-	-	47,844
Utilities	30,139	18,478	2,187	-	-	64,810	-	606	-	116,220
Wages and benefits	24,855	204,982	34,014	17,421	7,255	52,949	-	-	-	341,476
	<u>816,048</u>	<u>299,609</u>	<u>190,358</u>	<u>97,604</u>	<u>376,747</u>	<u>547,609</u>	<u>2,321</u>	<u>70,642</u>	<u>-</u>	<u>2,400,938</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<u>\$ 343,903</u>	<u>\$ (71,031)</u>	<u>\$ (1,682)</u>	<u>\$ 61,508</u>	<u>\$ (56,102)</u>	<u>\$ (334,625)</u>	<u>\$ 116,512</u>	<u>\$ (10,053)</u>	<u>\$ 46,037</u>	<u>\$ 94,467</u>

See accompanying notes to financial statements.