

**Boothroyd Indian Band
Consolidated Financial Statements
Year Ended March 31, 2015**

Boothroyd Indian Band
Contents
Year Ended March 31, 2015

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Management's Report

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Boothroyd Indian Band for the year ended March 31, 2015 are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgements of management.

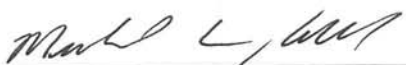
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Boothroyd Indian Band Council is responsible for ensuring that management fulfills its responsibilities of financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditor, Loreen J. Falys CPA-CGA, conducts an independent examination, in accordance with Canadian auditing standards, and expresses her opinion on the consolidated financial statements. The external auditor has full and free access to financial management of Boothroyd Indian Band and meet when required.

On behalf of Boothroyd Indian Band:





July 27, 2015



Independent Auditor's Report

To the Members of Boothroyd Indian Band:

I have audited the accompanying consolidated financial statements of Boothroyd Indian Band, which comprise the consolidated statement of financial position as at March 31, 2015, and the statement of operations and accumulated surplus, change in net financial assets (net debt), and cash flows for the year then ended, and notes, comprising 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 auditor's judgement, 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Opinion

In my opinion these financial statements present fairly, in all material respects, the consolidated financial position of Boothroyd Indian Band as at March 31, 2015, and the results of its operations and changes in net debt, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountant
Chilliwack, BC
July 27, 2015

Boothroyd Indian Band
Consolidated Statement of Financial Position
Year Ended March 31, 2015

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| | 2015 | 2014 |
|--|---------------------|---------------------|
| Financial assets | | |
| Cash and cash equivalents (Note 3) | \$ 54,440 | \$ 974,140 |
| Marketable securities, at cost | 3,731 | 3,731 |
| Accounts receivable (Note 4) | 20,782 | 216,070 |
| Investments (Note 5) | 65,000 | 65,000 |
| Due from members (Note 6) | 11,469 | 8,933 |
| Funds held in trust (Note 7) | 367,751 | 354,055 |
| | <u>523,173</u> | <u>1,621,929</u> |
| Liabilities | | |
| Accounts payable and accruals | 220,085 | 1,078,095 |
| Long-term debt (Note 9) | 959,287 | 743,794 |
| Obligation under capital lease (Note 10) | 30,016 | 62,512 |
| | <u>1,209,388</u> | <u>1,884,401</u> |
| Net debt | <u>(686,215)</u> | <u>(262,472)</u> |
| Non-financial assets | | |
| Tangible capital assets (Note 11) | 6,624,646 | 5,105,655 |
| Prepaid expenses | 4,400 | 13,324 |
| | <u>6,629,046</u> | <u>5,118,979</u> |
| Accumulated surplus (Note 13) | <u>\$ 5,942,831</u> | <u>\$ 4,856,507</u> |

APPROVED by the Council of Boothroyd Indian Band:


 Chief Richard Campbell


 Councillor Lawrence Campbell


 Councillor Mike Campbell


 Councillor Joe Campbell

The accompanying notes are an integral part of these consolidated financial statements.

Boothroyd Indian Band
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31, 2015

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| | 2015 | 2014 |
|--|----------------------------|----------------------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | \$ 1,242,916 | \$ 2,700,562 |
| Canada Mortgage and Housing Corporation | 23,495 | 24,178 |
| Other Federal funding | 19,476 | - |
| Province of BC | 50,415 | - |
| Other First Nation Governments | 510,918 | 142,354 |
| Boothroyd Construction Ltd. | 156,579 | 75,998 |
| Own source revenue | 348,507 | 337,183 |
| Rental income | 21,020 | 29,640 |
| Loss on disposal of assets | (211,902) | - |
| Interest and sundry income | 19,653 | 58,267 |
| | <u>2,181,077</u> | <u>3,368,182</u> |
| Expenses | | |
| Administration | 632,795 | 1,077,505 |
| Capital Projects | (787,176) | 1,338,213 |
| Community Maintenance and Housing | 92,353 | 107,002 |
| Economic Development and Resources | 355,141 | 243,231 |
| Education | 296,215 | 255,067 |
| Community Health | 226,176 | 175,327 |
| Other | 279,249 | 278,429 |
| | <u>1,094,753</u> | <u>3,474,774</u> |
| Surplus (deficit) | 1,086,324 | (106,592) |
| Accumulated surplus, beginning of year | <u>4,856,507</u> | <u>4,963,099</u> |
| Accumulated surplus, end of year | <u><u>\$ 5,942,831</u></u> | <u><u>\$ 4,856,507</u></u> |

The accompanying notes are an integral part of these consolidated financial statements.

Boothroyd Indian Band
Consolidated Statement of Change in Net Financial Assets (Net Debt)
Year Ended March 31, 2015

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| | 2015 | 2014 |
|--|----------------------------|----------------------------|
| Annual surplus (deficit) | \$ 1,086,324 | \$ (106,592) |
| Purchases of tangible capital assets | (2,111,288) | (38,437) |
| Loss on disposal of asset | 211,417 | - |
| Amortization of tangible capital assets | 380,880 | 318,885 |
| (Increase) Decrease in prepaid expenses | 8,924 | 1,045 |
| | <u>(423,743)</u> | <u>174,901</u> |
| Decrease in net financial assets | (423,743) | 174,901 |
| Net financial assets(net debt), beginning of year | <u>(262,472)</u> | <u>(437,373)</u> |
| Net debt, end of year | <u><u>\$ (686,215)</u></u> | <u><u>\$ (262,472)</u></u> |

The accompanying notes are an integral part of these consolidated financial statements.

Boothroyd Indian Band
Consolidated Statement of Cash Flows
Year Ended March 31, 2015

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| | 2015 | 2014 |
|---|--------------------------|----------------------------|
| Operating activities | | |
| Cash provided by (used in): | | |
| Annual surplus | \$ 1,086,324 | \$ (106,592) |
| Items not involving cash: | | |
| Amortization | 380,880 | 318,885 |
| Loss on disposal of assets | 211,417 | - |
| Change in deferred revenue | - | (80,385) |
| | <u>1,678,621</u> | <u>131,908</u> |
| Changes in working capital accounts | | |
| Accounts receivable | 195,288 | (142,974) |
| Accounts payable and accruals | (858,010) | 788,094 |
| Due from members | (2,536) | 325,333 |
| Prepaid expenses | <u>8,924</u> | <u>1,043</u> |
| Net change in cash from operating activities | 1,022,287 | 1,103,404 |
| Capital activities | | |
| Acquisition of tangible capital assets | (2,111,288) | (38,437) |
| Financing activities | | |
| Increase in long-term debt | 436,644 | 126,437 |
| Repayment of long-term debt | <u>(253,647)</u> | <u>(149,616)</u> |
| Net change in cash and cash equivalents | (906,004) | 1,041,788 |
| Cash and cash equivalents, beginning of year | <u>1,331,926</u> | <u>290,138</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 425,922</u></u> | <u><u>\$ 1,331,926</u></u> |
| Cash flow supplemental information | | |
| Interest received | \$ 9,764 | \$ 17,402 |
| Interest paid | \$ 44,456 | \$ 24,254 |

The accompanying notes are an integral part of these consolidated financial statements.

1. Operations

The Boothroyd Indian Band (the "Band") is located in the province of British Columbia, and provides various services to its members. Boothroyd Indian Band includes the Band's members, government and all related entities that are accountable to the Band and either owned or controlled by the Band.

2. Significant Accounting Policies

a) Basis of Accounting

These consolidated financial statements of Boothroyd Indian Band are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the Boothroyd Indian Band are as follows:

b) Reporting entity

The Boothroyd Indian Band reporting entity includes the Boothroyd Indian Band government and all related entities that are controlled by the First Nation.

c) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprises which are included in the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Examples of organizations consolidated in Boothroyd Indian Band's financial statements include:

Boothroyd Non-Profit Housing
Boothroyd Construction Ltd.
Kahmoose Store and Gas Bar

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.

d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

e) Loans receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed annually by Council. No interest is charged on loans receivable.

f) Portfolio investments

Long-term investments in entities that are not owned, controlled, or influenced by the Band reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for impairment other than temporary impairment.

2. Significant Accounting Policies (Continued)

g) Tangible capital assets

On acquisition, tangible capital assets are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost is based on historical cost accounting records. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of the future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Boothroyd Indian Band's incremental cost of borrowing.

Capital assets are amortized over their expected useful life using the following methods:

| | Method | Rate |
|--------------------------|---------------|----------|
| Automotive | straight-line | 10 years |
| Buildings | straight-line | 25 years |
| Building - Housing | straight-line | 25 years |
| Computer equipment | straight-line | 3 years |
| Equipment - Caterpillar | straight-line | 10 years |
| Fire equipment and truck | straight-line | 20 years |
| Other equipment | straight-line | 15 years |
| Machinery | straight-line | 20 years |
| Water and sewer | straight-line | 50 years |
| Roads | straight-line | 20 years |

Tangible capital assets are written down when conditions indicate that they no longer contribute to Boothroyd Indian Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

h) Asset Classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

2. Significant Accounting Policies (Continued)

i) Net financial assets (net debt)

The Band's financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the Band is determined by its financial assets less its liabilities. Net financial assets (net debt) is comprised of two components, non-financial assets and accumulated surplus (deficit).

j) Revenue recognition

Government Transfers

The Band recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Band recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other Revenue

Rental income is recorded as revenue in the month to which it relates. Investment income is recorded as revenue when it is earned.

k) Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the reporting period.

Accounts receivable, and amounts due from related Band entities and departments, are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

l) Segments

The Band conducts its business through a number of reportable segments as described in Note 16. These operating segments are established by management to facilitate the achievement of the Band's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

2. Significant Accounting Policies (Continued)

m) Recent accounting pronouncements

Related party transactions

In March 2015, the Public Sector Accounting Board (PSAB) issued PS 2200 Related party disclosures to define a related party and establish the disclosure required for a related party transaction. Disclosure of information about related party transactions and their relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

PS 2200 is effective for fiscal years beginning on or after April 1, 2017. The Band has not yet determined the effect of the new section in its financial statements.

Financial instruments

In June 2011, the public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS3450 is effective for fiscal years beginning on or after April 1, 2015. Early Adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods including comparative information are not restated. The Band does not expect the adoption of these new standards to have a material impact on its financial statements.

3. Cash and cash equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Boothroyd Indian Band must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Operating Subsidy Fund. Cash and cash equivalents is comprised of the following:

| | <u>2015</u> | <u>2014</u> |
|---|------------------|-------------------|
| Externally Restricted | | |
| Replacement Reserve | \$ 18,012 | \$ 18,000 |
| Operating Reserve | 5,959 | 5,956 |
| Internally Restricted | | |
| Capital Planning - Water upgrade well replacement | - | 392,147 |
| Unrestricted | | |
| Operating | 30,469 | 558,037 |
| | <u>\$ 54,440</u> | <u>\$ 974,140</u> |

4. Accounts Receivable

| | <u>2015</u> | <u>2014</u> |
|--|------------------|-------------------|
| Accounts Receivable | \$ 10,358 | \$ 28,398 |
| Aboriginal Affairs & Northern Development Canada | - | 176,986 |
| Payroll advances - Members | - | 6,011 |
| Rent receivable - Members | 8,580 | 2,660 |
| CMHC Subsidy receivable | 1,844 | 2,015 |
| | <u>\$ 20,782</u> | <u>\$ 216,070</u> |

5. Investments

Portfolio investments consist of the following:

| | <u>2015</u> | <u>2014</u> |
|-------------------------------|------------------|------------------|
| All Nations Trust Company | | |
| 75,000 Class A Shares at cost | \$ 45,000 | \$ 45,000 |
| Skuzzy Creek Power Station | | |
| Common shares, at cost | 20,000 | 20,000 |
| | <u>\$ 65,000</u> | <u>\$ 65,000</u> |

6. Due from Members

Member loans consist of monies advanced to members. The amounts are unsecured, non-interest bearing with no specific terms of repayment.

| | <u>2015</u> | <u>2014</u> |
|---------------------------------|------------------|------------------|
| Member loans | \$ 331,768 | \$ 329,232 |
| Allowance for doubtful accounts | <u>(320,299)</u> | <u>(320,299)</u> |
| | <u>\$ 11,469</u> | <u>\$ 8,933</u> |

7. Funds held in Ottawa Trust

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

| | <u>2015</u> | <u>2014</u> |
|----------------------------|-------------------|-------------------|
| Capital Trust | | |
| Balance, beginning of year | \$ 155,868 | \$ 155,868 |
| Revenue Trust | | |
| Balance, beginning of year | 198,187 | 268,604 |
| Interest | 8,550 | 16,890 |
| CN Rail | - | 3,056 |
| CP Rail | 4,485 | 8,970 |
| B.C. Special | <u>661</u> | <u>667</u> |
| | 211,883 | 298,187 |
| Less: Withdrawals | <u>-</u> | <u>100,000</u> |
| Balance, end of year | <u>211,883</u> | <u>198,187</u> |
| Total | <u>\$ 367,751</u> | <u>\$ 354,055</u> |

Boothroyd Indian Band
Notes to the Financial Statements
Year Ended March 31, 2015

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9. Long term debt

Boothroyd Indian Band

| | <u>2015</u> | <u>2014</u> |
|--|----------------|----------------|
| Project 1 - All Nations Trust Company Mortgage - Payments of \$2,357 per month including interest at 1.83% per annum; renews December 2019, matures December 2034. | \$ 468,856 | \$ 487,288 |
| All Nations Trust Company mortgage is secured by Ministerial Guarantee of the Aboriginal Affairs and Northern Development Canada and a first mortgage on four housing units. | | |
| Nlaka'pamux Nation Tribal Council - unsecured, non-interest bearing with no specific terms of repayment. | 63,000 | 63,000 |
| United Petroleum Products Incorporated loan, bearing interest at 5% per annum, payment of \$3,400 per month | 22,600 | 80,000 |
| | <u>554,456</u> | <u>630,288</u> |

Boothroyd Construction Ltd.

| | | |
|--|-------------------|-------------------|
| RBC Business Operating Line, interest at 5.4% Secured by Boothroyd Indian Band general assignment. | - | 25,000 |
| All Nations Trust Company Loan - Payments of \$1,553 per month including interest at 8.25% per annum; renewal April 2017. Secured by excavator equipment. | 12,038 | 36,328 |
| Inland PacLease - Payments of \$4,347 per month including interest at 6.8% per annum ending July 2019. Secured by excavator equipment. | 195,287 | - |
| Inland PacLease - Payments of \$3,467 per month including interest at 6.25% per annum ending July 2019. Secured by excavator equipment. | 160,760 | - |
| All Nations Trust Company Loan - Payments of \$1,566 per month including interest at 8.25% per annum; renewal April 2018. Secured by automotive equipment. | 36,746 | 52,178 |
| | <u>\$ 959,287</u> | <u>\$ 743,794</u> |

Principal repayments on long-term debt in each of the next five years and thereafter, assuming long-term debt subject to refinancing is renewed at similar rate and terms, are estimated as follows:

| | Boothroyd Indian Band | Boothroyd Const. Ltd. | Total |
|------------|--------------------------|--------------------------|-------------------|
| 2016 | \$ 42,487 | \$ 100,998 | \$ 143,485 |
| 2017 | 20,289 | 95,265 | 115,554 |
| 2018 | 20,645 | 85,345 | 105,990 |
| 2019 | 21,023 | 88,322 | 109,345 |
| 2020 | 21,700 | 34,901 | 56,601 |
| Thereafter | 428,312 | - | 428,312 |
| | <u>\$ 554,456</u> | <u>\$ 404,831</u> | <u>\$ 959,287</u> |

10. Obligation under Capital Leases

| <u>Boothroyd Indian Band</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|
| Obligations under Capital Lease | | |
| Royal Bank of Canada | | |
| Automotive equipment valued at \$38,437 was purchased using a lease agreement. Payments of \$886 are required monthly for 48 months commencing August 6, 2013 and terminated August 6, 2017. Secured by automotive equipment. | | |
| Finance charges are the equivalent of 4.99% per annum. | | |
| Repayments are due as follows: | | |
| 2015 | \$ - | \$ 10,631 |
| 2016 | 10,631 | 10,631 |
| 2017 | 10,631 | 10,631 |
| 2018 | 4,430 | 4,430 |
| Total minimum lease payments | 25,692 | 36,323 |
| Less amounts representing interest | (1,512) | (2,993) |
| Present value of net minimum capital lease payments | \$ 24,180 | \$ 33,330 |

Boothroyd Construction Ltd.

| | | |
|--|-----------|-----------|
| Obligations under Capital Lease | | |
| Royal Bank of Canada | | |
| Automotive equipment valued at \$70,036 was purchased using a lease agreement. Payments of \$2,082 are required monthly for 36 months commencing July 23, 2012 and terminated July 23, 2015. | | |
| Secured by automotive equipment. | | |
| Repayments are due as follows: | | |
| 2015 | \$ - | \$ 24,984 |
| 2016 | 6,247 | 6,247 |
| Total minimum lease payments | 6,247 | 31,231 |
| Less amounts representing interest | (411) | (2,049) |
| Present value of net minimum capital lease payments | 5,836 | 29,182 |
| | \$ 30,016 | \$ 62,512 |

Boothroyd Indian Band
Notes to the Financial Statements
Year Ended March 31, 2015

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11. Tangible capital assets

| | <u>Cost</u> | <u>Additions</u> | <u>Disposals</u> | <u>Accumulated amortization</u> | <u>2015 Net book value</u> |
|-----------------------------|----------------------|---------------------|-----------------------|-------------------------------------|------------------------------------|
| Automotive | \$ 466,231 | \$ - | \$ (393,683) | \$ 26,232 | \$ 46,316 |
| Buildings | 4,538,349 | - | (742,582) | 1,212,643 | 2,583,124 |
| Buildings - Housing | 2,416,963 | - | - | 1,731,800 | 685,163 |
| Computer equipment | 17,912 | 6,680 | (16,975) | 2,050 | 5,567 |
| Land - Housing | 254,125 | - | - | - | 254,125 |
| Machinery | 959,836 | 9,713 | (365,375) | 298,606 | 305,568 |
| Excavation Equipment | 196,630 | 544,987 | - | 212,178 | 529,439 |
| Roads | 1,231,239 | - | - | 1,104,555 | 126,684 |
| Water and Sewer | 711,206 | 1,549,908 | - | 407,093 | 1,854,021 |
| SH-OOK 1R#5 Lot Subdivision | 234,639 | - | - | - | 234,639 |
| | <u>\$ 11,027,130</u> | <u>\$ 2,111,288</u> | <u>\$ (1,518,615)</u> | <u>\$ 4,782,979</u> | <u>\$ 6,624,646</u> |

| | <u>Cost</u> | <u>Additions</u> | <u>Disposals</u> | <u>Accumulated amortization</u> | <u>2014 Net book value</u> |
|-----------------------------|----------------------|------------------|------------------|-------------------------------------|------------------------------------|
| Automotive | \$ 427,794 | \$ 38,437 | \$ - | \$ 381,922 | \$ 84,309 |
| Buildings | 4,538,349 | - | - | 1,650,056 | 2,888,293 |
| Buildings - Housing | 2,416,963 | - | - | 1,696,957 | 720,006 |
| Computer equipment | 17,912 | - | - | 17,909 | 3 |
| Land - Housing | 254,125 | - | - | - | 254,125 |
| Machinery | 959,836 | - | - | 614,763 | 345,073 |
| Excavation Equipment | 196,630 | - | - | 102,233 | 94,397 |
| Roads | 1,231,239 | - | - | 1,080,265 | 150,974 |
| Water and Sewer | 711,206 | - | - | 377,370 | 333,836 |
| SH-OOK 1R#5 Lot Subdivision | 234,639 | - | - | - | 234,639 |
| | <u>\$ 10,988,693</u> | <u>\$ 38,437</u> | <u>\$ -</u> | <u>\$ 5,819,242</u> | <u>\$ 5,105,655</u> |

Amortization expense of \$380,394 (2014 - \$318,885) was recorded in the Capital Fund and Boothroyd Construction Ltd. programs.

12. Economic dependence

Boothroyd Indian Band receives a significant portion of its revenues from Aboriginal Affairs and Northern Development Canada (AANDC) as a result of agreements entered into with the Government of Canada. These agreements are administered by AANDC under the terms and conditions of the Indian Act. The ability of the Band to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

13. Accumulated surplus

Accumulated surplus consists of the following:

| | <u>2015</u> | <u>2014</u> |
|--|---------------------|---------------------|
| Equity in Ottawa Trust Fund | \$ 367,751 | \$ 354,055 |
| Equity in CMHC replacement & operating reserve | 34,538 | 37,149 |
| Equity in tangible capital assets | 4,442,349 | 4,442,349 |
| Unrestricted surplus (deficit) | <u>1,098,193</u> | <u>22,954</u> |
| | <u>\$ 5,942,831</u> | <u>\$ 4,856,507</u> |

14. Comparative figures

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

15. Segments

The Band receives revenues and incurs expenses from various projects and sources. For management and reporting purposes, the revenues, expenses and surplus or deficits are organized by segments. These segments are described as follows:

Administration

Includes general operations, support and financial management of the Band.

Capital Projects

Includes revenues and expenditures related to capital projects.

Community Maintenance and Housing

Includes revenues and expenditures related to ongoing community maintenance and includes rent collection and maintenance related to mortgaged homes owned by the Band.

Economic Development and Resources

Includes activities related to the growth of the revenue producing projects of the Band. Also includes revenues and expenses related to conservation and stewardship of the Band's resources. Activities relating to Boothroyd Construction Ltd. are included within this segment.

Education

Includes revenues and expenses related to primary, secondary and post secondary education of the members of the Band.

Community Health

Includes revenues and expenses relating to the social assistance of the members of Boothroyd Indian Band and activities related to the provision of health services within the Band.

Other

Includes revenues and expenses related to the Ottawa Trust fund, tangible capital assets fund and other activities not related to another segment.

Boothroyd Indian Band
Notes to the Financial Statements
Year Ended March 31, 2015

15. Segmented Information
(Continued)

| | Administration | | Capital Projects | | Community Maintenance and Housing | | Economic Development and Resources | |
|--|-----------------------|---------------------|-------------------------|-------------------|--|--------------------|---|---------------------|
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| <u>Revenue</u> | | | | | | | | |
| Federal transfers: | | | | | | | | |
| A.A.N.D.C. | \$ 187,929 | \$ 183,784 | \$ 389,625 | \$ 1,856,975 | \$ 58,215 | \$ 56,931 | \$ 21,428 | \$ 20,955 |
| CMHC | - | - | - | - | 23,495 | 24,178 | - | - |
| Other Federal funding | - | - | - | - | - | - | 19,476 | - |
| Province of BC | 50,415 | - | - | - | - | - | - | - |
| Other First Nation Governments | 343,605 | 25,872 | - | - | - | - | - | 19,016 |
| Income - Boothroyd Const. Ltd. | - | - | - | - | - | - | 156,579 | 75,998 |
| Own Source Revenue | 103,582 | 164,110 | - | - | - | - | 244,925 | 150,535 |
| Rental income | 350 | 4,200 | - | - | 20,670 | 25,440 | - | - |
| Loss on disposal of asset | - | - | - | - | - | - | - | - |
| Interest and sundry income | 5,942 | 11,786 | - | - | 3 | - | - | - |
| | <u>691,823</u> | <u>389,752</u> | <u>389,625</u> | <u>1,856,975</u> | <u>102,383</u> | <u>106,549</u> | <u>442,408</u> | <u>266,504</u> |
| <u>Expenses</u> | | | | | | | | |
| Amortization | - | - | - | - | - | - | 109,945 | 40,456 |
| Loss on disposal of assets | - | - | - | - | - | - | - | - |
| Debt servicing | 8,158 | 13,185 | - | - | 12,688 | 12,688 | - | - |
| Program & other expenses | 418,849 | 975,087 | (829,122) | 1,308,899 | 61,394 | 55,358 | 93,317 | 83,503 |
| Wages and benefits | 205,788 | 89,233 | 41,946 | 29,314 | 18,271 | 38,956 | 151,879 | 119,272 |
| | <u>632,795</u> | <u>1,077,505</u> | <u>(787,176)</u> | <u>1,338,213</u> | <u>92,353</u> | <u>107,002</u> | <u>355,141</u> | <u>243,231</u> |
| Excess(deficiency) of revenues over expenses | 59,028 | (687,753) | 1,176,801 | 518,762 | 10,030 | (453) | 87,267 | 23,273 |
| Transfer between funds | 504,335 | 99,744 | (1,549,908) | (4,850) | 22,028 | (23,034) | (98,363) | - |
| Accum. Surplus - start of year | (644,443) | (56,434) | 491,822 | (22,090) | (17,531) | 5,956 | (109,862) | (133,135) |
| Accum. Surplus - end of year | <u>\$ (81,080)</u> | <u>\$ (644,443)</u> | <u>\$ 118,715</u> | <u>\$ 491,822</u> | <u>\$ 14,527</u> | <u>\$ (17,531)</u> | <u>\$ (120,958)</u> | <u>\$ (109,862)</u> |

Boothroyd Indian Band
Notes to the Financial Statements
Year Ended March 31, 2015

15. Segmented Information
(Continued)

| | Education | | Community Health | | Other | | Consolidated Total | |
|--|------------------|------------------|-------------------------|-------------------|---------------------|---------------------|---------------------------|---------------------|
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| <u>Revenue</u> | | | | | | | | |
| Federal transfers: | | | | | | | | |
| A.A.N.D.C. | \$ 320,117 | \$ 313,057 | \$ 265,602 | \$ 268,860 | \$ - | \$ - | \$ 1,242,916 | \$ 2,700,562 |
| CMHC | - | - | - | - | - | - | 23,495 | 24,178 |
| Other Federal funding | - | - | - | - | - | - | 19,476 | - |
| Province of BC | - | - | - | - | - | - | 50,415 | - |
| Other First Nation Governments | 27,500 | 26,065 | 139,813 | 71,401 | - | - | 510,918 | 142,354 |
| Income - Boothroyd Const. Ltd. | - | - | - | - | - | - | 156,579 | 75,998 |
| Own Source Revenue | - | - | - | 22,538 | - | - | 348,507 | 337,183 |
| Rental income | - | - | - | - | - | - | 21,020 | 29,640 |
| Loss on disposal of asset | - | - | - | - | (211,902) | - | (211,902) | - |
| Interest and sundry income | - | 1,900 | - | 15,000 | 13,708 | 29,581 | 19,653 | 58,267 |
| | <u>347,617</u> | <u>341,022</u> | <u>405,415</u> | <u>377,799</u> | <u>(198,194)</u> | <u>29,581</u> | <u>2,181,077</u> | <u>3,368,182</u> |
| <u>Expenses</u> | | | | | | | | |
| Amortization | - | - | - | - | 270,449 | 278,429 | 380,394 | 318,885 |
| Loss on disposal of assets | - | - | - | - | - | - | - | - |
| Debt servicing | - | - | - | - | - | - | 20,846 | 25,873 |
| Program & other expenses | 292,579 | 215,663 | 101,900 | 121,627 | 8,800 | - | 147,717 | 2,760,137 |
| Wages and benefits | <u>3,636</u> | <u>39,404</u> | <u>124,276</u> | <u>53,700</u> | <u>-</u> | <u>-</u> | <u>545,796</u> | <u>369,879</u> |
| | 296,215 | 255,067 | 226,176 | 175,327 | 279,249 | 278,429 | 1,094,753 | 3,474,774 |
| Excess(deficiency) of revenues over expenses | 51,402 | 85,955 | 179,239 | 202,472 | (477,443) | (248,848) | 1,086,324 | (106,592) |
| Transfer between funds | (99,161) | - | (378,214) | - | 1,599,283 | (71,860) | - | - |
| Accum. Surplus - start of year | <u>65,955</u> | <u>(20,000)</u> | <u>202,472</u> | <u>-</u> | <u>4,868,093</u> | <u>5,188,801</u> | <u>4,856,507</u> | <u>4,963,098</u> |
| Accum. Surplus - end of year | <u>\$ 18,196</u> | <u>\$ 65,955</u> | <u>\$ 3,497</u> | <u>\$ 202,472</u> | <u>\$ 5,989,933</u> | <u>\$ 4,868,093</u> | <u>\$ 5,942,831</u> | <u>\$ 4,856,506</u> |

Boothroyd Indian Band
Notes to the Financial Statements
Year Ended March 31, 2015

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16. Expenses by Object

| | <u>2015</u> | <u>2014</u> |
|--------------------------------------|---------------------|---------------------|
| Amortization | \$ 380,880 | \$ 318,886 |
| Bank charges and administration fees | 4,539 | 5,470 |
| Capitalized construction costs | (1,549,908) | - |
| Community donations | 9,230 | 13,826 |
| Consulting | 190,870 | 343,307 |
| Contractor | 498,035 | 910,734 |
| Dues, fees and licenses | 11,620 | 21,772 |
| Election costs | - | 5,643 |
| Flyer delivery | 400 | 140 |
| Honoraria | 135,850 | 79,460 |
| Housing contribution | 11,061 | 45,950 |
| Insurance | 58,280 | 42,187 |
| Interest on long-term debt | 44,456 | 24,254 |
| Janitorial | - | 2,436 |
| Legal fees | 11,602 | 43,056 |
| Materials and supplies | 65,100 | 103,509 |
| Member loans written off | - | 320,299 |
| Office supplies | 5,880 | 10,619 |
| Professional fees | 101,480 | 54,944 |
| Professional development | 15,894 | - |
| Program costs | 67,793 | 134,579 |
| Repair and maintenance | 49,542 | 8,581 |
| Salaries and benefits | 545,795 | 369,879 |
| Student expenses | 88,653 | 40,306 |
| Telephone | 22,228 | 50,814 |
| Training | 6,300 | - |
| Travel and meetings | 85,067 | 125,671 |
| Tuition agreements | 187,746 | 134,989 |
| Utilities | 39,194 | 30,454 |
| Vehicle | 7,166 | 15,410 |
| Unsubstantiated expenses | - | 217,599 |
| | <u>\$ 1,094,753</u> | <u>\$ 3,474,774</u> |