



**Nee Tah Buhn Indian Band  
Summary Financial Statements**

**March 31, 2015**

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**Nee Tahi Buhn Indian Band**  
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**For the year ended March 31, 2015**

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**Nee Tahí Buhn Indian Band**  
**March 31, 2015**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying consolidated financial statements of Nee Tahí Buhn Indian Band are the responsibility of management and have been approved by 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 Professional Accountants and as such include amounts that are the best estimates and judgments 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.

Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

Chief and Council meet 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 consolidated financial statements and the external auditor's report.

The external auditors, Ribeyre Chang Haylock conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Nee Tahí Buhn Indian Band and meet when required.



Chief Ray Morris

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## INDEPENDENT AUDITORS' REPORT

To: The Members of the Nee Tahi Buhn Indian Band

**Nee Tahi Buhn Indian Band**

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Nee Tahi Buhn Indian Band, which comprise the statement of financial position as at March 31, 2015, and the summary statement of operations, summary statement of change in net debt, 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 generally accepted accounting principles, 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 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 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 the Nee Tahi Buhn Indian Band as at March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Ribeau Chang Haylock*

Port Coquitlam, B.C.  
August 14, 2015

Chartered Professional Accountants

**Nee Tahi Buhn Indian Band**  
**SUMMARY STATEMENT OF FINANCIAL POSITION**

**As at March 31, 2015**

**Statement 1**

|   | <b>2015</b>         | <b>2014</b> |
|---|---------------------|-------------|
| <b>Financial assets</b>                   |                     |             |
| Cash                                      | \$ 987,740          | \$ 27,415   |
| Accounts receivable - Note 3              | 264,630             | 52,129      |
| Investments - Note 4                      | 506,484             | 4,749       |
| Trust moneys - Note 5                     | 1,988               | 1,605       |
|   | <b>1,760,842</b>    | 85,898      |
| <b>Financial liabilities</b>              |                     |             |
| Accounts payable and accrued liabilities  | 262,411             | 162,261     |
| Long-term debt - Note 6                   | 46,718              | 56,196      |
|   | <b>309,129</b>      | 218,457     |
| <b>Net financial assets (liabilities)</b> | <b>1,451,713</b>    | (132,559)   |
| <b>Non-financial assets</b>               |                     |             |
| Prepaid expenses and deposits             | 27,406              | 23,319      |
| Fixed assets - Note 7                     | 744,499             | 700,813     |
|   | <b>771,905</b>      | 724,132     |
| <b>Accumulated surplus</b>                | <b>\$ 2,223,618</b> | \$ 591,573  |

*See accompanying notes*

On behalf of Chief and Council:

Chief

*Ray Mohr* <sup>⑨</sup>

# Nee Tahi Buhn Indian Band

## SUMMARY STATEMENT OF OPERATIONS

| For the year ended March 31, 2015             | Statement 2      |                     |                   |
|---|------------------|---------------------|-------------------|
|   | 2015<br>Budget   | 2015                | 2014              |
| <b>Revenue</b>                                |                  |                     |                   |
| <b>Operating Fund</b>                         |                  |                     |                   |
| Aboriginal Affairs and Northern               |                  |                     |                   |
| Development Canada                            | \$ 440,985       | \$ 400,985          | \$ 404,025        |
| Canada Mortgage and Housing Corporation       | 8,536            | 8,536               | 8,536             |
| Coastal Gaslink                               | 1,491,085        | 1,491,085           | 300,474           |
| Enbridge                                      | 10,500           | 105,000             | -                 |
| Health  | 120,896          | 120,896             | 100,711           |
| Pacific Trail Pipeline                        | 569,199          | 569,199             | 249,845           |
| Prince George Native Aboriginal Education &   |                  |                     |                   |
| Training Association                          | 49,846           | 49,846              | 21,587            |
| Province of British Columbia                  | 482,153          | 656,453             | 66,077            |
| Resources                                     | 645,854          | 151,179             | 109,829           |
| Other   | 304,172          | 159,172             | 62,899            |
| <b>Social Housing Fund</b>                    | -                | 15,068              | 15,874            |
| <b>Trust Fund</b>                             | 383              | 383                 | 380               |
|   | <b>4,123,609</b> | <b>3,727,802</b>    | <b>1,340,237</b>  |
| <b>Expenses</b>                               |                  |                     |                   |
| <b>Operating Fund</b>                         |                  |                     |                   |
| Band government                               | 525,648          | 452,200             |                   |
| Economic development                          | 937,480          | 873,688             |                   |
| Education and training                        | 249,650          | 99,287              |                   |
| Health services                               | 142,944          | 95,754              |                   |
| Social services                               | 115,399          | 105,975             |                   |
| Community infrastructure                      | 54,176           | 48,766              |                   |
| <b>Social Housing Fund</b>                    | <b>32,332</b>    | <b>24,734</b>       |                   |
|   | <b>2,809,484</b> | <b>2,057,629</b>    | <b>1,700,404</b>  |
| <b>Annual surplus (deficit)</b>               | <b>1,314,125</b> | <b>1,670,173</b>    | <b>(360,167)</b>  |
| <b>Accumulated surplus, beginning of year</b> |                  | <b>591,573</b>      | 957,676           |
| Recoveries                                    |                  | <b>(38,128)</b>     | <b>(5,936)</b>    |
| <b>Accumulated surplus, end of year</b>       |                  | <b>\$ 2,223,618</b> | <b>\$ 591,573</b> |

See accompanying notes

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**Nee Tahi Buhn Indian Band**  
**SUMMARY STATEMENT OF NET FINANCIAL ASSETS**

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For the year ended March 31, 2015

Statement 3

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|  | 2015                | 2014         |
|--|---------------------|--------------|
| <b>Annual surplus</b>                                      | <b>\$ 1,670,173</b> | \$ (360,167) |
| <b>Recoveries in the year</b>                              | <b>(38,128)</b>     | (5,936)      |
|  | <b>1,632,045</b>    | (366,103)    |
| <br><b>Changes in tangible capital assets</b>              |                     |              |
| Acquisition of fixed assets                                | (107,340)           | (115,418)    |
| Amortization of fixed assets                               | 63,654              | 58,154       |
|  | <b>(43,686)</b>     | (57,264)     |
| <br><b>Changes in other non-financial assets</b>           |                     |              |
| Acquisition of prepaid asset - net                         | (4,087)             | (18,916)     |
| <br><b>Increase (decrease) in net assets</b>               | <b>1,584,272</b>    | (442,283)    |
| <br>Net financial (liabilities) assets, beginning of year  | <b>(132,559)</b>    | 309,724      |
| <br><b>Net financial assets (liabilities), end of year</b> | <b>\$ 1,451,713</b> | \$ (132,559) |

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See accompanying notes

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## Nee Tahí Buhn Indian Band

### SUMMARY STATEMENT OF CASH FLOWS

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For the year ended March 31, 2015

Statement 4

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|  | 2015              | 2014             |
|--|-------------------|------------------|
| <b>OPERATING ACTIVITIES</b>                            |                   |                  |
| Net change in accumulated surplus                      | \$ 1,632,045      | \$ (366,103)     |
| Items not involving cash:                              |                   |                  |
| Depreciation of assets                                 | 63,654            | 58,154           |
| Change in Investment Fund                              | (501,735)         | -                |
| Change in Trust Fund                                   | (383)             | (380)            |
| Changes in working capital items                       | (116,438)         | 202,859          |
| <b>Cash provided by (used in) operating activities</b> | <b>1,077,143</b>  | <b>(105,470)</b> |
| <b>INVESTING ACTIVITIES</b>                            |                   |                  |
| Purchase and construction of fixed assets              | (107,340)         | (115,418)        |
| <b>Cash used in investing activities</b>               | <b>(107,340)</b>  | <b>(115,418)</b> |
| <b>FINANCING ACTIVITIES</b>                            |                   |                  |
| Repayment of long-term debt                            | (9,478)           | (9,389)          |
| <b>Cash used in financing activities</b>               | <b>(9,478)</b>    | <b>(9,389)</b>   |
| <b>Increase (decrease) in cash during the year</b>     | <b>960,325</b>    | <b>(230,277)</b> |
| Cash, beginning of year                                | 27,415            | 257,692          |
| <b>Cash, end of year</b>                               | <b>\$ 987,740</b> | <b>\$ 27,415</b> |

See accompanying notes

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# **Nee Tahi Buhn Indian Band**

## **NOTES TO FINANCIAL STATEMENTS**

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**March 31, 2015**

**See Auditors' Report**

### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements have been prepared 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 Professional Accountants.

#### **a) Fund accounting**

The Nee Tahi Buhn 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 Nee Tahi Buhn Indian Band maintains the following funds:

- The Operating Fund which reports the general activities of the band administration.
- The Investment Fund which reports the Band's investments in related entities.
- The Trust Fund which reports on trust funds owned by the Band and held by a third party.
- The Social Housing Fund which reports on the housing activities related to CMHC funded housing.

#### **b) Reporting entity and principles of financial reporting**

The Nee Tahi Buhn Indian Band reporting entity includes the Nee Tahi Buhn Indian Band government and all related entities which are accountable to the Band and are either owned or controlled by the Band.

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

- Operating Fund
- Investment Fund
- Trust Fund
- Social Housing Fund

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

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# **Nee Tahi Buhn Indian Band**

## **NOTES TO FINANCIAL STATEMENTS**

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**March 31, 2015**

**See Auditors' Report**

### **1. Continued...**

The Nee Tahi Buhn Indian Band owns and controls the incorporated business, 625142 BC Ltd. The business is included in the summary financial statements using the modified equity method.

#### **c) Fixed assets**

The acquisition costs of fixed 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 Operating Fund with a corresponding increase in Operating Fund - unrestricted equity.

Fixed assets acquired as part of the Social Housing Fund are recorded as assets of that Fund.

#### **d) Depreciation**

Fixed assets are recorded and depreciated with a corresponding reduction in Equity in Fixed Assets. Assets are depreciated over their expected useful life using the declining balance method at the following rates:

|                                 |             |
|---------------------------------|-------------|
| Automotive                      | 30%         |
| Buildings and infrastructure    | 5%          |
| Computer software and equipment | 20% and 30% |
| Furniture and equipment         | 20%         |
| Infrastructure                  | 4%          |
| Mobile and other equipment      | 30%         |

Social Housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are depreciated at a rate equivalent to the annual principal reduction in the related long-term debt, as required for Canada Mortgage and Housing Corporation reporting purposes. To be consistent, housing assets in the Capital Fund are also depreciated at a rate equivalent to the annual principal reduction in the related long-term debt.

# **Nee Tahi Buhn Indian Band**

## **NOTES TO FINANCIAL STATEMENTS**

March 31, 2015

## See Auditors' Report

## 1. Continued...

e) **Revenue recognition**

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

**f) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reported period. Actual results could differ from the estimates.

## 2. ECONOMIC DEPENDENCE

The Nee Tahi Buhn Indian Band receives the majority of its recurring operational revenue pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada.

### 3. ACCOUNTS RECEIVABLE

|   | 2015       | 2014      |
|---|------------|-----------|
| Accounts receivable is comprised of the following:                  |            |           |
| Canada Mortgage and Housing Corporation                             | \$ 4,979   | \$ 711    |
| Canada Revenue agency   | 19,433     | 8,865     |
| Carrier Sekani Family Services                                      | 21,985     | 1,250     |
| Eagle Bay Protection Services                                       | 117,000    | -         |
| Employee payroll advances   | 27,685     | -         |
| First Nations Emergency Services                                    | -          | 3,521     |
| FN (PTP) Group Limited Partnership                                  | 15,000     | 15,000    |
| Lakes District Aboriginal Training and Employment Society           | 14,400     | 14,400    |
| Prince George Nchako Aboriginal Employment and Training Association | 40,513     | 7,813     |
| Other   | 3,635      | 569       |
|   | \$ 264,630 | \$ 52,129 |

**Nee Tahi Buhn Indian Band**  
**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2015**

**See Auditors' Report**

**4. INVESTMENTS**

| Investments consist of the following:   | <b>2015</b>       | <b>2014</b> |
|---|-------------------|-------------|
| Voting shares in a non-profit organization  | \$ <b>6</b>       | \$ <b>6</b> |
| All Nations Coffee Company (100% interest)  |                   |             |
| 1 Common share  | 1                 | -           |
| Due from All Nations Coffee Company   | <b>999</b>        | -           |
|   | <b>1,000</b>      | -           |
| 1028007 B.C. Ltd. (100% interest)   |                   |             |
| 1 Common share  | 1                 | -           |
| Due from 1028007 B.C. Ltd.  | <b>499,999</b>    | -           |
|   | <b>500,000</b>    | -           |
| Hunust'ot'en Investment Corporation operating as 625142 B.C. Ltd. (100% interest) |                   |             |
| 100 shares (market value nil)   | 100               | 100         |
| Due from Hunust'ot'en Investment Corporation                                      | <b>735</b>        | -           |
|   | <b>835</b>        | 100         |
| FN (PTP) Group Limited Partnership  |                   |             |
| Partnership equity  | 3,643             | 3,643       |
| Units, at cost  | <b>1,000</b>      | 1,000       |
|   | <b>4,643</b>      | 4,643       |
|   | <b>\$ 506,484</b> | \$ 4,749    |

Financial information for enterprise entities wholly-owned by the band ending March 31, 2015 are as follows:

|                                     | Assets     |  | Liabilities |  | Revenues |  | Income (loss) |
|-------------------------------------|------------|--|-------------|--|----------|--|---------------|
| All Nations Coffee Company          | \$ 1,000   |  | \$ 999      |  | \$ -     |  | \$ -          |
| 1028007 B.C. Ltd.                   | \$ 500,000 |  | \$ 499,999  |  | \$ -     |  | \$ -          |
| Hunust'ot'en Investment Corporation | \$ -       |  | \$ 735      |  | \$ -     |  | \$ (735)      |

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## **Nee Tahi Buhn Indian Band**

### **NOTES TO FINANCIAL STATEMENTS**

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**March 31, 2015**

**See Auditors' Report**

#### **5. TRUST MONEYS**

|         | March 31,<br>2014 | Additions     | Withdrawals | March 31,<br>2015 |
|---------|-------------------|---------------|-------------|-------------------|
| Revenue | \$ 1,605          | \$ 383        | \$ -        | \$ 1,988          |
| Capital | - -               | - -           | - -         | - -               |
|         | <b>\$ 1,605</b>   | <b>\$ 383</b> | <b>\$ -</b> | <b>\$ 1,988</b>   |

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.

#### **6. LONG-TERM DEBT**

|  | 2015      | 2014      |
|--|-----------|-----------|
| Mortgage payable with payments of \$866 per month including interest at 1.64% per annum, renewing December 1, 2016, secured by a first mortgage on land and housing units. | \$ 46,718 | \$ 56,196 |

Principal payments expected over the next four years are: 2016 - \$9,700; 2017 - \$36,953; 2018 - nil, 2019 - nil, 2020 - nil.

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**Nee Tahi Buhn Indian Band**  
**NOTES TO FINANCIAL STATEMENTS**

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March 31, 2015

See Auditors' Report

**7. FIXED ASSETS**

|                               | Beginning<br>Cost   | Additions         | Ending<br>Cost      | 2015                                     |                    |                                       | 2014              |                   |
|-------------------------------|---------------------|-------------------|---------------------|--|--------------------|---------------------------------------|-------------------|-------------------|
|                               |                     |                   |                     | Beginning<br>Accumulated<br>Depreciation | Depreciation       | Ending<br>Accumulated<br>Depreciation | Net Book<br>Value | Net Book<br>Value |
| <b>Operating Fund</b>         |                     |                   |                     |  |                    |                                       |                   |                   |
| Automotive                    | \$ 41,182           | \$ -              | \$ 41,182           | \$ (8,706)                               | \$ (9,744)         | \$ (18,450)                           | \$ 22,732         | \$ 32,476         |
| Buildings and infrastructure  | 755,010             | -                 | 755,010             | (214,881)                                | (26,436)           | (241,317)                             | 513,693           | 540,129           |
| Computers                     | 53,338              | 34,261            | 87,599              | (41,259)                                 | (3,072)            | (44,331)                              | 43,268            | 12,079            |
| Office furniture and fixtures | 50,439              | -                 | 50,439              | (41,461)                                 | (1,794)            | (43,255)                              | 7,184             | 8,978             |
| Logging equipment             | 28,500              | -                 | 28,500              | (28,238)                                 | (79)               | (28,317)                              | 183               | 262               |
| Equipment                     | 14,106              | 73,079            | 87,185              | (7,143)                                  | (13,051)           | (20,194)                              | 66,991            | 6,963             |
|                               | <b>942,575</b>      | <b>107,340</b>    | <b>1,049,915</b>    | <b>(341,688)</b>                         | <b>(54,176)</b>    | <b>(395,864)</b>                      | <b>654,051</b>    | <b>600,887</b>    |
| <b>Social Housing Fund</b>    |                     |                   |                     |  |                    |                                       |                   |                   |
| Land                          | 6,979               | -                 | 6,979               | -  | -                  | -                                     | 6,979             | 6,979             |
| Equipment                     | 4,765               | -                 | 4,765               | (1,667)                                  | (424)              | (2,091)                               | 2,674             | 3,098             |
| Buildings and infrastructure  | 207,223             | -                 | 207,223             | (117,374)                                | (9,054)            | (126,428)                             | 80,795            | 89,849            |
|                               | <b>218,967</b>      | <b>-</b>          | <b>218,967</b>      | <b>(119,041)</b>                         | <b>(9,478)</b>     | <b>(128,519)</b>                      | <b>90,448</b>     | <b>99,926</b>     |
|                               | <b>\$ 1,161,542</b> | <b>\$ 107,340</b> | <b>\$ 1,268,882</b> | <b>\$ (460,729)</b>                      | <b>\$ (63,654)</b> | <b>\$ (524,383)</b>                   | <b>\$ 744,499</b> | <b>\$ 700,813</b> |

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# **Nee Tahi Buhn Indian Band**

## **NOTES TO FINANCIAL STATEMENTS**

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**March 31, 2015**

**See Auditors' Report**

### **8. BUDGET INFORMATION**

The budget information disclosed has been approved by the Band. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determined.

### **9. REPLACEMENT RESERVE FUND**

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, the Nee Tahi Buhn Indian Band Social Housing must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets.

As at March 31, 2015, cash and term deposits required to fund the Replacement Reserve Fund were deficient by \$55,565 (2014 - \$54,951).

### **10. SUBSIDY SURPLUS FUND**

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, the Nee Tahi Buhn Indian Band Social Housing is permitted to set aside an amount of \$500 per housing unit for the purpose of meeting future requirements of income listed over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

As at March 31, 2015, the subsidy surplus fund was not utilized.