

**KANAKA BAR INDIAN BAND**

**FINANCIAL STATEMENTS**  
**MARCH 31, 2014**

# **KANAKA BAR INDIAN BAND**

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## Kanaka Bar Indian Band

March 31, 2014

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Kanaka Bar Indian Band for the year ended March 31, 2014 and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB). Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

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

The Kanaka Bar Indian Band Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The First Nation Council reviews the First Nation's financial statements and recommends their approval. The First Nation Council meets periodically with management, as well as the external auditors, 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 financial statements and the external auditor's report. The First Nation Council also reviews and considers for approval by the Members, the engagement of the external auditors.

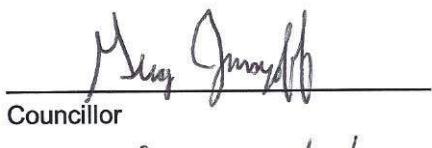
The accompanying financial statements have been audited by Reid Hurst Nagy Inc., Certified General Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the Members. Reid Hurst Nagy Inc., Certified General Accountants have full and free access to the books and records of the First Nation and to the Finance Committee.



Chief

Date

July 29/14



Councillor

Date

July 29/14

## INDEPENDENT AUDITORS' REPORT

### KANAKA BAR INDIAN BAND

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#### **Report on the financial statements**

We have audited the accompanying consolidated financial statements of Kanaka Bar Indian Band, which comprise the summary statement of financial position as at March 31, 2014, the summary statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the 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 consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditors consider internal controls 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 controls.

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.

#### **Basis for qualified opinion**

Beginning April 1, 2009, generally accepted accounting principles for government entities required that the Band record the net value of tangible capital assets in its financial statements. The Band has not applied these new financial statement reporting standards. Because the Band did not provide us with a completed capital asset register reflecting the total cost of tangible capital assets owned by the Band and appropriate accumulated amortization and any impairment attributable to each of those assets, we were unable to determine the net value of the tangible capital assets that should have been recorded as an asset and the related amortization or impairment that should have been recorded as an expense in the current and prior year. Upon adoption of PS 1200 Financial Statement Presentation, the Band did not fully adopt all aspects of the standard as they relate to the aforementioned tangible capital assets as they have reported capital purchases and long-term debt payments as expenses and have failed to appropriately report depreciation as an expense.

## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Kanaka Bar Indian Band as at March 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



REID HURST NAGY INC.  
CERTIFIED GENERAL ACCOUNTANTS

RICHMOND, B.C.  
JULY 29, 2014

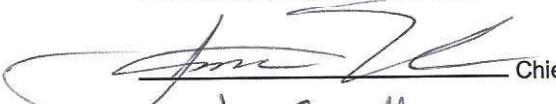
# KANAKA BAR INDIAN BAND

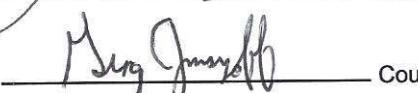
## SUMMARY STATEMENT OF FINANCIAL POSITION March 31, 2014

Statement 1

	2014	2013
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	341,056	610,941
Restricted cash	342,000	259,965
Accounts receivable	692,496	331,477
Accounts receivable - renters	176,171	166,266
Accounts receivable - tobacco	33,652	40,578
Member loans receivable	11,063	26,659
Inventory	1,680	2,580
Due from Kwoiek Creek Resources Inc. (Note 2)	108,685	103,684
Due from Fraser Canyon Tribal Administration	22,355	22,355
Investment in All Nations Trust Company	11,220	11,220
	<b>1,740,378</b>	1,575,725
<b>LIABILITIES</b>		
Accounts payable	127,193	169,303
Due to Skupah Indian Band	17,409	20,425
Long-term debt (Note 3)	96,111	106,153
Investment in First Nation Controlled Entities (Note 4)	7,200,628	7,202,173
	<b>7,441,341</b>	7,498,054
<b>NET FINANCIAL DEBT</b>	<b>(5,700,963)</b>	(5,922,329)
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 1d, 5)	643,184	651,238
Prepaid expenses	8,063	3,226
	<b>651,247</b>	654,464
	<b>(5,049,716)</b>	(5,267,865)

APPROVED ON BEHALF OF  
THE KANAKA BAR INDIAN BAND

  
Chief

  
Councillor

# KANAKA BAR INDIAN BAND

## SUMMARY STATEMENT OF OPERATIONS For the year ended March 31, 2014

Statement 2

	2014	2013
	\$	\$
<b>REVENUE</b>		
Aboriginal Affairs and Northern Development Canada	721,386	522,251
Service Canada	-	7,000
Canada Mortgage and Housing Corporation	-	27,530
Province of BC	17,500	35,000
First Nation Education Steering Committee	34,238	681
Skeesht Health Society	16,763	3,703
Fraser Thompson Indian Services Society	52,688	28,435
Taxation	40,473	55,808
Kwoiek Creek Resources LP	126,000	791,712
Miscellaneous	342,894	194,683
Social Housing Fund	32,102	33,242
Capital Fund	22,790	10,161
Trust Fund	82,055	7,877
	<b>1,488,889</b>	1,718,083
<b>EXPENDITURES</b>		
Operating Fund		
Band Programs	594,600	599,395
Capital	-	74,579
Social Development	123,080	136,825
Health	84,458	135,791
Education	10,000	20,374
Economic Development	417,550	73,926
Social Housing Fund		
Operating and Replacement Reserve	21,795	82,924
Capital Fund	20,802	21,829
Trust Fund	-	10,000
	<b>1,272,285</b>	1,155,643
<b>ANNUAL EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES</b>	<b>216,604</b>	562,440
Enterprise Fund	1,545	(4,044,537)
	<b>218,149</b>	(3,482,097)

# KANAKA BAR INDIAN BAND

## SUMMARY STATEMENT OF CHANGE IN NET FINANCIAL DEBT For the year ended March 31, 2014

Statement 3

	2014 \$	2013 \$
<b>ANNUAL EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>218,149</b>	<b>(3,482,097)</b>
Acquisition of tangible capital assets	(22,790)	(10,161)
Amortization of tangible capital assets	30,844	30,544
	<b>226,203</b>	<b>(3,461,714)</b>
Acquisition of prepaid asset	(8,063)	(3,226)
Use of prepaid assets	3,226	6,583
	<b>(4,837)</b>	<b>3,357</b>
<b>NET CHANGE IN NET FINANCIAL DEBT</b>	<b>221,366</b>	<b>(3,458,357)</b>
<b>NET FINANCIAL DEBT, BEGINNING OF THE YEAR</b>	<b>(5,922,329)</b>	<b>(2,463,972)</b>
<b>NET FINANCIAL DEBT, END OF THE YEAR</b>	<b>(5,700,963)</b>	<b>(5,922,329)</b>

# KANAKA BAR INDIAN BAND

## SUMMARY STATEMENT OF CASH FLOW March 31, 2014

Statement 4

	2014	2013
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (shortfall) of revenue over expenditures	218,149	(3,482,097)
Non-cash items:		
Share of income (loss) of First Nation Controlled Entities	(1,545)	4,044,537
Depreciation	30,844	30,544
Changes in non-cash operating net assets	(402,466)	28,456
	<b>(155,018)</b>	621,440
<b>FINANCING ACTIVITIES</b>		
Repayment of Social Housing and Capital Funds long-term debt	(10,042)	(8,715)
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(22,790)	(10,161)
<b>CHANGE IN CASH DURING YEAR</b>		
<b>CASH, BALANCE BEGINNING OF YEAR</b>	<b>870,906</b>	268,342
<b>CASH, BALANCE END OF YEAR</b>	<b>683,056</b>	870,906
<b>REPRESENTED BY:</b>		
Cash	341,056	610,941
Restricted Cash	342,000	259,965
	<b>683,056</b>	870,906

# KANAKA BAR INDIAN BAND

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

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### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

These Summary Financial Statements have been prepared in accordance with generally accepted accounting principles for local government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

#### a) Fund Accounting

The Kanaka Bar Indian 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 Kanaka Bar Indian Band maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation Administration.
- The Capital Fund which reports the capital assets 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.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties
- The Enterprise Fund which reports the First Nation's investments in related entities.

#### b) Reporting Entity and Principles of Financial Reporting

The Kanaka Bar Indian Band reporting entity includes the Kanaka Bar Indian 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:

- Kanaka Bar Indian Band Operating Fund
- Kanaka Bar Indian Band Social Housing Fund
- Kanaka Bar Indian Band Capital Fund
- Kanaka Bar Indian Band Trust Fund
- Kanaka Bar Indian Band Enterprise Fund

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

Kwoiek Creek Resource Inc. is an incorporated business entity, which is owned and controlled by the Kanaka Bar Indian and which is not dependent on the First Nation for its continuing operations, is included in the summary financial statements using the modified equity method.

#### c) Revenue Recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Summary Statement of Financial Position.

# KANAKA BAR INDIAN BAND

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

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### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### d) Tangible Capital Assets

Tangible capital assets are expensed at the time of purchase and they are also capitalized at cost on the Balance Sheet.

The acquisition costs of tangible capital assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Capital Fund with a corresponding increase in Equity and Capital Assets.

Tangible capital assets are depreciated annually with a resulting reduction of equity in capital assets.

Tangible capital assets acquired as part of the Social Housing Fund and Enterprise Fund are recorded as assets of those funds.

#### e) Depreciation

Tangible capital assets are recorded and depreciated annually with a corresponding reduction in Equity in Capital Assets. Assets are depreciated over their expected useful life using the straight line method at the following rates:

Domestic water systems	15 years straight-line
Equipment and furniture	5 years straight-line
Computer equipment	5 years straight-line
Software	5 years straight-line
Automobile	5 years straight-line
Buildings	20 years straight-line

Social Housing assets acquired under C.M.H.C. sponsored housing programs are being depreciated in an amount equal to the principal reduction of the mortgages.

### NOTE 2: DUE FROM KWOIEK CREEK RESOURCES INC.

The balances due from related party are unsecured, non-interest bearing with no specific terms of repayment.

### NOTE 3: LONG-TERM DEBT

	2014	2013
	\$	\$
All Nations Trust Company loan, payments of \$973.50 per month including interest at 1.62% per annum, maturing January 1, 2023, secured by a Ministerial Guarantee from Aboriginal Affairs & Northern Development Canada	96,111	106,153

# KANAKA BAR INDIAN BAND

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

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### NOTE 3: LONG-TERM DEBT (Continued)

#### FUTURE PRINCIPAL REPAYMENTS

The estimated principal payments for the next five years are as follows:

	\$
2015	10,367
2016	10,536
2017	10,708
2018	10,883
2019 and beyond	53,617
	<hr/>
	96,111
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### NOTE 4: INVESTMENT IN FIRST NATION CONTROLLED ENTITIES

	2014	2013
	\$	\$
<b>KWOIEK CREEK RESOURCES INC. (100%)</b>		
Shares	1	1
Accumulated equity (deficit) in earnings	(7,200,629)	(7,202,174)
<b>TOTAL</b>	<b>(7,200,628)</b>	<b>(7,202,173)</b>

The share is held in trust by Chief James Frank under a trust agreement.

Financial information for the entity for year ending in 2013 is as follows:

	ASSETS	LIABILITIES	REVENUE	NET INCOME
	\$	\$	\$	\$
Year ended March 31, 2014				
Kwoiek Creek Resources Inc.	17,819	7,218,447	16,090	1,545

**KANAKA BAR INDIAN BAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2014**

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**NOTE 5: TANGIBLE CAPITAL ASSETS**

	<b>Automotive</b>	<b>Buildings</b>	<b>Computer Equipment</b>	<b>Domestic Water Syst.</b>	<b>Equipment &amp; Furniture</b>	<b>Land</b>	<b>Software</b>	<b>Social Housing</b>	<b>Total</b>
<b>March 31, 2014</b>									
<b>Cost</b>									
Balance, beginning of year	280,245	268,490	27,214	818,443	68,507	163,516	5,000	357,832	<b>1,989,247</b>
Acquisitions	-	-	-	-	5,290	-	17,500	-	<b>22,790</b>
Balance, end of year	280,245	268,490	27,214	818,443	73,797	163,516	22,500	357,832	<b>2,012,037</b>
Accumulated amortization									
Balance, beginning of year	280,245	31,059	24,958	818,443	54,722	-	5,000	123,582	<b>1,338,009</b>
Amortization	-	13,915	770	-	4,367	-	1,750	10,042	<b>30,844</b>
Balance, end of year	280,245	44,974	25,728	818,443	59,089	-	6,750	133,624	<b>1,368,853</b>
Net Book Value of Tangible Capital Assets	-	<b>223,516</b>	<b>1,486</b>	-	<b>14,708</b>	<b>163,516</b>	<b>15,750</b>	<b>224,208</b>	<b>643,184</b>
<b>March 31, 2013</b>									
<b>Cost</b>									
Balance, beginning of year	280,245	268,490	27,214	818,443	58,346	163,516	5,000	357,832	<b>1,979,086</b>
Acquisitions	-	-	-	-	10,161	-	-	-	<b>10,161</b>
Disposals	-	-	-	-	-	-	-	-	-
Balance, end of year	280,245	268,490	27,214	818,443	68,507	163,516	5,000	357,832	<b>1,989,247</b>
Accumulated amortization									
Balance, beginning of year	275,924	17,144	24,188	818,443	51,900	-	5,000	114,867	<b>1,307,466</b>
Amortization	4,321	13,915	770	-	2,822	-	-	8,715	<b>30,543</b>
Disposals	-	-	-	-	-	-	-	-	-
Balance, end of year	280,245	31,059	24,958	818,443	54,722	-	5,000	123,582	<b>1,338,009</b>
Net Book Value of Tangible Capital Assets	-	<b>237,431</b>	<b>2,256</b>	-	<b>13,785</b>	<b>163,516</b>	-	<b>234,250</b>	<b>651,238</b>

# KANAKA BAR INDIAN BAND

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

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### NOTE 6: MEMBERS' EQUITY

	2014	2013
	\$	\$
<b>Restricted</b>		
Social Housing Fund	251,810	241,503
Trust Fund	342,000	259,945
Enterprise Fund	(7,189,408)	(7,190,953)
	<b>(6,595,598)</b>	<b>(6,689,505)</b>
<b>Unrestricted</b>		
Operating Fund	1,126,906	1,004,652
Capital Fund	418,976	416,988
	<b>1,545,882</b>	<b>1,421,640</b>
<b>TOTAL EQUITY</b>	<b>(5,049,716)</b>	<b>(5,267,865)</b>

### NOTE 7: 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 8: REPLACEMENT RESERVE FUND

Under the terms of the agreement with Canada Mortgage & Housing Corporation (CMHC), the Replacement Reserve account is to be credited in the amount of \$4,095 annually. 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 CMHC from time to time. The funds in the account may only be used as approved by CMHC.

As at year-end date, the Replacement Reserve Fund is underfunded by \$138,627 (2013 - \$134,546).

### NOTE 9: SUBSIDY SURPLUS FUND

Under the terms of the agreement with Canada Mortgage & Housing Corporation (CMHC), excess federal assistance payments received may be retained in a subsidy surplus reserve up to a maximum of \$500 per unit plus interest. The reserve is to be comprised of monies deposited 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 CMHC from time to time. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants over and above the maximum federal assistance. Withdrawals are credited to interest first and then principal.

### NOTE 10: COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

# **KANAKA BAR INDIAN BAND**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2014**

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### **NOTE 11: FINANCIAL INSTRUMENTS**

The First Nation's financial instruments consist of cash, accounts receivable, accounts payable and long term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

### **NOTE 12: SEGMENTED INFORMATION**

The Kanaka Indian Band is a government institution that provides a range of programs and services to its members, including band programs, capital projects, social development, health, education and economic development. For management reporting purposes the First Nation's 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.

**KANAKA BAR INDIAN BAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2014**

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**NOTE 12: SEGMENTED INFORMATION (Continued)**

	Band Programs	Capital	Social Dev't	Education	Health	Economic Dev't	Other	Housing	Total 2014
<b>REVENUE</b>									
Aboriginal Affairs and Northern Development Canada	489,682	(3,951)	119,850	96,950	-	18,855	-	-	721,386
Province of BC	-	-	-	-	-	17,500	-	-	17,500
First Nation Education Steering Committee	34,238	-	-	-	-	-	-	-	34,238
Skeesht Health Society	7,763	-	-	-	9,000	-	-	-	16,763
Fraser Thomson Indian Services Society	52,688	-	-	-	-	-	-	-	52,688
Taxation	40,473	-	-	-	-	-	-	-	40,473
Kwoiek Creek Resources LP	126,000	-	-	-	-	-	-	-	126,000
Miscellaneous	65,266	-	-	31,292	1,000	245,336	-	-	342,894
Social Housing Fund	-	-	-	-	-	-	-	32,102	32,102
Capital Fund	-	-	-	-	-	-	22,790	-	22,790
Trust Fund	-	-	-	-	-	-	82,055	-	82,055
	816,110	(3,951)	119,850	128,242	10,000	281,691	104,845	32,102	1,488,889

**KANAKA BAR INDIAN BAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2014**

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**NOTE 12: SEGMENTED INFORMATION (Continued)**

	Band Programs	Capital	Social Dev't	Education	Health	Economic Dev't	Other	Housing	Total 2014
<b>EXPENSES</b>									
Administration fees	358	-	1,808	-	-	3,020	-	1,669	6,855
Contracted services	55,555	-	-	-	-	4,150	-	-	59,705
Depreciation	-	-	2,394	1,440	570	-	20,802	10,042	35,248
Education	20,633	-	-	59,862	-	10,000	-	-	90,495
Equipment purchases	13,350	-	-	-	-	-	-	-	13,350
Honoraria	5,466	-	-	-	-	-	-	-	5,466
Insurance	28,076	-	-	-	-	-	-	2,253	30,329
Office and Miscellaneous	15,039	-	-	-	-	1,497	-	-	16,536
Other	53,728	-	400	2,571	-	4,085	(1,545)	4,691	63,930
Professional fees	27,214	-	112	-	-	94,508	-	2,620	124,454
Repairs and maintenance	31,299	-	-	-	-	-	-	520	31,819
Salaries and benefits	276,107	-	34,195	15,802	8,430	188,523	-	-	523,057
Social assistance program	-	-	82,436	-	-	-	-	-	82,436
Supplies	22,234	-	1,532	4,383	1,000	3,420	-	-	32,569
Telephone	6,953	-	-	-	-	76,804	-	-	83,757
Training	-	-	-	-	-	30,000	-	-	30,000
Travel	13,528	-	203	400	-	940	-	-	15,071
Utilities	11,137	-	-	-	-	-	-	-	11,137
Vehicle	13,923	-	-	-	-	603	-	-	14,526
	594,600	-	123,080	84,458	10,000	417,550	19,257	21,795	1,270,740
	221,510	(3,951)	(3,230)	43,784	-	(135,859)	85,588	10,307	218,149

**KANAKA BAR INDIAN BAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2014**

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**NOTE 12: SEGMENTED INFORMATION (Continued)**

	Band Programs	Capital	Social Dev't	Education	Health	Economic Dev't	Other	Housing	Total 2013
<b>REVENUE</b>									
Aboriginal Affairs and Northern Development Canada	192,743	40,543	155,406	125,229	-	8,330	-	-	522,251
Service Canada	7,000	-	-	-	-	-	-	-	7,000
Canada Mortgage and Housing Corporation	-	27,530	-	-	-	-	-	-	27,530
Province of BC	-	-	-	-	-	35,000	-	-	35,000
First Nation Education Steering Committee	-	-	-	681	-	-	-	-	681
Skeesht Health Council	420	-	-	-	3,283	-	-	-	3,703
Fraser Thomson Indian Services Society	28,435	-	-	-	-	-	-	-	28,435
Taxation	55,808	-	-	-	-	-	-	-	55,808
Kwoiek Creek Resources LP	164,782	-	-	-	-	626,930	-	-	791,712
Other	146,485	-	735	7,463	-	40,000	-	-	194,683
Social Housing Fund	-	-	-	-	-	-	-	33,242	33,242
Capital Fund	-	-	-	-	-	-	10,161	-	10,161
Trust Fund	-	-	-	-	-	-	7,877	-	7,877
	595,673	68,073	156,141	133,373	3,283	710,260	18,038	33,242	1,718,083

**KANAKA BAR INDIAN BAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2014**

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**NOTE 12: SEGMENTED INFORMATION (Continued)**

	Band Programs	Capital	Social Dev't	Education	Health	Economic Dev't	Other	Housing	Total 2013
<b>EXPENSES</b>									
Administration fees	3,458	-	-	-	-	3,212	-	1,669	<b>8,339</b>
Contracted services	115,713	-	-	-	-	-	-	-	<b>115,713</b>
Depreciation	-	-	590	1,962	420	-	21,829	8,715	<b>33,516</b>
Education	2,268	-	-	107,091	-	1,794	-	-	<b>111,153</b>
Equipment purchases	11,052	-	-	-	-	-	-	-	<b>11,052</b>
Honoraria	2,500	-	-	-	-	-	-	-	<b>2,500</b>
Insurance	27,190	-	-	-	-	-	-	2,720	<b>29,910</b>
Office and Miscellaneous	14,541	-	-	-	-	-	-	-	<b>14,541</b>
Other	16,973	30,784	2,037	600	-	1,305	4,054,537	66,740	<b>4,172,976</b>
Professional fees	27,112	-	117	-	-	52,592	-	2,560	<b>82,381</b>
Repairs and maintenance	8,836	-	-	-	-	-	-	520	<b>9,356</b>
Salaries and benefits	315,670	4,393	38,254	19,614	16,440	13,649	-	-	<b>408,020</b>
Social assistance program	-	-	93,391	-	-	-	-	-	<b>93,391</b>
Supplies	9,290	3,049	2,162	4,063	1,804	1,008	-	-	<b>21,376</b>
Telephone	6,298	-	-	-	-	-	-	-	<b>6,298</b>
Travel	14,262	-	274	2,461	1,710	190	-	-	<b>18,897</b>
Utilities	7,668	-	-	-	-	-	-	-	<b>7,668</b>
Vehicle	16,564	-	-	-	-	176	-	-	<b>16,740</b>
RRAP	-	36,353	-	-	-	-	-	-	<b>36,353</b>
	599,395	74,579	136,825	135,791	20,374	73,926	4,076,366	82,924	<b>5,200,180</b>
	(3,722)	(6,506)	19,316	(2,418)	(17,091)	636,334	(4,058,328)	(49,682)	(3,482,097)

# **KANAKA BAR INDIAN BAND**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2014**

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### **NOTE 13: CONTINGENT LIABILITIES**

The First Nation is contingently liable (with Kwoiek Creek Resources Ltd.) as the Covenantor of a term loan for Kwoiek Creek Resources Limited Partnership. The First Nation will be required to perform under the guarantee in the event that Kwoiek Creek Resources Limited Partnership is not able to make scheduled payments of interest and principal as they become due. The First Nation's maximum potential liability under the guarantee is \$3,100,000.