

WHISPERING PINES / CLINTON BAND

SUMMARY FINANCIAL STATEMENTS

March 31, 2015

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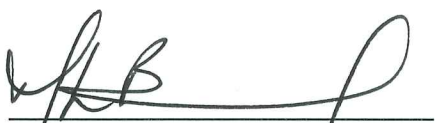

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of WHISPERING PINES / CLINTON 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 integrity and reliability of WHISPERING PINES / CLINTON BAND's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

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 public sector accounting standards.

Chief

Councillor



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INDEPENDENT AUDITORS' REPORT

EXHIBIT A1

To the Members, WHISPERING PINES / CLINTON BAND

Report on the Financial Statements

We have audited the accompanying summary financial statements of WHISPERING PINES / CLINTON 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 changes in net debt 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 misstatement, 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 auditor's 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 financial statements present fairly, in all material respects, the financial position of WHISPERING PINES / CLINTON BAND as at March 31, 2015, and 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, E1 to E2 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
July 16, 2015

Disclaimer of Liability

These summary financial statements were examined and this Audit Opinion issued solely for the use of WHISPERING PINES / CLINTON BAND. Daley & Company Chartered Accountants LLP makes no representations of any kind to any other person in respect of these summary 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.

WHISPERING PINES / CLINTON BAND
SUMMARY STATEMENT OF FINANCIAL POSITION
March 31, 2015

FINANCIAL ASSETS	2015	2014
Cash	\$ 47,373	\$ 1,082,868
Grants and accounts receivable (Note A3)	671,133	541,106
CMHC subsidy accrual	1,092	1,092
Restricted Cash (Note A4)	175,859	167,013
Whispering Pines Lending Circle (Note A5)	5,042	3,746
Promissory notes receivable (Note A6)	62,000	-
Investments (Note A7)	60,001	60,051
	<u>1,022,500</u>	<u>1,855,876</u>
LIABILITIES		
Accounts payable and accruals	224,687	622,883
Accrued interest payable	4,289	324
Security deposits	400	400
Demand loans (Note A9)	1,810,070	923,983
Promissory notes (Note A10)	-	226,045
Mortgage payable (Note A11)	131,529	142,744
	<u>2,170,975</u>	<u>1,916,379</u>
NET DEBT	<u>(1,148,475)</u>	<u>(60,503)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note A12)	5,724,752	4,182,263
Prepaid expenses	36,100	20,992
	<u>5,760,852</u>	<u>4,203,255</u>
ACCUMULATED SURPLUS (Note A13)	<u>\$ 4,612,377</u>	<u>\$ 4,142,752</u>

COMMITMENTS AND CONTINGENCIES (Note A14)

APPROVED BY THE BAND:




Chief

Councillor

See accompanying notes to financial statements.

WHISPERING PINES / CLINTON BAND
SUMMARY STATEMENT OF ACCUMULATED SURPLUS
Year ended March 31, 2015

	2015	2014
ACCUMULATED SURPLUS, beginning of year	\$ 4,142,752	\$ 1,841,568
EXCESS OF REVENUE OVER EXPENSES	<u>469,625</u>	<u>2,301,184</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 4,612,377</u>	<u>\$ 4,142,752</u>

See accompanying notes to financial statements.

WHISPERING PINES / CLINTON BAND
SUMMARY STATEMENT OF OPERATIONS
Year ended March 31, 2015

	Budget	2015	2014
REVENUE:			
Aboriginal Affairs and Northern Development Canada	\$ 928,991	\$ 1,967,486	\$ 2,464,456
Leases and rentals	31,200	120,848	169,955
CMHC	13,098	13,098	13,098
Province of BC	-	10,212	10,212
Consulting and contract	2,000	510,543	1,341,763
Business Enterprises	216,901	1,714,946	1,661,742
Q'wemtsi'n Health Society	68,889	73,083	93,563
Department of Justice	71,003	71,003	71,003
Archaeology	-	42,659	66,890
Miscellaneous	22,925	125,689	68,269
	<u>1,355,007</u>	<u>4,649,567</u>	<u>5,960,951</u>
EXPENSES:			
Band Revenue	50,367	173,635	125,718
Administration	373,677	705,005	580,308
Social Development	220,452	190,589	203,279
Education	112,781	388,228	276,526
Community Facilities	122,770	347,371	234,819
Capital Works	-	374,419	295,787
Natural Resources	-	1,574,820	1,614,794
Enterprises	60,000	312,979	206,440
Housing	42,648	40,642	47,203
Other	71,003	72,254	74,893
	<u>1,053,698</u>	<u>4,179,942</u>	<u>3,659,767</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 301,309	\$ 469,625	\$ 2,301,184

WHISPERING PINES / CLINTON BAND
SUMMARY STATEMENT OF CHANGES IN NET DEBT
Year ended March 31, 2015

	Budget	2015	2014
EXCESS OF REVENUE OVER EXPENSES	\$ 301,309	\$ 469,625	\$ 2,301,184
Acquisition of tangible capital assets	-	(1,867,972)	(2,163,748)
Amortization of tangible capital assets	-	302,495	185,166
Disposal of tangible capital assets	-	22,988	80,000
Change in prepaid expenses	-	(15,108)	(2,956)
	<hr/>	<hr/>	<hr/>
INCREASE (DECREASE) IN NET DEBT	301,309	(1,087,972)	399,646
NET DEBT, beginning of year	(60,503)	(60,503)	(460,149)
	<hr/>	<hr/>	<hr/>
NET DEBT, end of year	\$ 240,806	\$ (1,148,475)	\$ (60,503)

See accompanying notes to financial statements.

WHISPERING PINES / CLINTON BAND
SUMMARY STATEMENT OF CASH FLOWS
Year ended March 31, 2015

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 469,625	\$ 2,301,184
Non-operating items:		
Amortization	302,495	185,166
Net book value of assets disposed of during the year	22,988	80,000
(Increase) decrease in:		
Grants and accounts receivable	(129,977)	-
Canada Mortgage & Housing Corporation subsidy accrual	-	(23,421)
Promissory notes receivable	(62,000)	-
Prepaid expenses	(15,108)	(2,956)
Increase (decrease) in:		
Accounts payable and accruals	(398,196)	315,224
Accrued interest payable	3,965	(25)
Cash flows from operations	<u>193,792</u>	<u>2,855,172</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
New borrowings	1,214,200	754,980
Repayment of promissory note	(226,045)	-
Repayment of debt	(339,328)	(101,593)
Cash flows from financing	<u>648,827</u>	<u>653,387</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Funding of replacement reserve	(3,345)	(20,821)
Funding of operating reserve	(2,283)	(27,520)
Income from Ottawa Trust Funds	(3,218)	(3,643)
Whispering Pines Lending Circle	(1,296)	4,746
Cash flows used in investing	<u>(10,142)</u>	<u>(47,238)</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	(1,867,972)	(2,163,748)
Cash flows used in capital	<u>(1,867,972)</u>	<u>(2,163,748)</u>
INCREASE (DECREASE) IN CASH RESOURCES	(1,035,495)	1,297,573
CASH RESOURCES, beginning of year	<u>1,082,868</u>	<u>(214,705)</u>
CASH RESOURCES, end of year	\$ 47,373	\$ 1,082,868

See accompanying notes to financial statements.

WHISPERING PINES / CLINTON 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 Whispering Pines / Clinton 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 Whispering Pines / Clinton Band maintains the following funds:

- The Band Operating Fund which reports the general activities of the First Nation Administration.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.
- The Capital Fund which reports the property and equipment of the First Nation, together with their related financing.
- Native Claims Loan Agreement Fund which reports the Native Claims Loan Agreement assets of the First Nation, together with related activities.
- The Social Housing Operation - Phase 4 Fund which reports the social housing assets of the First Nation, together with related activities.
- The Secwepemc Community Justice Program Fund which reports the S.C.J.P. assets of the First Nation, together with related activities.

b) Reporting Entity and Principles of Financial Reporting:

The Whispering Pines / Clinton Band reporting entity includes the Whispering Pines / Clinton 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:

- Whispering Pines / Clinton Band Operating Fund
- Whispering Pines / Clinton Band Trust Fund
- Whispering Pines / Clinton Band Capital Fund
- Whispering Pines / Clinton Band Native Claims Loan Agreement Fund
- Whispering Pines / Clinton Band Social Housing Operation - Phase 4 Fund
- Whispering Pines / Clinton Band Secwepemc Community Justice Program

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.

Portfolio Investments are accounted for using the cost method. Portfolio investments are initially recorded at cost and the earnings from such investments are recognized only to the extent received or receivable. Impairment losses, or reversal of previously recognized impairment losses, are reported in the statement of operations. This includes:

- KKBL No. 526 Ventures Ltd. (d.b.a. White Earth Logging)

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

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

b) Reporting Entity and Principles of Financial Reporting (continued):

Incorporated business entities, which are owned or controlled by the Whispering Pines / Clinton Indian Band and which are not dependent on the First Nation for its continuing operation, are included in the summary financial statements using the modified equity method. This includes:

- Pelltiq't Development Corporation

Investments in non-controlled entities and not subject to significant influence are recorded at cost. Notes that provide additional information regarding the entities are disclosed with each entity and form an integral part of these financial statements.

c) Accrual Method:

The accrual method is used in accounting for all funds except property taxation, which is on a calendar-year basis.

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
Buildings	20 to 50 years
Vehicles	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.

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

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

d) Non-financial Assets (continued):

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) Investments:

Investments are recorded at the lower of cost and net realizable value.

f) Deferred Revenue:

Deferred revenue is recorded in the period to which it relates.

g) Revenue Recognition:

The Whispering Pines / Clinton 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.

h) Replacement Reserve:

The Replacement Reserve account 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 CMHC subsidies over current eligible expenditures.

j) 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.

WHISPERING PINES / CLINTON 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 grants and accounts receivable, CMHC subsidy accrual, restricted cash, promissory notes receivable, bank indebtedness and accounts payable, accruals 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 mortgage payable and demand loans approximate their 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 investments due to the limited amount of comparable market information available.

Credit Risk:

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

Interest Risk:

Mortgage payable and demand loans have both fixed and variable interest rates. Therefore the interest expense will vary with changes in the prime rate.

NOTE A3. GRANTS AND ACCOUNTS RECEIVABLE:

2015

2014

Band Operations:

Aboriginal Affairs and Northern Development Canada

\$ 14,301

\$ 192,866

Other receivables

795,400

457,113

809,701

649,979

Less: allowance for doubtful accounts

(166,543)

(130,748)

643,158

519,231

Social Housing Operations:

Social Housing rents receivable

20,875

14,775

Secwepemc Community Justice Program:

Department of Justice

7,100

7,100

\$ 671,133

\$ 541,106

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A4. RESTRICTED CASH:

	2015	2014
Replacement Reserve (CMHC)	\$ 24,203	\$ 20,858
Operating Reserve (CMHC)	29,825	27,542
Ottawa Trust Funds	<u>121,831</u>	<u>118,613</u>
	<u><u>\$ 175,859</u></u>	<u><u>\$ 167,013</u></u>

a) Replacement Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve accounts are to be credited in the amount of \$3,000 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.

	2015	2014
Balance, beginning of year	\$ 21,203	\$ 20,858
Allocation for the year	3,000	3,000
Replacement expenditures	<u>(4,940)</u>	<u>(2,655)</u>
Balance, end of year	<u><u>\$ 19,263</u></u>	<u><u>\$ 21,203</u></u>

The Replacement Reserve is represented by:

Cash - Social Housing Operation - Phase 4	<u><u>\$ 24,203</u></u>	<u><u>\$ 20,858</u></u>
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b) Operating Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Operating Reserve account is to be credited in the amount of accumulated surplus less rent collected in excess of the Minimum Revenue Contribution 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.

	2015	2014
Balance, beginning of year	\$ 7,806	\$ 7,373
Current year surplus	3,454	2,233
Portion of surplus due to rent collected in excess of MRC:		
Current year	<u>(1,800)</u>	<u>(1,800)</u>
Balance, end of year	<u><u>\$ 9,460</u></u>	<u><u>\$ 7,806</u></u>

The Operating Reserve is represented by:

Cash	<u><u>\$ 29,825</u></u>	<u><u>\$ 27,542</u></u>
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WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A4. RESTRICTED CASH (continued):

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 A5. WHISPERING PINES LENDING CIRCLE:

2015

2014

Whispering Pines Lending Circle consists of the following:

Cash	\$ 46	\$ 46
Loans receivable	18,294	16,216
Loans receivable allowances	<u>(13,298)</u>	<u>(12,516)</u>
	<u><u>\$ 5,042</u></u>	<u><u>\$ 3,746</u></u>

Loans receivable consist of loans to Band members, no set terms of repayment.

NOTE A6. PROMISSORY NOTES RECEIVABLE:

2015

2014

Amounts due from the following members:

Edward LeBourdais

Loan advanced April 2014, repayable in bi-weekly instalments of \$500, no amounts received to March 31, 2015

\$ 50,000	\$ -
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Michael LeBourdais

Loan advanced May 2014, repayable in bi-weekly instalments of \$50, no amounts received to March 31, 2015

4,500	-
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Loan advanced June 2014, repayable in bi-weekly instalments of \$50, no amounts received to March 31, 2015

4,000	-
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Loan advanced June 2014, repayable in bi-weekly instalments of \$50, no amounts received to March 31, 2015

<u>3,500</u>	<u>-</u>
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<u><u>\$ 62,000</u></u>	<u><u>\$ -</u></u>
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WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A7. INVESTMENTS:

	2015	2014
All Nations Trust Company:		
Class A common shares, par value \$1	<u>\$ 60,000</u>	<u>\$ 60,000</u>
KKBL No. 526 Ventures Ltd. (d.b.a. White Earth Logging) (50%):		
Common shares, no par value	<u>-</u>	<u>50</u>
Pelltiq't Development Corporation (100%):		
Preferred share, no par value	1	1
Less allowances	<u>(1)</u>	<u>(1)</u>
	<u>-</u>	<u>-</u>
Secwepemc Economic Development Corporation (10%):		
Common share, par value \$1	<u>1</u>	<u>1</u>
	<u>\$ 60,001</u>	<u>\$ 60,051</u>

Financial information for the consolidated financial statements of KKBL No. 526 Ventures Ltd. (d.b.a. White Earth Logging) is as follows:

Assets	\$ -	\$ 77,810
Liabilities	<u>44,664</u>	<u>100,334</u>
Equity (Deficit)	<u>\$ (44,664)</u>	<u>\$ (22,524)</u>
Revenues	\$ 2,669	\$ 22,399
Expenses	<u>15,000</u>	<u>10,444</u>
Net income (loss)	<u>\$ (12,331)</u>	<u>\$ 11,955</u>

Financial information of Pelltiq't Development Corporation is as follows:

Assets	\$ 1	\$ 1
Liabilities	<u>1</u>	<u>1</u>
Equity	<u>\$ -</u>	<u>\$ -</u>
Revenues	\$ -	\$ -
Expenses	<u>-</u>	<u>-</u>
Net income	<u>\$ -</u>	<u>\$ -</u>

NOTE A8. BANK INDEBTEDNESS:

Under a line of credit arrangement with Bank of Montreal, the Band may borrow up to \$100,000 on such terms as the Band and the bank mutually agree upon. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2015, the unused portion of the credit line was \$100,000.

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A9. DEMAND LOANS:

2015

2014

Capital Fund:

Bank of Montreal, demand loan, repayable in monthly installments of \$625 including interest at Bank's prime interest rate (currently 3.00% per annum) plus 2.25% secured by specific equipment with a carrying value of \$21,000.

\$ 1,803 **\$ 9,002**

Bank of Montreal, demand loan, repayable in monthly installments of \$4,132 including interest at Bank's prime interest rate (currently 3.00% per annum) plus 2.25% secured by specific equipment with a carrying value of \$122,576.

129,976 171,580

Bank of Montreal, demand loan, repayable in monthly installments of \$6,107 including interest at Bank's prime interest rate (currently 3.00% per annum) plus 2.00% secured by specific equipment with a carrying value of \$195,000.

127,656 192,823

Bank of Montreal, demand loan, repayable in monthly installments of \$4,813 including interest at Bank's prime interest rate (currently 3.00% per annum) plus 2.25% secured by specific equipment with a carrying value of \$186,667.

118,004 -

Canadian Western Bank loan, repayable in monthly installments of \$8,385 including interest at 6.95% with skip payments in April and May of each year. The loan matures on February 28, 2018 and is secured by specific equipment with a carrying value of \$299,555.

217,219 283,938

Brandt Finance loan, repayable in monthly installments of \$27,224 including interest at 6.49% with skip payments in April and May of each year. The loan matures on February 1, 2018 and is secured by specific equipment with a carrying value of \$737,333.

713,646 -

GE Canada loan, repayable in monthly installments of \$9,085 including interest at 6.75% with skip payments in April and May of each year. The loan matures on December 16, 2018 and is secured by specific equipment with a carrying value of \$349,067.

294,970 -

GE Canada loan, repayable in monthly installments of \$7,699 including interest at 6.95% with skip payments in April and May of each year. The loan matures on March 1, 2018 and is secured by specific equipment with a carrying value of \$278,755.

206,796 266,640

\$ 1,810,070 **\$ 923,983**

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

2016	\$ 605,217
2017	629,670
2018	513,594
2019	61,589

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A10. PROMISSORY NOTES:	2015	2014
Federal Government of Canada, promissory notes, repaid during the year.	<u>\$ -</u>	<u>\$ 226,045</u>

NOTE A11. MORTGAGE PAYABLE:	2015	2014
Canada Mortgage and Housing Corporation, mortgage, repayable in monthly installments of \$1,241 including interest at 2.69% per annum, secured by 3 residential buildings with a carrying value of \$231,055, due August 2015	<u>\$ 131,529</u>	<u>\$ 142,744</u>

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

Principal repayments due in the ensuing 1 year is approximately as follows:

2016	\$ 131,529
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NOTE A12. TANGIBLE CAPITAL ASSETS:	2015	2014
Tangible capital assets consist of the following:		
Band Operations:		
Buildings	\$ 207,941	\$ 228,866
Vehicles	178,327	218,113
Computers	8,439	11,528
Equipment and furniture	72,414	91,951
Heavy equipment	2,101,461	902,516
Water systems	2,118,078	273,600
Dyke	428,413	443,713
Roads	378,475	389,157
Construction-in-progress	<u>-</u>	<u>1,384,070</u>
	5,493,548	3,943,514
Social Housing:		
Building	231,055	237,656
Secwepemc Community Justice Program:		
Computers	<u>149</u>	<u>1,093</u>
	<u>\$ 5,724,752</u>	<u>\$ 4,182,263</u>

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

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A13. ACCUMULATED SURPLUS:	2015	2014
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	<u>\$ 678,670</u>	<u>\$ 879,594</u>
Invested in tangible capital assets	<u>3,783,153</u>	<u>3,115,536</u>
Funded reserves:		
Ottawa trust funds (Note A4)	121,831	118,613
Operating reserve (CMHC) (Note A4)	9,460	7,806
Replacement reserve (CMHC) (Note A4)	<u>19,263</u>	<u>21,203</u>
	<u>150,554</u>	<u>147,622</u>
	<u>\$ 4,612,377</u>	<u>\$ 4,142,752</u>

NOTE A14. COMMITMENTS AND CONTINGENCIES:

Lease Commitments:

The Band leases a photocopier under a long-term lease which expires May 2017.

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

2016	\$ 6,360
2017	6,360
2018	1,060

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. No amounts have been recorded in the financial statements as refundable or reimbursable.
- b) The Band is guarantor of various Social Housing mortgages, secured by Ministerial guarantees, totaling \$131,828.

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A15. SEGMENTED INFORMATION:

The Whispering Pines / Clinton Band is a First Nations government institution that provides a range of programs and services to its members, including band revenue, administration, social development, education, community development, capital works and natural resources. 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.

Social Development

Social Development 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.

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.

Community Facilities

Community facilities supports the construction, operation and basic maintenance of community facilities and services such as water and sewage, roads, electrification, schools and fire protection. 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 Works

Capital works manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nations infrastructure.

WHISPERING PINES / CLINTON BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2015

NOTE A15. SEGMENTED INFORMATION (continued):

Natural Resources

Natural Resources 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.

Enterprises

Enterprises department is responsible for the administration and management of economic and business development.

Housing

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

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 A16. CASH FLOW INFORMATION:

During the year \$70,978 of interest and bank charges were paid.

NOTE A17. ECONOMIC DEPENDENCE:

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

NOTE A18. RELATED PARTY TRANSACTIONS:

The Band paid \$12,684 (2014 - \$Nil) during the year for rodeo stock and elders meat to S&E Bucking Bulls, a business owned in part by Edward LeBourdais, Councilor of the Band.

NOTE A19. COMPARATIVE FIGURES:

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

WHISPERING PINES / CLINTON BAND
SUMMARY SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2015

	Social Housing	Buildings	Vehicles	Computers	Equipment and furniture	Heavy Equipment	Water Systems	Dyke	Roads	Construction- in-progress	2015	2014
Cost												
Balance, beginning of year	\$ 330,078	\$ 848,668	\$ 312,738	\$ 56,959	\$ 218,274	\$ 985,824	\$ 401,783	\$ 612,016	\$ 601,552	\$ 1,384,070	\$ 5,751,962	\$ 3,668,214
Add: Additions during the year	-	-	4,100	-	-	1,364,000	499,872	-	-	-	1,867,972	2,163,748
Transfers	-	-	-	-	-	-	1,384,070	-	-	(1,384,070)	-	-
Less: Disposals during the year	-	-	22,980	-	-	12,000	-	-	-	-	34,980	80,000
Balance, end of year	<u>330,078</u>	<u>848,668</u>	<u>293,858</u>	<u>56,959</u>	<u>218,274</u>	<u>2,337,824</u>	<u>2,285,725</u>	<u>612,016</u>	<u>601,552</u>	<u>-</u>	<u>7,584,954</u>	<u>5,751,962</u>
Accumulated amortization												
Balance, beginning of year	92,422	619,802	94,625	44,338	126,323	83,308	128,183	168,303	212,395	-	1,569,699	1,384,533
Add: Amortization	6,601	20,925	30,098	4,033	19,537	155,855	39,464	15,300	10,682	-	302,495	185,166
Less: Disposals during the year	-	-	9,192	-	-	2,800	-	-	-	-	11,992	-
Balance, end of year	<u>99,023</u>	<u>640,727</u>	<u>115,531</u>	<u>48,371</u>	<u>145,860</u>	<u>236,363</u>	<u>167,647</u>	<u>183,603</u>	<u>223,077</u>	<u>-</u>	<u>1,860,202</u>	<u>1,569,699</u>
Net Book Value of Tangible Capital Assets	<u>\$ 231,055</u>	<u>\$ 207,941</u>	<u>\$ 178,327</u>	<u>\$ 8,588</u>	<u>\$ 72,414</u>	<u>\$ 2,101,461</u>	<u>\$ 2,118,078</u>	<u>\$ 428,413</u>	<u>\$ 378,475</u>	<u>\$ -</u>	<u>\$ 5,724,752</u>	<u>\$ 4,182,263</u>

See accompanying notes to financial statements.

WHISPERING PINES / CLINTON BAND
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2015

	Band Revenue	Admin- istration	Social Deve- lopment	Education	Community Facilities	Capital Works	Natural Resources	Enterprises	Housing	Other	Total 2015	Total 2014
REVENUE:												
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 263,348	\$ 74,571	\$ 176,963	\$ 55,507	\$ 335,200	\$ -	\$ 1,061,897	\$ -	\$ -	\$ 1,967,486	\$ 2,464,456
Leases and rentals	78,148	-	-	-	-	-	-	-	42,700	-	120,848	169,955
CMHC	-	-	-	-	-	-	-	-	13,098	-	13,098	13,098
Province of BC	-	-	10,212	-	-	-	-	-	-	-	10,212	10,212
Consulting and contract	18,000	204,922	-	115,421	-	-	-	172,200	-	-	510,543	1,341,763
Business Enterprises	-	-	-	-	-	-	1,714,946	-	-	-	1,714,946	1,661,742
Q'wemtsi'n Health Society	-	-	73,083	-	-	-	-	-	-	-	73,083	93,563
Department of Justice	-	-	-	-	-	-	-	-	-	71,003	71,003	71,003
Archaeology	-	-	-	-	-	-	42,659	-	-	-	42,659	66,890
Miscellaneous	44,141	14,632	9,122	2,174	-	255	-	52,147	-	3,218	125,689	68,269
	<u>140,289</u>	<u>482,902</u>	<u>166,988</u>	<u>294,558</u>	<u>55,507</u>	<u>335,455</u>	<u>1,757,605</u>	<u>1,286,244</u>	<u>55,798</u>	<u>74,221</u>	<u>4,649,567</u>	<u>5,960,951</u>
EXPENSES:												
Administration fees (recovered)	-	(48,655)	7,072	-	-	14,355	4,388	100	3,400	8,521	(10,819)	(21,232)
Amortization	-	4,033	-	-	291,861	-	-	-	6,601	-	302,495	185,166
Assistance	-	-	53,915	-	-	-	-	-	-	-	53,915	58,033
Bad debts	-	-	-	-	-	-	28,966	-	6,828	783	36,577	19,025
Community infrastructure	41,326	-	-	-	49,112	-	-	-	-	-	90,438	91,296
Contract services	715	200,992	-	33,588	-	279,792	249,621	63,120	-	3,233	831,061	353,379
Fees and tuition	-	-	-	242,345	-	-	-	94,979	-	-	337,324	275,825
Honorarium	-	184,086	-	-	-	-	-	-	-	-	184,086	133,990
Insurance	10,482	5,760	1,099	-	-	-	39,048	-	7,274	-	63,663	55,268
Interest and bank charges	-	5,959	-	-	-	22	69,712	-	3,590	-	79,283	25,824
Logging expenses	-	-	-	-	-	-	352	-	-	-	352	1,145,573
Materials and supplies	1,953	7,961	6,975	1,825	-	14,168	33,347	24,716	-	-	90,945	98,973
Office and other	94,345	24,282	1,853	62,476	-	690	5,836	29,530	-	8,620	227,632	156,051
Professional fees	-	131,272	-	-	-	45,117	-	4,939	1,200	-	182,528	272,818
Repairs and maintenance	8,450	610	1,118	-	5,198	20,275	254,298	80,540	11,749	-	382,238	172,359
Training	-	-	1,879	10,541	1,200	-	3,202	8,300	-	-	25,122	26,263
Travel	16,364	47,498	9,901	1,837	-	-	327,286	2,710	-	1,679	407,275	92,032
Wages and benefits	-	141,207	106,777	35,616	-	-	558,764	4,045	-	49,418	895,827	519,124
	<u>173,635</u>	<u>705,005</u>	<u>190,589</u>	<u>388,228</u>	<u>347,371</u>	<u>374,419</u>	<u>1,574,820</u>	<u>312,979</u>	<u>40,642</u>	<u>72,254</u>	<u>4,179,942</u>	<u>3,659,767</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ (33,346)</u>	<u>\$ (222,103)</u>	<u>\$ (23,601)</u>	<u>\$ (93,670)</u>	<u>\$ (291,864)</u>	<u>\$ (38,964)</u>	<u>\$ 182,785</u>	<u>\$ 973,265</u>	<u>\$ 15,156</u>	<u>\$ 1,967</u>	<u>\$ 469,625</u>	<u>\$ 2,301,184</u>

WHISPERING PINES / CLINTON BAND
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2014

	Band Revenue	Admin- istration	Social Deve- lopment	Education	Community Facilities	Capital Works	Natural Resources	Enterprises	Housing	Other	Total 2014
REVENUE:											
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 227,831	\$ 86,710	\$ 211,525	\$ 61,490	\$ 1,866,900	\$ -	\$ 10,000	\$ -	\$ -	\$ 2,464,456
Leases and rentals	123,755	-	-	-	-	-	-	-	46,200	-	169,955
CMHC	-	-	-	-	-	-	-	-	13,098	-	13,098
Province of BC	-	-	10,212	-	-	-	-	-	-	-	10,212
Consulting and contract	13,000	549,353	-	56,681	-	-	13,000	709,729	-	-	1,341,763
Business Enterprises	-	-	-	-	-	-	1,661,742	-	-	-	1,661,742
Q'wemts'n Health Society	-	-	93,563	-	-	-	-	-	-	-	93,563
Department of Justice	-	-	-	-	-	-	-	-	-	71,003	71,003
Archaeology	-	-	-	-	-	-	66,890	-	-	-	66,890
Miscellaneous	36,807	10,165	11,420	6,234	-	-	-	-	-	3,643	68,269
	<u>173,562</u>	<u>787,349</u>	<u>201,905</u>	<u>274,440</u>	<u>61,490</u>	<u>1,866,900</u>	<u>1,741,632</u>	<u>719,729</u>	<u>59,298</u>	<u>74,646</u>	<u>5,960,951</u>
EXPENSES:											
Administration fees (recovered)	-	(58,329)	7,072	3,400	-	14,355	3,371	-	1,800	7,099	(21,232)
Amortization	-	4,980	-	-	173,585	-	-	-	6,601	-	185,166
Assistance	-	-	55,792	2,241	-	-	-	-	-	-	58,033
Bad debts	-	-	-	-	-	-	-	-	17,025	2,000	19,025
Community infrastructure	36,462	-	-	-	54,834	-	-	-	-	-	91,296
Contract services	-	45,901	400	7,171	-	244,987	50,209	1,375	-	3,336	353,379
Fees and tuition	10,000	-	-	202,344	-	-	-	63,481	-	-	275,825
Honorarium	-	133,990	-	-	-	-	-	-	-	-	133,990
Insurance	8,478	34,773	491	-	-	-	4,482	-	7,044	-	55,268
Interest and bank charges	-	7,857	-	-	-	-	13,956	-	4,011	-	25,824
Logging expenses	-	-	-	-	-	-	1,145,573	-	-	-	1,145,573
Materials and supplies	4,201	6,229	6,035	4,427	-	-	6,819	71,262	-	-	98,973
Office and other	55,278	25,724	2,275	13,944	-	11	5,472	26,932	-	26,415	156,051
Professional fees	-	216,225	-	-	-	34,560	7,913	12,920	1,200	-	272,818
Repairs and maintenance	6,548	3,028	-	-	5,199	-	148,062	-	9,522	-	172,359
Training	-	-	2,938	6,735	1,201	-	3,324	12,065	-	-	26,263
Travel	4,751	34,743	18,675	3,298	-	-	22,134	6,926	-	1,505	92,032
Wages and benefits	-	125,187	109,601	32,966	-	1,874	203,479	11,479	-	34,538	519,124
	<u>125,718</u>	<u>580,308</u>	<u>203,279</u>	<u>276,526</u>	<u>234,819</u>	<u>295,787</u>	<u>1,614,794</u>	<u>206,440</u>	<u>47,203</u>	<u>74,893</u>	<u>3,659,767</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES											
	<u>\$ 47,844</u>	<u>\$ 207,041</u>	<u>\$ (1,374)</u>	<u>\$ (2,086)</u>	<u>\$ (173,329)</u>	<u>\$ 1,571,113</u>	<u>\$ 126,838</u>	<u>\$ 513,289</u>	<u>\$ 12,095</u>	<u>\$ (247)</u>	<u>\$ 2,301,184</u>