

ADAMS LAKE INDIAN BAND

FINANCIAL STATEMENTS

March 31, 2016

ADAMS LAKE INDIAN BAND
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March 31, 2016

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ADAMS LAKE INDIAN BAND
CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Adams Lake Indian Band have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgements. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.


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

The Band Council is responsible for ensuring that management fulfils its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility periodically through its Finance Committee. The Finance Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

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



Chief



Manager



DALEY & COMPANY LLP

Chartered Professional Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members,
ADAMS LAKE INDIAN BAND

EXHIBIT A1

Report on the Financial Statements

We have audited the accompanying financial statements of ADAMS LAKE INDIAN BAND, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statement of accumulated surplus, consolidated statement of operations, consolidated statement of changes in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian 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 ADAMS LAKE INDIAN BAND as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2 and schedules 1 to 55 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 consolidated 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 4, 2016

ADAMS LAKE INDIAN BAND
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2016

FINANCIAL ASSETS	2016	2015
Cash (Note A4)	\$ 6,000,881	\$ 3,430,170
Marketable securities (Note A5)	604,669	584,688
Grants and accounts receivable (Note A6)	1,695,248	1,098,180
Restricted cash (Note A7)	3,237,047	3,293,647
Deferred lease costs (Note A8)	1,119,841	1,003,167
Investments (Note A9)	114,496	323,432
	<u>12,772,182</u>	<u>9,733,284</u>
LIABILITIES		
Accounts payable and accruals	2,166,339	1,808,345
Deferred revenue (Note A10)	4,191,454	1,531,908
Demand loans (Note A11)	484,945	714,745
Silviculture liability (Note A12)	1,845,185	1,288,529
Mortgages payable (Note A13)	1,934,640	2,070,054
	<u>10,622,563</u>	<u>7,413,581</u>
NET FINANCIAL ASSETS	<u>2,149,619</u>	<u>2,319,703</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	98,165	253,068
Property held for resale (Note A14)	1,083,957	918,829
Tangible capital assets (Note A15)	14,432,638	15,405,057
	<u>15,614,760</u>	<u>16,576,954</u>
ACCUMULATED SURPLUS (Note A16)	<u>\$ 17,764,379</u>	<u>\$ 18,896,657</u>

COMMITMENTS AND CONTINGENCIES (Note A17)

APPROVED BY THE BAND:


 Chief

 Manager

ADAMS LAKE INDIAN BAND
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
Year ended March 31, 2016

	2016	2015
ACCUMULATED SURPLUS, beginning of year	\$ 18,896,657	\$ 17,359,147
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>(1,132,278)</u>	<u>1,537,510</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 17,764,379</u>	<u>\$ 18,896,657</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada	\$ 3,477,412	\$ 3,362,002	\$ 3,892,745
Leases and rentals	1,926,380	1,908,491	1,616,952
Canada Mortgage and Housing Corporation	141,572	125,726	124,500
Province of British Columbia	590,507	590,507	348,858
Consulting and contract	4,031,526	4,151,661	5,471,079
Interest and tax penalties	31,352	145,092	135,133
Timber harvesting	3,190,000	3,472,186	2,679,744
First Nations Health Authority	1,026,815	960,347	946,588
Property taxes	856,401	926,813	837,255
Real estate sales	-	-	219,286
Miscellaneous	638,119	1,166,673	2,266,563
	<u>15,910,084</u>	<u>16,809,498</u>	<u>18,538,703</u>
EXPENSES:			
Administration fees	61,424	26,226	17,910
Amortization	-	944,577	933,072
Assistance	255,872	274,386	226,879
Automotive	43,000	53,975	66,617
Bad debts and write downs	-	71,868	156,388
Contract services	2,792,372	2,929,649	4,111,082
Education	783,500	957,828	746,685
Honorarium	399,532	388,093	375,779
Insurance	109,456	110,894	107,143
Interest and bank charges	106,444	15,198	14,284
Interest on demand loans and mortgages	86,005	70,587	74,548
Leases	116,400	219,567	153,254
Licences, dues and fees	28,613	27,817	21,169
Logging	2,131,490	2,946,244	1,681,499
Materials and supplies	275,342	419,754	405,343
Office and other	713,054	715,488	555,891
Professional fees	169,373	205,711	318,791
Repairs and maintenance	172,400	394,321	375,553
Training	118,192	124,962	120,869
Travel	370,359	372,388	354,169
Utilities	360,721	497,283	457,227
Wages and benefits	5,929,462	5,614,083	5,727,041
	<u>15,023,011</u>	<u>17,380,899</u>	<u>17,001,193</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER MATTER	887,073	(571,401)	1,537,510
OTHER MATTER:			
Equity transfer to Band Members on payout of Phase 10 and 12	-	(560,877)	-
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ 887,073	\$(1,132,278)	\$ 1,537,510

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2016

	Budget	2016	2015
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ 887,073	\$(1,132,278)	\$ 1,537,510
Acquisition of tangible capital assets	-	(533,034)	(916,435)
Change in property held for resale	-	(165,128)	(484,401)
Amortization of tangible capital assets	-	944,577	935,024
Change in prepaid expenses	-	154,902	(165,540)
Equity transfer to Band Members on payout of of Phase 10 & 12	-	-	-
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	887,073	(730,961)	906,158
NET FINANCIAL ASSETS, beginning of year	2,319,703	2,319,703	1,413,545
NET FINANCIAL ASSETS, end of year	\$ 3,206,776	\$ 1,588,742	\$ 2,319,703

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess (shortfall) of revenue over expenses	\$ (1,132,278)	\$ 1,537,510
Non-operating items:		
Amortization	944,577	935,024
Equity transfer to Band Members on payout of of Phase 10 & 12	-	-
(Increase) decrease in:		
Grants and accounts receivable	(597,068)	1,294,945
Micro loan receivable	-	2,632
Property held for resale	(165,128)	(249,734)
Prepaid expenses	154,902	(165,540)
Increase (decrease) in:		
Accounts payable and accruals	357,994	(462,596)
Deferred revenue	2,659,546	229,323
Silviculture liability	556,656	437,184
Cash flows from operations	<u>2,779,201</u>	<u>3,558,748</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Change in restricted cash	56,600	(385,373)
Debt reduction	(365,214)	(229,721)
Cash flows used in financing	<u>(308,614)</u>	<u>(615,094)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investments	<u>208,936</u>	<u>(24,386)</u>
Cash flows from (used in) investing	<u>208,936</u>	<u>(24,386)</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Deferred costs	(116,674)	(20,246)
Purchase of tangible capital assets	(533,034)	(916,435)
Cash flows used in capital	<u>(649,708)</u>	<u>(936,681)</u>
INCREASE IN CASH RESOURCES	2,029,815	1,982,587
CASH RESOURCES, beginning of year	<u>4,014,858</u>	<u>2,032,271</u>
CASH RESOURCES, end of year	<u>\$ 6,044,673</u>	<u>\$ 4,014,858</u>
CASH RESOURCES CONSISTS OF:		
Cash	\$ 6,000,881	\$ 3,430,170
Marketable securities	<u>604,669</u>	<u>584,688</u>
	<u>\$ 6,605,550</u>	<u>\$ 4,014,858</u>

See accompanying notes to financial statements.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These consolidated 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 Adams Lake 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 consolidated financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Adams Lake Indian 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.
- The Social Housing Funds Pre-1997 and Post-1996 which reports the social housing assets of the First Nation, together with related activities.

b) Reporting Entity and Principles of Financial Reporting:

The Adams Lake Indian Band reporting entity includes the Adams Lake 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:

- Adams Lake Indian Band Operating Fund
- Adams Lake Indian Band Trust Fund
- Adams Lake Indian Band Capital Fund
- Adams Lake Indian Band Social Housing Fund - Pre-1997 Program
- Adams Lake Indian Band Social Housing Fund - Post-1996 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.

Incorporated business entities, which are owned or controlled by the Adams Lake Indian Band and which are dependent on the First Nation for their continuing operations, are consolidated in the consolidated financial statements. These include:

- Adams Lake Development Corporation

Incorporated business entities, which are owned or controlled by the Adams Lake Indian Band and which are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method.

Investments in non-controlled entities and subject to significant influence are included in the consolidated financial statements using the modified equity method. These include:

- Sexqeltkemc Enterprises Inc.
- Sexqeltkemc Limited Partnership

Investments in government partnerships are included in the consolidated financial statements using the proportionate consolidation method. These include:

- Sexqeltkemc Lakes Division
- Secwepemc Reconciliation Framework Agreement

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.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

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

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 Change in Net Financial Assets for the year.

a) 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:

Buildings	20 to 70 years
Water systems	50 to 80 years
Roads	10 to 75 years
Automotive equipment	10 years
Computer equipment	5 years
Sewer systems	80 years
Furniture and equipment	5 years

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

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.

The Band's policies regarding the thresholds for capitalization of assets are as follows:

- buildings and infrastructure that exceed \$10,000,
- vehicles, equipment and furniture and fixtures that exceed \$3,000 and
- computers and other data processing equipment that exceed \$2,000.

These policies are applied on an individual item basis.

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.

b) Contributions of Tangible Capital Assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

c) 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.

d) Marketable Securities:

Marketable securities are recorded at the lower of cost and fair market value.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

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

e) Property Held for Resale:

Property held for resale includes developed homes and lease lots available for sale and/or lease and are recorded at the lower of cost and net realizable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the property held for resale to its present location and condition.

f) Investments:

Investments in non-controlled entities and not subject to significant influence are recorded at cost.

g) Accrual Method:

The Band utilizes accrual accounting.

h) Deferred Revenue:

Revenue is recorded in the period to which it relates.

i) Deferred Lease Costs:

Deferred lease costs represent the portion of leased property development costs directly related to property transferred under prepaid and monthly leases. Deferred costs are expensed proportionately over the term of the lease.

j) Revenue Recognition:

The Adams Lake Indian Band derives revenues from a number of sources.

Amounts received from Indigenous and Northern Affairs Canada (INAC) 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 INAC and any deficits incurred are refundable by INAC. 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 INAC are unconditional and are reported as revenue when received or receivable and collection is reasonably assured. Amounts received under block funding arrangements 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, property taxes and leases etc. are reported when received or receivable and collection is reasonably assured.

Home sales revenue is recognized when title passes to the purchaser.

Prepaid sublease revenue is recognized when title passes to the purchaser. Deferred sublease revenue is recognized in accordance with the terms of the sublease. The payment schedule is noted in Note A19.

Timber processing revenue is recognized on a completed-project basis.

k) Silviculture Liability:

Silviculture liability is charged to earnings on the basis of the volume of timber cut. The estimate is based on various judgements and assumptions. Both the provision and reliability of such estimates are subject to uncertainties and, as additional information becomes known, these estimates are subject to change. Actual silviculture expenditures are recorded as a reduction of silviculture liability in the year they are paid.

l) Replacement Reserve:

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

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

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

m) 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.

n) Uses 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.

NOTE A2. ADOPTION OF NEW ACCOUNTING POLICY:

On April 1, 2015, the Band adopted PS 3260 Liability for Contaminated Sites. The Standard was applied on a retroactive basis to April 1, 2014 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the Band.

NOTE A3. FINANCIAL INSTRUMENTS:

Fair Value of Financial Assets and Financial Liabilities:

The carrying values of cash (including internally and externally restricted amounts), marketable securities, grants and accounts receivable, accounts payable and accrued liabilities and demand loans approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

The carrying value of mortgages payable approximates its fair value as the terms and conditions of the borrowing arrangements are comparable to current market terms and conditions for similar items.

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

Credit Risk:

The Band is exposed to a credit risk by its customers. However, because the majority of revenues is from government agencies, credit risk concentration is reduced to the minimum.

Interest Rate Risk:

Demand loans have both fixed and variable interest rates based on the bank's prime rate, therefore the interest expense will vary with changes in the bank's prime rate. Mortgages payable has fixed rates; therefore interest expense will decrease with principal repayment of the mortgage and interest risk is reduced to the minimum.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A4. CASH:	2016	2015
Band operations:		
RBC - General account	\$ 2,142,810	\$ 1,997,476
RBC - Lease	2,005,908	-
Peace Hills Trust	1,650,856	1,227,122
Miscellaneous	1,327	1,327
	<u>5,800,901</u>	<u>3,225,925</u>
Adams Lake Development Corporation:		
General account	124,037	128,302
Social Housing Operations:		
Social Housing Operation - Pre-1997 Program	<u>75,943</u>	<u>75,943</u>
	<u>\$ 6,000,881</u>	<u>\$ 3,430,170</u>

NOTE A5. MARKETABLE SECURITIES:

The market value of the marketable securities, at March 31, 2016, is \$627,182 (2015 \$628,783).

NOTE A6. GRANTS AND ACCOUNTS RECEIVABLE:	2016	2015
Band Operations:		
Grants Receivable	\$ 100,510	\$ 91,756
Property Taxes	424	55,554
Accounts Receivable	1,495,780	853,555
Social Housing Rent Arrears	<u>41,019</u>	<u>72,514</u>
	<u>1,637,733</u>	<u>1,073,379</u>
Social Housing Operations:		
Social Housing Operation - Pre-1997 Program	1,365	2,168
Social Housing Operation - Post-1996 Program	<u>7,113</u>	<u>7,444</u>
	<u>8,478</u>	<u>9,612</u>
Adams Lake Development Corporation:		
Accounts Receivable	<u>28,031</u>	<u>14,022</u>
Sexqeltkenc Lakes Division:		
Accounts Receivable	<u>21,006</u>	<u>1,167</u>
	<u>\$ 1,695,248</u>	<u>\$ 1,098,180</u>

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A7. RESTRICTED CASH:

	2016	2015
Replacement Reserve	\$ 367,718	\$ 342,571
Operating Reserve	94,111	83,478
Ottawa Trust Funds	426,570	403,562
Other Restricted Funds	2,021,402	1,965,541
Sexqeltkemoc Lakes Division	279,793	449,888
Secwepemc Reconciliation Framework Agreement	47,453	48,607
	<u><u>\$ 3,237,047</u></u>	<u><u>\$ 3,293,647</u></u>

a) Replacement Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$45,861 (2015 - \$48,370) 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.

	2016	2015
Balance, beginning of year	\$ 367,734	\$ 356,831
Allocation during the year	45,861	48,370
Interest on account	187	1,131
Canada Mortgage and Housing Corporation - adjustment	(203)	(15,189)
Maturing unit adjustment	(17,609)	-
Approved expenditures	<u>(80,196)</u>	<u>(23,409)</u>
Balance, end of year	<u><u>\$ 315,774</u></u>	<u><u>\$ 367,734</u></u>
The Replacement Reserve is represented by:		
Cash	<u><u>\$ 367,718</u></u>	<u><u>\$ 342,571</u></u>

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 any accumulated surplus 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.

	2016	2015
Balance, beginning of year	\$ 94,111	\$ 83,478
Allocation for the year	<u>41,136</u>	<u>10,633</u>
Balance, end of year	<u><u>\$ 135,247</u></u>	<u><u>\$ 94,111</u></u>
The Operating Reserve is represented by:		
Cash	<u><u>\$ 94,111</u></u>	<u><u>\$ 83,478</u></u>

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A7. 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 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.

d) Other Restricted Cash:

Internally restricted funds consist of funding received under the forest consultation and revenue sharing agreement (formerly forest and range opportunity agreement) (FCRSA/FRO). Chief and Council, in conjunction with community input, will be establishing criteria for the expenditure of these funds.

	2016	2015
Internally restricted:		
Silviculture	\$ 979,256	\$ 952,985
FCRSA/FRO	<u>1,042,146</u>	<u>1,012,556</u>
	<u><u>\$ 2,021,402</u></u>	<u><u>\$ 1,965,541</u></u>
 FCRSA/FRO Reserve:		
Balance, beginning of year	<u>\$ 882,353</u>	<u>\$ 983,495</u>
 FCRSA/FRO funding received	590,507	348,858
Interest	29,590	7,088
Approved FCRSA/FRO expenditures	<u>-</u>	<u>(457,088)</u>
	<u>620,097</u>	<u>(101,142)</u>
 Balance, end of year	<u><u>\$ 1,502,450</u></u>	<u><u>\$ 882,353</u></u>
 Balance consists of:		
	FRO	\$ 107,666
	FCRSA	<u>774,687</u>
	<u><u>\$ 1,502,450</u></u>	<u><u>\$ 882,353</u></u>
 The FCRSA/FRO Reserve is represented by:		
Cash	<u><u>\$ 1,042,146</u></u>	<u><u>\$ 1,012,556</u></u>

e) Sexqeltkemc Lakes Division and Secwepemc Reconciliation Framework Agreement:

Cash from the above political entities is classified as restricted as it is not within the control of the Band.

NOTE A8. DEFERRED LEASE COSTS:

	2016	2015
Balance, beginning of year	\$ 1,003,167	\$ 982,921
Additions	135,602	38,075
Expensed during the year	<u>(18,928)</u>	<u>(17,829)</u>
 Balance, end of year	<u><u>\$ 1,119,841</u></u>	<u><u>\$ 1,003,167</u></u>

Deferred lease costs represent the portion of leased property development costs directly related to property transferred under prepaid and monthly leases. Deferred costs are expensed proportionately over the term of the lease.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A9. INVESTMENTS:	2016	2015
All Nations Trust Company:		
22,800 Common shares, par value \$10	<u>\$ 38,028</u>	<u>\$ 38,028</u>
Sexqeltkemoc Enterprises Inc. (33%):		
10 Common shares, par value \$10	10	10
Advances, unsecured, noninterest bearing, no stated terms of repayment	<u>(10)</u>	<u>(10)</u>
	<u>-</u>	<u>-</u>
Sexqeltkemoc Limited Partnership:		
Advances, unsecured, noninterest bearing, no stated terms of repayment	10,000	10,000
Accumulated equity in income	<u>51,468</u>	<u>260,404</u>
	<u>61,468</u>	<u>270,404</u>
Investment in BC FN Gaming Initiative	<u>15,000</u>	<u>15,000</u>
	<u><u>\$ 114,496</u></u>	<u><u>\$ 323,432</u></u>

Financial information for Sexqeltkemoc Limited Partnership:

	Total	Band's Share 2016	Band's Share 2015
Current Assets	\$ 1,070,531	\$ 356,808	\$ 296,074
Long-term Assets	147,417	49,134	40,684
Current Liabilities	<u>(1,033,531)</u>	<u>(344,474)</u>	<u>(66,354)</u>
Partner's Capital	<u>\$ 184,417</u>	<u>\$ 61,468</u>	<u>\$ 270,404</u>
Revenues	\$ 3,290,994	\$ 1,096,888	\$ 1,584,903
Expenses	<u>3,917,857</u>	<u>1,305,822</u>	<u>1,560,507</u>
Net Income (loss)	<u><u>\$ (626,863)</u></u>	<u><u>\$ (208,934)</u></u>	<u><u>\$ 24,396</u></u>

Sexqeltkemoc Limited Partnership is domiciled in Kamloops, British Columbia. The Partnership is a business entity comprised of representative members from the Adams Lake, Neskonalith and Splatshin people. The Partnership's object is to recognize, develop and secure business and employment opportunities within the traditional boundaries of the Sexqeltkemoc to Secwepemc. Net earnings of the Partnership are allocated to the respective Partners annually.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A10. DEFERRED REVENUE:

2016 **2015**

Band Operations:

Revenue amounts deferred are summarized as follows:

Prepaid lease payments	\$ 2,426,286	\$ 272,207
Province of BC - Corridor Wide Agreement Funding	16,250	-
Province of BC - Capacity Funding	15,000	-
Trans Mountain Expansion Project	11,924	-
Malakwa/North Fork Project	78,526	-
Government of Canada Public Works Funding	25,000	-
Aboriginal Healthy Living Grant	1,000	2,000
Other	23,895	2,177
	<u>2,597,881</u>	<u>276,384</u>

Adams Lake Development Corporation:

Deferred lease revenue, beginning of year	1,255,524	1,140,526
Additions	381,762	134,687
Amortized to income during the year	<u>(43,713)</u>	<u>(19,689)</u>
Deferred lease revenue, end of year	<u>1,593,573</u>	<u>1,255,524</u>
	<u>\$ 4,191,454</u>	<u>\$ 1,531,908</u>

NOTE A11. DEMAND LOANS:

2016 **2015**

Capital Fund:

Royal Bank of Canada, term loan, repayable in monthly installments of \$975 including interest at 2.79%, secured by an Alternative Energy Retrofit equipment with a carrying value of \$265,568, due October 2016

\$ 5,803 \$ 17,175

Royal Bank of Canada, term loan, repayable in monthly installments of \$5,299 including interest at 2.99%, secured by an Irrigation System with a carrying value of \$1,578,533, due October 2017

322,094 375,157

Royal Bank of Canada, demand loan, repayment in monthly installments of \$588, including interest at 0%, secured by a 2012 GMC Sierra with a carrying value of \$18,599, due May 2016

1,176 8,229

Royal Bank of Canada, demand loan, repayment in monthly installments of \$583, including interest at 0%, secured by a 2012 GMC Sierra with a carrying value of \$18,599, due May 2016

1,166 8,162
330,239 408,723

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A11. DEMAND LOANS (continued):	2016	2015
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Adams Lake Development Corporation:

Peace Hills Trust loan bearing interest at prime plus 0.75% per annum, repayable in monthly blended payments of \$13,500. The loan matures on March 31, 2017 and is secured by land and buildings (West Harbour Village project). Loan is callable on demand.

	<u>154,706</u>	<u>306,022</u>
	<u>\$ 484,945</u>	<u>\$ 714,745</u>

Principal repayments due in the ensuing 2 years are approximately as follows:

	2017		\$ 217,554
	2018		267,391

NOTE A12. SILVICULTURE LIABILITY:	2016	2015
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Continuity

Balance, beginning of the year	\$ 1,288,529	\$ 851,345
Accrued expense	807,251	555,168
Paid during the year	<u>(250,595)</u>	<u>(117,984)</u>
	<u>\$ 1,845,185</u>	<u>\$ 1,288,529</u>

The timing of the reforestation payments is based on the estimated period required to attain free to grow status in a given area.

NOTE A13. MORTGAGES PAYABLE:	2016	2015
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Social Housing Operation - Pre-1997 mortgages:

All Nations Trust Company, repayable in monthly installments of \$2,321 including interest at 1.83% per annum, secured by promissory notes of the Ministry and the Band due December 2019 - Phase 13

	\$ 225,123	\$ 248,631
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All Nations Trust Company, repayable in monthly installments of \$1,115 including interest at 1.80% per annum, due October 2016 - Phase 11

	68,038	80,083
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All Nations Trust Company, repaid during the year

	-	8,157
	<u>293,161</u>	<u>336,871</u>

Social Housing Operation - Post-1996 mortgages:

All Nations Trust Company, repayable in monthly installments of \$1,915 including interest at 1.11% per annum, secured by promissory notes of the Ministry and the Band, due April 2021 - Phase 1

	215,540	234,297
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All Nations Trust Company, repayable in monthly installments of \$2,214 including interest at 1.71% per annum, secured by promissory notes of the Ministry and the Band, due September 2017 - Phase 2

	275,501	297,168
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All Nations Trust Company, repayable in monthly installments of \$2,639 including interest at 1.67% per annum, secured by promissory notes of the Ministry and the Band, due June 2018 - Phase 3

	211,491	239,382
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ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A13. MORTGAGES PAYABLE (continued):

All Nations Trust Company, repayable in monthly installments of \$2,911 including interest at 1.30% per annum, secured by promissory notes of the Ministry and the Band, due December 2020 - Phase 4

319,756 348,773

All Nations Trust Company, repayable in monthly installments of \$1,548 including interest at 1.30% per annum, secured by promissory notes of the Ministry and the Band, due December 2020 - Phase 6

322,237 335,708

All Nations Trust Company, repayable in monthly installments of \$1,259 including interest at 1.67% per annum, secured by promissory notes of the Ministry and the Band, due January 2020 - Phase 8

296,954	277,855
<u>1,641,479</u>	<u>1,733,183</u>
<u>\$ 1,934,640</u>	<u>\$ 2,070,054</u>

The Social Housing mortgages are guaranteed by Indigenous and Northern Affairs Canada.

Principal repayments due in the ensuing 5 years are approximately as follows:

2017	\$ 218,548
2018	384,007
2019	257,473
2020	486,381
2021	588,231

NOTE A14. PROPERTY HELD FOR RESALE:

2016 2015

West Harbour Village:

Land development costs

<u>\$ 1,083,957</u>	<u>\$ 918,829</u>
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NOTE A15. TANGIBLE CAPITAL ASSETS:

2016 2015

Tangible capital assets consist of the following:

Buildings	\$ 3,238,443	\$ 3,234,296
Water systems	4,888,520	4,979,973
Roads	1,634,575	1,440,898
Automotive equipment	653,790	757,733
Computer equipment	300,948	250,618
Sewer systems	431,590	438,630
Furniture and equipment	91,414	233,786
Construction in progress	-	61,218
Social Housing Operation - Pre-1997 Program	781,319	1,480,352
Social Housing Operation - Post-1996 Program	<u>2,412,039</u>	<u>2,527,553</u>

<u>\$ 14,432,638</u>	<u>\$ 15,405,057</u>
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For additional information, see the Summary Schedule of Tangible Capital assets (Appendix 1).

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A16. ACCUMULATED SURPLUS:	2016	2015
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	<u>\$ 3,371,285</u>	<u>\$ 4,528,639</u>
Invested in tangible capital assets	<u>12,013,053</u>	<u>12,620,258</u>
Funded Reserves:		
Operating Reserve Fund (CMHC) (Note A7)	135,247	94,111
Replacement Reserve Fund (CMHC) (Note A7)	315,774	367,734
Ottawa Trust Funds (Note A7)	426,570	403,562
FCRSA/FRO Fund (Note A7)	<u>1,502,450</u>	<u>882,353</u>
	<u>2,380,041</u>	<u>1,747,760</u>
	<u>\$ 17,764,379</u>	<u>\$ 18,896,657</u>

NOTE A17. COMMITMENTS AND CONTINGENCIES:

Commitments:

The Band leases office equipment under long-term lease agreements the longest of which expires August 2020.

Future minimum lease payments as at March 31, 2016, are as follows:

2017	\$ 93,069
2018	87,305
2019	63,000
2020	63,000
2021	<u>26,250</u>
	<u>\$ 332,624</u>

Contingencies:

a) Housing Loans:

The Band is guarantor of various Housing loans, secured by Ministerial guarantees, including \$158,581 for capital housing and \$1,934,639 for Social Housing for a total of \$2,093,220.

b) Lending Program - Loan Guarantees:

The Band has a program to offer lending to Band members of \$1,000,000 for on-reserve housing through the Bank of Montreal. The Band has guaranteed loans totaling \$432,990 at the Bank of Montreal.

c) Pension Plan:

The Band and its employees contribute to a defined contribution pension plan. There is no obligation for past service or periods in which an employee was not employed. Total contributions to the plan during the year were \$203,828 (2015 - \$197,901).

d) Letters of Credit:

The Band has granted letters of credit in favour of the Ministry of Forests and Range to a maximum of \$250,000. The Band has granted letters of credit in favour of Echelon General Insurance Company to a maximum of \$20,000. The Band has guaranteed a line of credit on behalf of Sexqeltkernc Limited Partnership, a significantly influenced partnership, to a maximum of \$100,000.

e) Unused Credit Facilities:

Under line of credit arrangements with Royal Bank of Canada, the Band may borrow up to \$500,000, calculated as the net balance of the Band's general and reserve bank accounts (which are disclosed separately). The line of credit bears interest at the Bank's prime rate plus 0.5% and is secured by a Band Council Resolution. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2016, the unused portion of the credit line was \$500,000.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A17. COMMITMENTS AND CONTINGENCIES (continued):

f) Indigenous and Northern Affairs Canada Funding:

The Band receives a portion of its funding under a contribution agreement with Indigenous and Northern Affairs Canada (INAC) which, if unexpended, may be refundable to INAC. Further, amounts which are overexpended may be reimbursed by INAC to the Band. No amounts have been recorded in the financial statements as refundable or reimbursable.

g) Environmental Contingency:

The Band is vulnerable to contingencies with respect to government regulations, in particular regulations concerning environmental issues relating to the Woods Division in Adams Lake Development Corporation. At the present time, it is impossible to determine any amount that the Band may have to pay to decontaminate the site. The Band believes that the total amount of these contingent obligations will not have a material and adverse effect on its financial position and consequently no provision has been made in the financial statements.

h) Legal Matters:

During the year, an individual brought legal action against the Band and several other parties relating to a motor vehicle accident on Reserve land in Salmon Arm, BC. There is no information as to the result of this suit at this time, though the Band believes itself to be covered by insurance. Also, subsequent to year end a former Councillor brought legal action against the Band. Management does not have a sense of the outcome of the action however financial impact if any to the Band is not estimated to be a material amount.

NOTE A18. SEGMENTED INFORMATION:

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

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

Band Revenue

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

Administration

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

Maintenance Services

Maintenance services 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.

Community Services

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

Capital

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

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A18. SEGMENTED INFORMATION (continued):

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.

Health Services

Health Services is responsible to provide assistance to community members with respect to health and wellness. The services provided by the department include, but are not limited to, aboriginal head start, home & community care, water quality monitoring, communicable disease control and patient travel.

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.

Social Housing

Social housing is responsible for the administration and management of social housing units.

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

NOTE A19. LAND SUBLEASE:

Each purchaser of a home is given the option to prepay their land sublease or by monthly payments. Each sublease grants the lessee rights to the property for approximately 45 years, ending June 30, 2050. The purchaser has the option to extend the lease to another 50 years, ending June 30, 2099.

Prepaid:

If the purchaser prepays their sublease, he/she has no further obligation to the end of the lease term.

Deferred:

The purchaser is obligated to make monthly payments as follows:

2007 to 2011	\$ 300
2012 to 2016	\$ 345
2017 to 2021	\$ 400

After the year 2021 the lease payment will be adjusted annually to reflect any year over year increase in the British Columbia Consumer Price Index, provided that in no event shall any annual increase prior to June 30, 2050 be permitted to exceed 2.5%. If the sublease is extended beyond June 30, 2050, the lease payment will be adjusted to reflect fair market value at that time.

The Band has recently been able to receive approval for 99-year subleases and is in the process of updating a number of leases to the longer term.

ADAMS LAKE BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016

NOTE A20. RELATED PARTY TRANSACTIONS:

During the year, the Band earned, \$2,904,236 (2015 - \$4,014,746) for Consulting services from Sexqeltkemc Limited Partnership, a significantly influenced partnership. As at March 31, 2016, an amount receivable of \$928,726 (2015 - \$183,804) was due from Sexqeltkemc Limited Partnership and is subject to normal terms of trade. This amount is included in accounts receivable.

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

NOTE A21. ECONOMIC DEPENDENCE:

The Band receives revenues pursuant to a Funding Agreement with Indigenous and Northern Affairs Canada. In the current fiscal year funding from Indigenous and Northern Affairs Canada accounted for 20% (2015 - 21%) of the Band's gross revenues.

NOTE A22. CASH FLOW INFORMATION:

During the year, the Band paid interest on demand loans and mortgages of \$70,587 (2015 - \$74,548) and received interest of \$145,092 (2015 - \$135,133).

NOTE A23. COMPARATIVE FIGURES:

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

ADAMS LAKE INDIAN BAND
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2016

	Band Operations								Social Housing Operations		Totals	
	Buildings	Water Systems	Roads	Automotive Equipment	Sewer Systems	Furniture & Equipment	Computer Equipment	Construction In Progress	Pre-1997 Program	Post-1996 Program	2016	2015
Cost												
Balance, beginning of year	\$ 8,945,576	\$ 6,532,118	\$ 2,801,582	\$ 1,512,557	\$ 563,179	\$ 575,953	\$ 556,094	\$ 61,218	\$ 2,107,244	\$ 3,465,429	\$ 27,120,950	\$ 26,277,949
Add: Additions during the year	140,869	-	302,287	4,590	-	1,248	84,040	-	-	-	533,034	916,435
Add: Transfer	501,320	-	-	-	-	-	-	(61,218)	(440,102)	-	-	-
Less: Disposals during the year	-	-	-	(163,803)	-	-	-	-	(582,257)	-	(746,060)	(73,434)
Balance, end of year	9,587,765	6,532,118	3,103,869	1,353,344	563,179	577,201	640,134	-	1,084,885	3,465,429	26,907,924	27,120,950
Accumulated amortization												
Balance, beginning of year	5,711,280	1,552,145	1,360,684	754,824	124,549	342,167	305,476	-	626,892	937,876	11,715,893	10,854,303
Add: Amortization	303,909	91,453	108,610	108,533	7,040	143,620	33,710	-	32,188	115,514	944,577	935,024
Add: Transfer	334,133	-	-	-	-	-	-	-	(334,133)	-	-	-
Less: Disposals during the year	-	-	-	(163,803)	-	-	-	-	(21,381)	-	(185,184)	(73,434)
Balance, end of year	6,349,322	1,643,598	1,469,294	699,554	131,589	485,787	339,186	-	303,566	1,053,390	12,475,286	11,715,893
Net Book Value of Tangible Capital Assets												
	\$ 3,238,443	\$ 4,888,520	\$ 1,634,575	\$ 653,790	\$ 431,590	\$ 91,414	\$ 300,948	\$ -	\$ 781,319	\$ 2,412,039	\$ 14,432,638	\$ 15,405,057

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
2016 STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2016

	Band Revenue	Admini- stration	Maintenance Services	Community Services	Capital	Education	Health Services	Natural Resources	Social Housing	Total 2016	Total 2015
REVENUE:											
Indigenous and Northern Affairs Canada	\$ 165,461	\$ 609,481	\$ 287,522	\$ 380,210	\$ (21,891)	\$ 1,941,219	\$ -	\$ -	\$ -	\$ 3,362,002	\$ 3,892,745
Leases and rentals	1,654,439	-	11,884	-	-	-	-	-	242,168	1,908,491	1,616,952
CMHC	-	-	-	-	-	-	-	-	125,726	125,726	124,500
Province of BC	590,507	-	-	-	-	-	-	-	-	590,507	348,858
Consulting and contract	401,763	-	-	82,531	-	390,042	37,591	3,239,734	-	4,151,661	5,471,079
Interest and tax penalties	144,905	-	-	-	-	-	-	-	187	145,092	135,133
Timber harvesting	-	-	-	-	-	-	-	3,472,186	-	3,472,186	2,679,744
First Nations Health Authority	-	-	-	-	-	-	960,347	-	-	960,347	946,588
Property taxes	926,813	-	-	-	-	-	-	-	-	926,813	837,255
Real estate sales	-	-	-	-	-	-	-	-	-	-	219,286
Miscellaneous	340,542	259,230	71,280	264,184	-	25,795	43,973	157,068	4,601	1,166,673	2,266,563
	<u>4,224,430</u>	<u>868,711</u>	<u>370,686</u>	<u>726,925</u>	<u>(21,891)</u>	<u>2,357,056</u>	<u>1,041,911</u>	<u>6,868,988</u>	<u>372,682</u>	<u>16,809,498</u>	<u>18,538,703</u>
EXPENSES:											
Administration fees	1,970	-	(27,500)	-	-	17,253	7,003	-	27,500	26,226	17,910
Amortization	130,595	16,626	485,095	-	-	110,113	27,601	26,844	147,703	944,577	933,072
Assistance	-	-	-	274,386	-	-	-	-	-	274,386	226,879
Automotive	3,836	1,072	12,659	-	-	4,014	-	32,394	-	53,975	66,617
Bad debts and write downs	71,868	-	-	-	-	-	-	-	-	71,868	156,388
Contract services	550,340	198,975	153,354	111,862	126,665	73,434	113,313	1,601,481	225	2,929,649	4,111,082
Education	-	-	-	-	-	957,828	-	-	-	957,828	746,685
Honorarium	2,180	382,764	-	-	-	2,899	250	-	-	388,093	375,779
Insurance	15,924	12,523	29,198	4,696	-	13,020	6,133	17,164	12,236	110,894	107,143
Interest and bank charges	-	10,522	-	-	-	-	-	4,676	-	15,198	14,284
Interest on demand loans and mortgages	-	30,512	-	-	-	-	-	-	40,075	70,587	74,548
Leases	163,877	21,941	4,614	939	-	4,147	17,549	6,500	-	219,567	153,254
Licences, dues and fees	26,138	1,679	-	-	-	-	-	-	-	27,817	21,169
Logging	-	-	-	-	-	-	-	2,946,244	-	2,946,244	1,681,499
Materials and supplies	84,843	54,668	16,750	18,118	7,604	78,755	74,225	84,791	-	419,754	405,343
Office and other	405,727	33,859	19,286	15,418	-	32,065	145,004	64,129	-	715,488	555,891
Professional fees	98,961	83,156	-	-	-	-	15,094	-	8,500	205,711	318,791
Repairs and maintenance	12,565	47,066	150,180	2,320	-	27,200	20,603	3,989	130,398	394,321	375,553
Training	57,420	26,948	5,061	450	-	16,478	15,961	2,644	-	124,962	120,869
Travel	62,173	94,338	46,802	36,763	-	24,252	46,781	61,279	-	372,388	354,169
Utilities	55,005	80,017	292,425	13,335	-	21,295	25,450	9,756	-	497,283	457,227
Wages and benefits	717,452	872,148	541,055	638,531	2,241	1,224,348	562,713	1,055,595	-	5,614,083	5,727,041
	<u>2,460,874</u>	<u>1,968,814</u>	<u>1,728,979</u>	<u>1,116,818</u>	<u>136,510</u>	<u>2,607,101</u>	<u>1,077,680</u>	<u>5,917,486</u>	<u>366,637</u>	<u>17,380,899</u>	<u>17,001,193</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER MATTER											
	<u>\$ 1,763,556</u>	<u>\$ (1,100,103)</u>	<u>\$ (1,358,293)</u>	<u>\$ (389,893)</u>	<u>\$ (158,401)</u>	<u>\$ (250,045)</u>	<u>\$ (35,769)</u>	<u>\$ 951,502</u>	<u>\$ 6,045</u>	<u>\$ (571,401)</u>	<u>\$ 1,537,510</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
2015 STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2015

	Band Revenue	Admini- stration	Maintenance Services	Community Services	Capital	Education	Health Services	Natural Resources	Social Housing	Total 2015
REVENUE:										
Indigenous and Northern Affairs Canada	\$ 159,628	\$ 691,066	\$ 280,050	\$ 412,166	\$ 477,558	\$ 1,872,277	\$ -	\$ -	\$ -	\$ 3,892,745
Leases and rentals	1,349,379	-	14,724	-	-	-	-	-	252,849	1,616,952
CMHC	-	-	-	-	-	-	-	-	124,500	124,500
Province of BC	348,858	-	-	-	-	-	-	-	-	348,858
Consulting and contract	609,174	-	-	115,155	-	321,129	35,632	4,389,989	-	5,471,079
Interest and tax penalties	134,002	-	-	-	-	-	-	-	1,131	135,133
Timber harvesting	-	-	-	-	-	-	-	2,679,744	-	2,679,744
Health Canada	-	-	-	-	-	-	946,588	-	-	946,588
Property taxes	837,255	-	-	-	-	-	-	-	-	837,255
Real estate sales	-	219,286	-	-	-	-	-	-	-	219,286
Miscellaneous	1,058,851	239,014	79,747	605,523	-	53,140	25,659	122,961	81,668	2,266,563
	<u>4,497,147</u>	<u>1,149,366</u>	<u>374,521</u>	<u>1,132,844</u>	<u>477,558</u>	<u>2,246,546</u>	<u>1,007,879</u>	<u>7,192,694</u>	<u>460,148</u>	<u>18,538,703</u>
EXPENSES:										
Administration fees	-	-	(14,253)	-	-	(1,500)	14,659	-	19,004	17,910
Amortization	118,642	19,068	477,510	-	-	86,990	27,601	26,385	176,876	933,072
Assistance	-	-	-	226,879	-	-	-	-	-	226,879
Automotive	5,745	371	15,886	-	-	10,321	-	34,294	-	66,617
Bad debts and write downs	151,608	4,780	-	-	-	-	-	-	-	156,388
Contract services	835,546	179,844	132,098	129,482	143,422	74,630	148,529	2,461,384	6,147	4,111,082
Education	-	-	-	-	-	746,685	-	-	-	746,685
Honorarium	1,452	369,520	-	4,207	-	600	-	-	-	375,779
Insurance	15,367	9,803	10,710	4,968	-	11,687	6,462	17,284	30,862	107,143
Interest and bank charges	-	9,384	-	-	-	-	-	4,900	-	14,284
Interest on demand loans and mortgages	1,579	29,528	-	-	-	-	-	-	43,441	74,548
Leases	101,567	21,745	5,000	939	-	4,961	13,004	6,038	-	153,254
Licences, dues and fees	15,166	6,003	-	-	-	-	-	-	-	21,169
Logging	-	-	-	-	-	-	-	1,681,499	-	1,681,499
Materials and supplies	54,400	49,111	19,441	27,581	-	108,176	38,635	107,999	-	405,343
Office and other	221,113	33,012	132,910	22,741	-	15,970	99,911	30,234	-	555,891
Professional fees	172,178	122,913	-	-	-	-	16,200	-	7,500	318,791
Repairs and maintenance	43,884	50,781	177,196	2,380	-	18,515	9,612	-	73,185	375,553
Training	40,021	19,778	9,256	5,437	-	33,201	3,905	9,271	-	120,869
Travel	65,979	72,770	56,596	27,624	-	35,311	34,016	61,873	-	354,169
Utilities	47,571	71,384	278,011	11,609	-	21,143	19,046	8,463	-	457,227
Wages and benefits	617,648	946,542	487,257	635,886	-	1,147,550	479,082	1,413,076	-	5,727,041
	<u>2,509,466</u>	<u>2,016,337</u>	<u>1,787,618</u>	<u>1,099,733</u>	<u>143,422</u>	<u>2,314,240</u>	<u>910,662</u>	<u>5,862,700</u>	<u>357,015</u>	<u>17,001,193</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 1,987,681</u>	<u>\$ (866,971)</u>	<u>\$ (1,413,097)</u>	<u>\$ 33,111</u>	<u>\$ 334,136</u>	<u>\$ (67,694)</u>	<u>\$ 97,217</u>	<u>\$ 1,329,994</u>	<u>\$ 103,133</u>	<u>\$ 1,537,510</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
BAND OPERATION**

FINANCIAL STATEMENTS

March 31, 2016

EXHIBIT

BAND OPERATION FINANCIAL STATEMENTS:

B1	BAND OPERATION STATEMENT OF FINANCIAL POSITION	
B2	BAND OPERATION COMBINED STATEMENT OF OPERATIONS	
B3	BAND OPERATION STATEMENT OF CASH FLOWS	
	STATEMENTS OF REVENUE AND EXPENSES	SCHEDULES 1 - 55

**ADAMS LAKE INDIAN BAND
BAND OPERATION
STATEMENT OF FINANCIAL POSITION
March 31, 2016**

FINANCIAL ASSETS	2016	2015
Cash	\$ 5,800,901	3,225,926
Marketable securities	604,669	584,688
Restricted cash	2,021,402	1,965,541
Grants and accounts receivable	1,873,652	1,123,420
Advances to Social Housing Operation	1,742	-
Long-term investments and advances	<u>466,685</u>	<u>804,603</u>
	<u>10,769,051</u>	<u>7,704,178</u>
LIABILITIES		
Accounts payable and accruals	2,130,340	1,580,353
Advances from Social Housing Operation	-	44,187
Deferred revenue	2,597,882	276,384
Silviculture liability	<u>1,845,185</u>	<u>1,288,529</u>
	<u>6,573,407</u>	<u>3,189,453</u>
NET FINANCIAL ASSETS	4,195,644	4,514,725
NON-FINANCIAL ASSETS		
Prepaid expenses	<u>91,334</u>	<u>246,016</u>
ACCUMULATED SURPLUS	\$ 4,286,978	\$ 4,760,741

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
BAND OPERATION
COMBINED STATEMENT OF OPERATIONS
Year ended March 31, 2016

Schedule	INAC Contributions	Other Revenue	Total Revenue	Current Expenses	Net	Prior Balance	Cumulative Surplus (Deficit)
Band Revenue:							
1 Band	\$ 10,000	\$ 109,957	\$ 119,957	\$ 1,207,451	\$(1,087,494)	\$(3,378,600)	\$(4,466,094)
2 Rights & Title and Related	67,620	344,323	411,943	618,344	(206,401)	(200,043)	(406,444)
3 Band Revenue	-	3,537,333	3,537,333	766,040	2,771,293	16,006,476	18,777,769
4 RLEMP	87,841	-	87,841	87,841	-	-	-
5 BCCI Land Use Planning	-	-	-	31	(31)	31	-
6 Gymnasium Program	-	29,498	29,498	201,432	(171,934)	(1,888,508)	(2,060,442)
	<u>165,461</u>	<u>4,021,111</u>	<u>4,186,572</u>	<u>2,881,139</u>	<u>1,305,433</u>	<u>10,539,356</u>	<u>11,844,789</u>
Administration:							
7 Band Administration	466,516	4,204	470,720	789,164	(318,444)	(2,820,999)	(3,139,443)
8 Chief and Council	72,000	-	72,000	471,723	(399,723)	113,267	(286,456)
9 Fire Department	30,932	13,600	44,532	72,892	(28,360)	(14,623)	(42,983)
10 Community Planning	-	-	-	179,993	(179,993)	(44,121)	(224,114)
11 Economic Development	-	100,051	100,051	100,546	(495)	(429,444)	(429,939)
12 CEDP	40,033	-	40,033	40,033	-	(16,407)	(16,407)
13 ALIB Economic Development Program	-	-	-	98,528	(98,528)	(389,289)	(487,817)
	<u>609,481</u>	<u>117,855</u>	<u>727,336</u>	<u>1,752,879</u>	<u>(1,025,543)</u>	<u>(3,601,616)</u>	<u>(4,627,159)</u>
Education:							
14 Education Administration	15,544	-	15,544	79,674	(64,130)	(855,722)	(919,852)
15 K-12 Administration	684,762	-	684,762	784,405	(99,643)	150,798	51,155
16 Post Secondary	282,728	-	282,728	206,686	76,042	71,508	147,550
17 Education Support	16,796	1,038	17,834	17,834	-	4,859	4,859
18 School Bus	-	25,690	25,690	62,035	(36,345)	(31,121)	(67,466)
19 Community Centre	-	-	-	4,169	(4,169)	(111,442)	(115,611)
20 NRT/FNESC Education Program	-	-	-	-	-	15,709	15,709
21 ASET- Education Program	-	78,932	78,932	78,665	267	(44,185)	(43,918)
22 ALIB - Education Program	-	-	-	-	-	2,620	2,620
23 Chief Atahm School Program - Instruction and Administration	932,549	820	933,369	949,830	(16,461)	(45,738)	(62,199)
24 Chief Atahm School Program - Support Services	8,840	-	8,840	8,840	-	(4,140)	(4,140)
25 FNESC - Chief Atahm School Program	-	222,555	222,555	206,176	16,379	14,667	31,046
26 ALIB - Chief Atahm School Program	-	86,803	86,803	101,180	(14,377)	(48,733)	(63,110)
	<u>1,941,219</u>	<u>415,838</u>	<u>2,357,057</u>	<u>2,499,494</u>	<u>(142,437)</u>	<u>(880,920)</u>	<u>(1,023,357)</u>
Maintenance Services:							
27 INAC - Public Works Program	287,522	53,666	341,188	1,133,688	(792,500)	(2,664,930)	(3,457,430)
28 ALIB - Housing Initiative Program	-	29,498	29,498	110,195	(80,697)	(1,058,070)	(1,138,767)
	<u>287,522</u>	<u>83,164</u>	<u>370,686</u>	<u>1,243,883</u>	<u>(873,197)</u>	<u>(3,723,000)</u>	<u>(4,596,197)</u>

**ADAMS LAKE INDIAN BAND
BAND OPERATION
COMBINED STATEMENT OF OPERATIONS
Year ended March 31, 2016**

Schedule	INAC Contributions	Other Revenue	Total Revenue	Current Expenses	Net	Prior Balance	Cumulative Surplus (Deficit)
Capital:							
29 Housing Construction Program	-	(393)	(393)	-	(393)	(58,394)	(58,787)
30 Housing CPMS #11401 NAHS Stream 3	-	-	-	-	-	14,491	14,491
31 Housing CPMS #11396 NAHS Stream 2	-	-	-	-	-	(1,250)	(1,250)
32 Housing Renovations Programs	-	-	-	-	-	(1,482)	(1,482)
33 ACRS 2011 Group 2 CMS#09-11-1054	-	-	-	-	-	676,125	676,125
34 ICMS 9-00114017 ACRS 2014 GRP 2	(59,809)	-	(59,809)	-	(59,809)	59,809	-
35 Loakin Bear Creek Dam (CPMS #10775)	-	-	-	83,584	(83,584)	4,302	(79,282)
36 IR 4 Water System and Treatment CMPS #9361	-	-	-	-	-	(10,613)	(10,613)
37 Bus Purchases	-	-	-	-	-	(179,493)	(179,493)
38 Burial Site Reclamation CPMS #11532	-	-	-	20,603	(20,603)	78,490	57,887
39 CAS Portables - CPMS #11577	7,918	-	7,918	150,714	(142,796)	142,796	-
40 Road Maintenance	-	-	-	810	(810)	(1,880)	(2,690)
41 Flood Mitigation CPMS #11599	30,000	-	30,000	21,668	8,332	-	8,332
	<u>(21,891)</u>	<u>(393)</u>	<u>(22,284)</u>	<u>277,379</u>	<u>(299,663)</u>	<u>722,901</u>	<u>423,238</u>
Health Services:							
42 First Nations Health Authority Transfer Agreement	-	976,457	976,457	960,724	15,733	612,030	627,763
43 ALIB - Health Program	-	65,454	65,454	89,355	(23,901)	(1,246)	(25,147)
	<u>-</u>	<u>1,041,911</u>	<u>1,041,911</u>	<u>1,050,079</u>	<u>(8,168)</u>	<u>610,784</u>	<u>602,616</u>
Natural Resources:							
44 Cultural Resources and Archaeology Program	-	3,267,618	3,267,618	2,272,643	994,975	1,987,691	2,982,666
45 GIS Program	-	-	-	60,967	(60,967)	(322,134)	(383,101)
46 Forestry Program	-	3,476,404	3,476,404	3,492,640	(16,236)	(235,392)	(251,628)
47 Fisheries Program	-	124,965	124,965	83,034	41,931	59,959	101,890
	<u>-</u>	<u>6,868,987</u>	<u>6,868,987</u>	<u>5,909,284</u>	<u>959,703</u>	<u>1,490,124</u>	<u>2,449,827</u>
Community Services:							
48 Daycare Program	-	310,347	310,347	316,818	(6,471)	264,031	257,560
49 Social Assistance - Client Payments	169,326	-	169,326	279,844	(110,518)	(20,647)	(131,165)
50 Social Assistance - Homemakers	61,158	-	61,158	63,407	(2,249)	-	(2,249)
51 National Child Benefit	72,216	-	72,216	72,216	-	-	-
52 Family Violence	6,952	-	6,952	6,952	-	-	-
53 Assistance - Admin	65,003	-	65,003	65,003	-	(195,092)	(195,092)
54 Indian Registry	5,555	1,180	6,735	10,334	(3,599)	(197,629)	(201,228)
55 ALIB Social Development Program	-	35,188	35,188	302,242	(267,054)	(357,580)	(624,634)
	<u>380,210</u>	<u>346,715</u>	<u>726,925</u>	<u>1,116,816</u>	<u>(389,891)</u>	<u>(506,917)</u>	<u>(896,808)</u>
Other:							
Other - Closed Programs	-	-	-	-	-	110,029	110,029
	<u>\$ 3,362,002</u>	<u>\$ 12,895,188</u>	<u>\$ 16,257,190</u>	<u>\$ 16,730,953</u>	<u>\$ (473,763)</u>	<u>\$ 4,760,741</u>	<u>\$ 4,286,978</u>
As per FNITP Report	<u>\$ 3,477,412</u>			Accumulated Surplus comprised of:			
Recoveries	<u>(115,410)</u>			Unrestricted	\$ 3,878,388	\$ 2,814,118	
	<u>\$ 3,362,002</u>			Internally Restricted Surplus	882,353	1,472,860	
					<u>\$ 4,760,741</u>	<u>\$ 4,286,978</u>	

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
BAND OPERATION
STATEMENT OF CASH FLOWS
Year ended March 31, 2016**

	2016	2015
OPERATING ACTIVITIES:		
Excess (shortfall) of revenue over expenses	\$ (473,763)	\$ 1,295,411
(Increase) decrease in:		
Grants and accounts receivable	(750,232)	1,238,450
Prepaid expenses	154,682	(166,341)
Increase (decrease) in:		
Accounts payable and accruals	549,987	(687,869)
Advances to/from Social Housing	(45,929)	143,446
Deferred revenue	2,321,498	114,326
Silviculture liability	556,656	437,184
Cash from operations	<u>2,312,899</u>	<u>2,374,607</u>
INVESTING ACTIVITIES:		
Restricted cash	(55,861)	(67,958)
Long-term investments and advances	337,918	(338,656)
Cash from (used in) investing	<u>282,057</u>	<u>(406,614)</u>
INCREASE IN CASH RESOURCES	2,594,956	1,967,993
CASH RESOURCES, beginning of year	<u>3,810,614</u>	<u>1,842,621</u>
CASH RESOURCES, end of year	<u>\$ 6,405,570</u>	<u>\$ 3,810,614</u>
CASH RESOURCES CONSISTS OF:		
Cash	\$ 5,800,901	\$ 3,225,926
Marketable securities	<u>604,669</u>	<u>584,688</u>
	<u>\$ 6,405,570</u>	<u>\$ 3,810,614</u>

See accompanying notes to financial statements.

SCHEDULE 1

(Departments 100001, 100002, 100003, 100004, 100005, 100006, 100007, 100008, 100009, 100010, 109006, 101020, 104006, 107006, 110006, 120526, 125001, 280016, 210016, 210017)

ADAMS LAKE INDIAN BAND
BAND FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Preparedness (NTRO - 001)	\$ 10,000	\$ 10,000	\$ -
New Relationship Trust	25,000	25,000	-
Other revenue	1,500	16,760	5,800
Service fee revenue	57,896	68,197	57,444
	<u>94,396</u>	<u>119,957</u>	<u>63,244</u>
EXPENSES:			
Administration (recovery)	-	-	(5,000)
Computer licenses and software	69,000	73,702	26,986
Contractors	36,915	63,394	183,527
Contractors - other	44,300	64,312	12,404
Contractors - security	164,000	156,323	162,959
Emergency preparedness	-	-	3,290
Equipment lease	-	65,208	-
Equipment purchases	7,600	8,955	17,817
Expense transfers between departments	-	(2,000)	86
Honoraria	-	60	60
Insurance	3,800	2,775	3,560
Loan payments	9,540	-	-
Meetings and ceremonies	2,000	15,651	9,352
Miscellaneous	354,425	355,547	-
Play structure and furnishings	-	-	43,359
Professional fees	-	5,449	84,310
Repairs and maintenance - vehicle	6,000	3,836	5,745
Supplies and materials	1,800	3,469	28,228
Telephone and internet	17,420	19,877	18,495
Training	18,000	1,872	10,551
Travel	29,108	15,117	23,134
Utilities - sewer agreement	29,619	33,780	25,519
Utilities - water agreement	28,277	34,634	31,846
Wages and benefits	333,303	285,490	231,486
	<u>1,155,107</u>	<u>1,207,451</u>	<u>917,714</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (1,060,711)</u>	<u>(1,087,494)</u>	<u>(854,470)</u>
DEFICIT, beginning of year		<u>(3,378,600)</u>	<u>(2,524,130)</u>
DEFICIT, end of year		<u>\$ (4,466,094)</u>	<u>\$ (3,378,600)</u>

See accompanying notes to financial statements.

(Departments 102006, 103006, 105006, 105008, 105016, 105017, 105026, 105030, 105106, 105110, 105116, 105126, 105136, 105018, 105035, 105117)

**ADAMS LAKE INDIAN BAND
RIGHTS & TITLE AND RELATED FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	Other	BCCI	Total 2016	Total 2015
REVENUE:					
Indigenous and Northern Affairs Canada:					
Negotiation Preparedness (NG85 - 001)	\$ 67,620	\$ -	\$ 67,620	\$ 67,620	\$ -
Consulting revenue - Lakes Division	-	19,406	-	19,406	304,243
Consulting revenue - RFA and other	40,000	268,245	-	268,245	229,672
Lakes Division revenue	-	56,672	-	56,672	665,979
Revenue transfers between departments	-	-	-	-	118,821
	<u>107,620</u>	<u>344,323</u>	<u>67,620</u>	<u>411,943</u>	<u>1,318,715</u>
EXPENSES:					
Administration fees between departments	-	-	1,970	1,970	-
Amortization	-	933	-	933	-
Contractors	80,668	151,116	12,297	163,413	491,092
Equipment purchases	-	-	1,938	1,938	1,987
Expense transfers between departments	-	2,150	-	2,150	1,158
Honoraria	-	-	920	920	213
Insurance	-	2,432	-	2,432	-
Meetings and ceremonies	500	17,705	3,080	20,785	8,179
Membership, dues and fees	600	857	-	857	550
Miscellaneous	-	111,487	-	111,487	11,704
Professional fees	45,000	84,436	-	84,436	56,680
Supplies and materials	1,200	11,637	118	11,755	11,858
Telephone and internet	780	6,864	-	6,864	2,427
Training	2,000	1,677	-	1,677	2,702
Travel	6,000	15,985	250	16,235	21,973
Wages and benefits	135,630	143,445	47,047	190,492	174,201
	<u>272,378</u>	<u>550,724</u>	<u>67,620</u>	<u>618,344</u>	<u>784,724</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ (164,758)</u>	<u>(206,401)</u>	<u>-</u>	<u>(206,401)</u>	533,991
DEFICIT, beginning of year		<u>(200,043)</u>	<u>-</u>	<u>(200,043)</u>	<u>(734,034)</u>
DEFICIT, end of year		<u>\$ (406,444)</u>	<u>\$ -</u>	<u>\$ (406,444)</u>	<u>\$ (200,043)</u>

(Departments 101006, 130006, 130016, 151005, 151020, 160005)

ADAMS LAKE INDIAN BAND
BAND REVENUE FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
First Nations sales tax	\$ 432,048	\$ 398,763	\$ 602,674
Forestry Consultation and Revenue Sharing Agreement	590,507	590,507	348,858
Interest income	30,200	115,732	109,044
Lease revenue	1,692,000	1,659,885	1,354,540
Other revenue	-	47,780	88,870
Sexqeltkcmc Limited Partnership (loss)	-	(208,933)	24,396
Property taxes and utilities revenue	859,552	933,779	840,745
Revenue transfers between departments	-	(180)	(457,088)
	<u>3,604,307</u>	<u>3,537,333</u>	<u>2,912,039</u>
EXPENSES:			
Advertising	-	1,338	2,341
Bad debts	-	71,868	151,607
Board of review	10,000	-	3,003
Committee expenses	38,200	24,297	16,099
Community Christmas support	20,000	20,197	18,514
Contractors	10,000	39,597	118,216
CP Lease (Kenoras Estate)	80,000	91,500	91,500
Equipment lease	-	6,126	9,008
Equipment purchases	1,500	2,252	-
Expense transfers between departments	-	-	(72,338)
Grants - additional	30,000	33,262	28,407
Grants - homeowners	12,000	11,266	11,392
Honorarium - newsletter delivery	1,500	1,200	1,099
Insurance	4,500	2,350	4,138
Landscaping	7,500	7,300	7,000
Loss on write down of asset - ALDC	-	164,613	175,426
Meetings and ceremonies	1,000	15,225	2,331
Memberships, dues and fees	1,200	1,569	1,140
Miscellaneous	3,000	79,321	37,994
New housing grants	-	-	3,000
Professional fees	31,413	36,762	47,315
Recreation fees	20,000	39,129	23,605
Subdivision maintenance	89,500	17,500	15,850
Supplies and materials	4,700	3,314	381
Telephone and internet	2,600	1,496	2,274
Training	8,000	2,647	4,816
Travel - administration	4,000	6,932	1,872
Travel - band members	15,000	21,366	16,000
Wages and benefits	123,848	59,209	38,568
Water and sundry	3,000	4,404	4,083
	<u>522,461</u>	<u>766,040</u>	<u>764,641</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 3,081,846</u>	<u>2,771,293</u>	<u>2,147,398</u>
SURPLUS, beginning of year		<u>16,006,476</u>	<u>13,859,078</u>
SURPLUS, end of year		<u>\$ 18,777,769</u>	<u>\$ 16,006,476</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
RLEMP FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
LandMgmt - Allocation (NT4X-001)	<u>\$ 87,841</u>	<u>\$ 87,841</u>	<u>\$ 84,628</u>
EXPENSES:			
Appraisal and survey fees	23,473	-	-
Equipment purchases	4,769	-	-
Supplies and materials	-	-	970
Travel	2,000	-	1,000
Wages and benefits	<u>47,555</u>	<u>87,841</u>	<u>82,658</u>
	<u>77,797</u>	<u>87,841</u>	<u>84,628</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 10,044</u>	-	-
SURPLUS, beginning of year		<u>-</u>	<u>-</u>
SURPLUS, end of year		<u>\$ -</u>	<u>\$ -</u>

**ADAMS LAKE INDIAN BAND
BCCI LAND USE PLANNING FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
Negotiation preparedness (NG85-001)	<u>\$ -</u>	<u>\$ 75,000</u>
EXPENSES:		
Expense transfers between departments	-	75,000
Honorarium	-	80
Travel (recovery)	<u>31</u>	<u>(111)</u>
	<u>31</u>	<u>74,969</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(31)	31
SURPLUS, beginning of year	<u>31</u>	<u>-</u>
SURPLUS, end of year	<u><u>\$ -</u></u>	<u><u>\$ 31</u></u>

(Departments 141006, 141016, 141026, 141036, 141046, 142006)

ADAMS LAKE INDIAN BAND
GYMNASIUM PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
First Peoples Cultural Council	\$ -	\$ -	\$ 6,500
Other revenue	2,000	5,428	1,150
Revenue transfers between departments	4,930	(12,210)	12,510
Services revenue	11,700	36,280	13,542
	<u>18,630</u>	<u>29,498</u>	<u>33,702</u>
EXPENSES:			
Advertising and marketing	4,500	4,415	1,361
Artist, mentors and resource people	-	-	2,562
Audio/video tech	-	-	1,077
Contractors	5,000	3,548	12,674
Equipment lease	1,000	1,043	1,060
Equipment purchases	66,650	27,360	35,014
Insurance	7,920	8,367	7,669
Loan payments	-	-	121,472
Meetings and ceremonies	-	-	359
Repairs and maintenance - building	16,500	12,565	11,218
Supplies and materials	14,450	18,501	12,932
Telephone and internet	2,000	2,801	1,971
Tournament expenses	-	-	-
Training	2,000	95	1,180
Travel	1,200	2,493	2,111
Utilities	30,000	25,825	24,118
Wages and benefits	88,753	94,019	90,234
Workshop facilitators	100	400	500
	<u>240,073</u>	<u>201,432</u>	<u>327,512</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (221,443)</u>	<u>(171,934)</u>	<u>(293,810)</u>
DEFICIT, beginning of year		<u>(1,888,508)</u>	<u>(1,594,698)</u>
DEFICIT, end of year		<u>\$(2,060,442)</u>	<u>\$(1,888,508)</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
BAND ADMINISTRATION FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Band support (NG0F-001)	\$ 290,251	\$ 290,251	\$ 296,083
CPP/QPP & pension (NG0M-001)	176,265	176,265	176,276
Other revenue	43,000	4,204	295
	<u>509,516</u>	<u>470,720</u>	<u>472,654</u>
EXPENSES:			
Bank charges	10,100	9,474	7,841
Contractors	-	44,073	28,788
Equipment lease	15,500	13,492	15,903
Equipment purchases	13,000	3,112	4,061
Expense transfers between departments	(60,550)	(67,553)	(77,766)
Insurance	3,000	4,381	1,978
Meetings and ceremonies	7,500	4,270	2,136
Memberships, dues and fees	5,000	1,679	5,543
Miscellaneous	12,000	7,096	11,308
Professional fees	50,000	50,262	52,100
Repairs and maintenance - computers	6,000	4,675	6,243
Staff activities	6,000	6,890	6,141
Supplies and materials	21,000	15,194	21,919
Telephone and internet	32,200	39,986	31,072
Training	10,000	7,579	7,923
Travel	24,000	12,602	18,680
Wages and benefits	772,389	631,952	662,669
	<u>927,139</u>	<u>789,164</u>	<u>806,539</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u><u>\$ (417,623)</u></u>	<u><u>(318,444)</u></u>	<u><u>(333,885)</u></u>
DEFICIT, beginning of year		<u><u>(2,820,999)</u></u>	<u><u>(2,487,114)</u></u>
DEFICIT, end of year		<u><u>\$ (3,139,443)</u></u>	<u><u>\$ (2,820,999)</u></u>

**ADAMS LAKE INDIAN BAND
CHIEF AND COUNCIL FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Band support (NG0F-001)	\$ 72,000	\$ 72,000	\$ 72,000
Other revenue	-	-	2,265
	<u>72,000</u>	<u>72,000</u>	<u>74,265</u>
EXPENSES:			
Band members travel, donations, funerals	5,000	5,515	595
Cultural heritage fund and gifts	5,000	8,478	14,033
Equipment purchases	5,000	11,916	5,214
Expense transfers between departments	-	587	1,788
Meetings and ceremonies	1,000	15,104	8,420
Telephone and internet	13,500	8,624	12,167
Travel - council	75,000	75,171	53,458
Wages and benefits	380,232	346,328	361,942
	<u>484,732</u>	<u>471,723</u>	<u>457,617</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (412,732)</u>	<u>(399,723)</u>	<u>(383,352)</u>
SURPLUS, beginning of year		<u>113,267</u>	<u>496,619</u>
SURPLUS (DEFICIT), end of year		<u>\$ (286,456)</u>	<u>\$ 113,267</u>

**ADAMS LAKE INDIAN BAND
FIRE DEPARTMENT FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Fire protection (NTMS-001)	\$ 22,652	\$ 22,652	\$ 22,526
Training - fire protection (NTMZ-001)	8,280	8,280	8,160
Other revenue	-	-	100
Services revenue	13,600	13,600	13,600
	<u>44,532</u>	<u>44,532</u>	<u>44,386</u>
EXPENSES:			
Equipment purchases	1,500	10,169	9,464
Expense transfers between departments	-	-	(250)
Honorarium	15,000	26,541	18,420
Insurance	4,000	7,675	6,373
Miscellaneous	-	1,142	249
Repairs and maintenance	6,200	2,272	799
Supplies and materials	10,600	1,431	1,373
Telephone and internet	1,900	2,678	2,515
Training	1,500	-	175
Travel	1,200	817	255
Utilities	1,600	2,062	2,045
Wages and benefits	17,930	18,105	17,591
	<u>61,430</u>	<u>72,892</u>	<u>59,009</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (16,898)</u>	(28,360)	(14,623)
DEFICIT, beginning of year		<u>(14,623)</u>	-
DEFICIT, end of year		<u>\$ (42,983)</u>	<u>\$ (14,623)</u>

**ADAMS LAKE INDIAN BAND
COMMUNITY PLANNING FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Other revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263</u>
EXPENSES:			
Contractors	40,000	144,457	-
Equipment lease	3,600	6,292	3,664
Equipment purchases	-	3,600	5,100
Expense transfers between departments	-	-	60
Meetings and ceremonies (recovery)	2,000	(4)	1,154
Miscellaneous	-	-	113
Supplies and materials	900	180	533
Telephone and internet	200	11	4
Training (recovery)	1,000	-	(30)
Travel (recovery)	1,000	232	(1,144)
Wages and benefits	34,327	25,225	34,930
	<u>83,027</u>	<u>179,993</u>	<u>44,384</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u><u>\$ (83,027)</u></u>	<u>(179,993)</u>	<u>(44,121)</u>
DEFICIT, beginning of year		<u>(44,121)</u>	<u>-</u>
DEFICIT, end of year		<u><u>\$ (224,114)</u></u>	<u><u>\$ (44,121)</u></u>

**ADAMS LAKE INDIAN BAND
ECONOMIC DEVELOPMENT FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
A&C Water - <1.5M (NTF6-001)	\$ -	\$ 75,265
Admin fees - ALDC	<u>100,051</u>	<u>97,011</u>
	<u>100,051</u>	<u>172,276</u>
EXPENSES:		
Wages and benefits	<u>100,546</u>	<u>99,674</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(495)	72,602
DEFICIT, beginning of year	<u>(429,444)</u>	<u>(502,046)</u>
DEFICIT, end of year	<u>\$ (429,939)</u>	<u>\$ (429,444)</u>

**ADAMS LAKE INDIAN BAND
CEDP FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
EcDev-Allocations (NT45-001)	<u>\$ 40,033</u>	<u>\$ 40,033</u>	<u>\$ 40,756</u>
EXPENSES:			
Contractors	40,756	40,033	56,377
Expense transfers between departments	-	-	200
Miscellaneous	50,000	-	46
Professional fees	-	-	540
	<u>90,756</u>	<u>40,033</u>	<u>57,163</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (50,723)</u>	-	(16,407)
DEFICIT, beginning of year		<u>(16,407)</u>	-
DEFICIT, end of year		<u>\$ (16,407)</u>	<u>\$ (16,407)</u>

(Departments 270030, 271110, 271119, 277009, 277209)

ADAMS LAKE INDIAN BAND
ALIB ECONOMIC DEVELOPMENT PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENSES:			
Bad debts	-	5,008	-
Contractors	-	17,965	-
Loan payments	75,465	75,293	75,393
Miscellaneous	-	-	383
Other direct costs	-	262	1,017
Wages and benefits	-	-	53
	<u>75,465</u>	<u>98,528</u>	<u>76,846</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u><u>\$ (75,465)</u></u>	<u>(98,528)</u>	<u>(76,846)</u>
DEFICIT, beginning of year		<u>(389,289)</u>	<u>(312,443)</u>
DEFICIT, end of year		<u><u>\$ (487,817)</u></u>	<u><u>\$ (389,289)</u></u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
EDUCATION ADMINISTRATION FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Guidance and counselling (NP13-001)	<u>\$ 15,544</u>	<u>\$ 15,544</u>	<u>\$ 14,472</u>
EXPENSES:			
Equipment lease	4,200	3,761	4,456
Equipment purchases	-	2,507	-
Expense transfers between departments	-	(538)	(1,525)
Insurance	2,050	2,527	1,968
Meetings and ceremonies	500	138	-
Supplies and materials	2,300	1,214	2,113
Telephone and internet	1,650	1,631	2,341
Training (recovery)	-	(550)	-
Travel	7,000	5,112	6,055
Wages and benefits	106,311	63,872	95,866
	<u>124,011</u>	<u>79,674</u>	<u>111,274</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (108,467)</u>	(64,130)	(96,802)
DEFICIT, beginning of year		<u>(855,722)</u>	<u>(758,920)</u>
DEFICIT, end of year		<u>\$ (919,852)</u>	<u>\$ (855,722)</u>

**ADAMS LAKE INDIAN BAND
K-12 ADMINISTRATION FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Ancillary support (NP0S-001)	\$ 16,720	\$ 16,720	\$ 14,740
Financial assistance allowances (NP12-001)	8,690	8,690	5,940
Tuition agreements (NP0R-001)	659,352	659,352	650,796
Other revenue	-	-	27,720
	<u>684,762</u>	<u>684,762</u>	<u>699,196</u>
EXPENSES:			
LEA	488,000	761,449	528,237
Student allowances	5,500	5,092	6,375
Student supplies	9,900	17,864	13,786
	<u>503,400</u>	<u>784,405</u>	<u>548,398</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 181,362</u>	<u>(99,643)</u>	150,798
SURPLUS, beginning of year		<u>150,798</u>	-
SURPLUS, end of year		<u>\$ 51,155</u>	<u>\$ 150,798</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
POST SECONDARY FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2014/15	2015/16	Total 2016	Total 2015
REVENUE:					
Indigenous and Northern Affairs Canada:					
Post secondary student support (NP5A-001)	<u>\$ 282,728</u>	<u>\$ -</u>	<u>\$ 282,728</u>	<u>\$ 282,728</u>	<u>\$ 283,581</u>
EXPENSES:					
Administration fees between departments	-	5,328	10,072	15,400	-
Books and supplies	60,000	2,245	4,244	6,489	6,485
Training allowance	190,000	42,078	79,548	121,626	158,282
Tuition	<u>35,000</u>	<u>21,857</u>	<u>41,314</u>	<u>63,171</u>	<u>47,306</u>
	<u>285,000</u>	<u>71,508</u>	<u>135,178</u>	<u>206,686</u>	<u>212,073</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u><u>\$ (2,272)</u></u>	<u><u>(71,508)</u></u>	<u><u>147,550</u></u>	<u><u>76,042</u></u>	<u><u>71,508</u></u>
SURPLUS, beginning of year		<u><u>71,508</u></u>	<u><u>-</u></u>	<u><u>71,508</u></u>	<u><u>-</u></u>
SURPLUS, end of year		<u><u>\$ -</u></u>	<u><u>\$ 147,550</u></u>	<u><u>\$ 147,550</u></u>	<u><u>\$ 71,508</u></u>

**ADAMS LAKE INDIAN BAND
EDUCATION SUPPORT FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Comp education support services (NP1B-001)	\$ 16,796	\$ 16,796	\$ 14,807
Other revenue	-	1,038	-
	<u>16,796</u>	<u>17,834</u>	<u>14,807</u>
EXPENSES:			
Equipment purchases	2,730	5,162	8,961
Expense transfers between departments	-	-	517
Meetings and ceremonies	2,000	2,484	180
Miscellaneous	4,940	5,315	290
Supplies and materials	250	-	-
Wages and benefits	-	4,873	-
	<u>9,920</u>	<u>17,834</u>	<u>9,948</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 6,876</u>	-	4,859
SURPLUS, beginning of year		<u>4,859</u>	-
SURPLUS, end of year		<u>\$ 4,859</u>	<u>\$ 4,859</u>

**ADAMS LAKE INDIAN BAND
SCHOOL BUS FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Project revenue	<u>\$ 36,712</u>	<u>\$ 25,690</u>	<u>\$ 34,599</u>
EXPENSES:			
Expense transfers between departments	-	-	(1,087)
Insurance	3,000	2,851	3,425
Repairs and maintenance - equipment	4,000	1,725	4,833
Telephone and internet	864	1,050	1,068
Utilities	75	86	80
Vehicle fuel and oil	6,000	5,309	5,880
Wages and benefits	<u>47,282</u>	<u>51,014</u>	<u>51,521</u>
	<u>61,221</u>	<u>62,035</u>	<u>65,720</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (24,509)</u>	(36,345)	(31,121)
DEFICIT, beginning of year		<u>(31,121)</u>	-
DEFICIT, end of year		<u>\$ (67,466)</u>	<u>\$ (31,121)</u>

**ADAMS LAKE INDIAN BAND
COMMUNITY CENTRE FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE	<u>\$ -</u>	<u>\$ -</u>
EXPENSES:		
Equipment lease	-	505
Telephone and internet	1,217	1,161
Utilities	2,952	2,570
	<u>4,169</u>	<u>4,236</u>
SHORTFALL OF REVENUE OVER EXPENSES	(4,169)	(4,236)
DEFICIT, beginning of year	<u>(111,442)</u>	<u>(107,206)</u>
DEFICIT, end of year	<u><u>\$ (115,611)</u></u>	<u><u>\$ (111,442)</u></u>

SCHEDULE 20

(Departments 304012, 304022, 311052, 312062, 313062, 314062, 304000)

ADAMS LAKE INDIAN BAND
NRT/FNESC EDUCATION PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE:		
New Relationship Trust	\$ -	\$ 2,000
EXPENSES:		
Contractors	<u> -</u>	<u> 2,000</u>
EXCESS OF REVENUE OVER EXPENSES	-	-
SURPLUS, beginning of year	<u> 15,709</u>	<u> 15,709</u>
SURPLUS, end of year	<u><u> \$ 15,709</u></u>	<u><u> \$ 15,709</u></u>

See accompanying notes to financial statements.

SCHEDULE 21

(Departments 320052, 320200, 320300, 320310, 320320, 320330, 320400, 320410, 320500, 320600, 320700, 320800, 320900, 321000, 321052, 321100, 321200, 321300, 322052, 320000)

ADAMS LAKE INDIAN BAND
ASET - EDUCATION PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Aboriginal Skills and Employment Training	<u>\$ 65,291</u>	<u>\$ 78,932</u>	<u>\$ 70,616</u>
EXPENSES:			
Contractors	19,705	19,705	9,113
Expense transfers between departments	539	538	3,695
Miscellaneous	470	470	-
Supplies	6,750	-	-
Training	1,937	1,980	26,095
Wages and benefits	<u>49,187</u>	<u>55,972</u>	<u>31,050</u>
	<u>78,588</u>	<u>78,665</u>	<u>69,953</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ (13,297)</u>	267	663
DEFICIT, beginning of year		<u>(44,185)</u>	<u>(44,848)</u>
DEFICIT, end of year		<u>\$ (43,918)</u>	<u>\$ (44,185)</u>

See accompanying notes to financial statements.

(Departments 300014, 300016, 300018, 300100, 304200, 311062, 313992, 316010, 316062)

ADAMS LAKE INDIAN BAND
ALIB - EDUCATION PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Aboriginal Skills and Employment Training	\$ -	\$ -	\$ 5,522
New Relationship Trust	-	-	7,000
Other revenue	13,250	-	2,300
	<u>13,250</u>	<u>-</u>	<u>14,822</u>
EXPENSES:			
Contractors	350	-	-
Bursaries	5,000	-	-
Expense transfers between departments	-	-	(1,006)
Miscellaneous	3,150	-	-
Supplies and materials	3,750	-	5,805
Travel	450	-	-
Wages and benefits	-	-	13,457
Workshops	5,350	-	-
	<u>18,050</u>	<u>-</u>	<u>18,256</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (4,800)</u>	-	(3,434)
SURPLUS, beginning of year		<u>2,620</u>	<u>6,054</u>
SURPLUS, end of year		<u>\$ 2,620</u>	<u>\$ 2,620</u>

ADAMS LAKE INDIAN BAND
CHIEF ATAHM SCHOOL PROGRAM - INSTRUCTION AND ADMINISTRATION FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Instruc serv formula (NP05-001)	\$ 923,646	\$ 923,646	\$ 870,703
Instruc serv formula (NP05-002)	8,903	8,903	-
Student transport (NP18-001)	-	-	8,177
Other revenue	-	820	245
	<u>932,549</u>	<u>933,369</u>	<u>879,125</u>
EXPENSES:			
Contractors	15,000	9,372	21,025
Equipment lease	-	386	-
Expense transfers between departments	-	(1,853)	13,214
Honorarium	300	550	-
Insurance	6,150	7,643	6,294
Meetings and ceremonies	10,000	13,257	6,750
Membership, dues and fees	600	847	640
Recreation fees	4,000	1,940	3,994
Repairs and maintenance	24,000	25,476	18,125
Student supplies	15,000	16,324	17,836
Supplies and materials	19,800	22,869	24,406
Telephone and internet	6,750	10,075	2,856
Training	4,700	914	1,092
Travel - administration	10,000	8,148	8,119
Travel - students	500	6,832	14,346
Utilities	12,000	12,664	11,228
Wages and benefits	822,664	814,386	798,711
	<u>951,464</u>	<u>949,830</u>	<u>948,636</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (18,915)</u>	(16,461)	(69,511)
SURPLUS (DEFICIT), beginning of year		<u>(45,738)</u>	<u>23,773</u>
DEFICIT, end of year		<u>\$ (62,199)</u>	<u>\$ (45,738)</u>

ADAMS LAKE INDIAN BAND
CHIEF ATAHM SCHOOL PROGRAM - SUPPORT SERVICES FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Comp education support srv (NP1A-001)	<u>\$ 8,840</u>	<u>\$ 8,840</u>	<u>\$ 9,061</u>
EXPENSES:			
Contractors	-	-	253
Student supplies	-	2,524	12,821
Supplies and materials	-	638	127
Wages and benefits	-	5,678	-
	<u>-</u>	<u>8,840</u>	<u>13,201</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 8,840</u>	-	(4,140)
DEFICIT, beginning of year		<u>(4,140)</u>	<u>-</u>
DEFICIT, end of year		<u>\$ (4,140)</u>	<u>\$ (4,140)</u>

(Departments 338012, 341062, 341162, 342062, 343062, 344062, 345062, 346062, 347062, 347162,
348062, 349062, 383062, 384062, 385062)

ADAMS LAKE INDIAN BAND
FNESC/FNSA - CHIEF ATAHM SCHOOL PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
First Nations Education Steering Committee & First Nations Schools Association	\$ 87,917	\$ 222,555	\$ 130,051
EXPENSES:			
Administration	8,390	598	-
Contractors	-	37,955	17,813
Expense transfers between departments	-	-	2,143
Honorarium	-	1,149	500
Meetings and ceremonies	1,500	2,114	919
Student supplies	-	413	3,589
Supplies and materials	1,500	4,697	3,511
Training	864	2,571	2,667
Travel	1,000	2,373	3,812
Wages and benefits	73,316	154,306	86,462
	<u>86,570</u>	<u>206,176</u>	<u>121,416</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 1,347</u>	16,379	8,635
SURPLUS, beginning of year		<u>14,667</u>	<u>6,032</u>
SURPLUS, end of year		<u>\$ 31,046</u>	<u>\$ 14,667</u>

(Departments 335012, 336012, 337012, 352522, 353522, 354522, 355522, 356522, 357522, 381062, 388062)

**ADAMS LAKE INDIAN BAND
ALIB - CHIEF ATAHM SCHOOL PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
FPHLCC - First Peoples Award	\$ 46,361	\$ 46,361	\$ 20,000
Other revenue	-	23,937	20,875
Project revenue	35,466	16,505	53,341
	<u>81,827</u>	<u>86,803</u>	<u>94,216</u>
EXPENSES:			
Administration (recovery)	1,255	1,255	(1,500)
Contractors	-	14,116	12,301
Expense transfers between departments	-	(6,400)	(3,762)
Honorarium	-	1,200	100
Meetings and ceremonies	-	360	2,367
Miscellaneous	-	-	1,275
Supplies and materials	2,800	6,580	17,173
Telephone and internet	400	1,722	2,123
Travel	-	492	2,979
Wages and benefits	77,372	81,855	73,060
	<u>81,827</u>	<u>101,180</u>	<u>106,116</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ -</u>	(14,377)	(11,900)
DEFICIT, beginning of year		<u>(48,733)</u>	<u>(36,833)</u>
DEFICIT, end of year		<u>\$ (63,110)</u>	<u>\$ (48,733)</u>

ADAMS LAKE INDIAN BAND
INAC - PUBLIC WORKS PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	Water (NTFG-001)	Safe Water (NTFU-001)	Municipal (NTMV-001)
REVENUE:				
Indigenous and Northern Affairs Canada:				
Community buildings (NTMW-001)	\$ 23,757	\$ -	\$ -	\$ -
Municipal services (NTMV-001)	110,085	-	-	110,085
Roads and bridges (NTMT-001)	42,762	-	-	-
Safe water operations (NTFU-001)	37,440	-	37,440	-
Wastewater systems (NTFF-001)	18,840	-	-	-
Water systems (NTFG-001)	49,638	49,638	-	-
Electrical Systems (NTMU-001)	5,000	-	-	-
Recovery of prior year	-	-	-	-
Other revenue	8,000	-	-	3,614
Revenue transfers between departments	-	-	-	-
	<u>295,522</u>	<u>49,638</u>	<u>37,440</u>	<u>113,699</u>
EXPENSES:				
Administration (recovery)	-	-	-	-
Contractors - maintenance	-	-	-	-
Contractors - other	70,000	10,197	-	-
Contractors - roads	35,000	-	-	-
CP lands - water and sewer	35,000	35,312	-	-
Equipment lease	-	-	-	-
Equipment purchases (recovery)	49,000	-	-	-
Expense transfers between departments	(48,278)	-	-	-
Insurance	7,650	1,346	-	-
Miscellaneous	500	-	-	-
MTSA - Chase sewer	10,140	-	-	8,648
MTSA - CSRD service agreement	350	-	-	9,908
MTSA - CSRD service agreement ALIB	-	-	-	28,621
MTSA - DSA - fire and transportation	24,294	-	-	64,657
MTSA - DSA - water	40,703	-	-	47,274
MTSA - hydro street lighting	6,400	-	-	9,206
MTSA - LSIB garbage disposal	33,775	-	-	25,763
MTSA - TNRD 911	3,300	-	-	1,650
MTSA - TNRD annual refuse	30,915	-	-	24,306
MTSA - Transit service IR#6 Salmon Arm	22,000	-	-	30,291
Repairs and maintenance - appliances	-	-	-	-
Repairs and maintenance - buildings	71,000	511	-	-
Repairs and maintenance - equipment	10,000	14,069	-	-
Repairs and maintenance - vehicle	10,000	-	-	-
Supplies and materials	13,500	2,564	-	-
Telephone and internet	8,028	985	-	-
Training (recovery)	3,000	(855)	-	-
Travel - administration	40,000	2,603	-	-
Utilities - gas	8,500	-	-	-
Utilities - hydro	20,000	-	-	-
Wages and benefits	485,443	56,647	37,440	-
	<u>990,220</u>	<u>123,379</u>	<u>37,440</u>	<u>250,324</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (694,698)</u>	<u>(73,741)</u>	<u>-</u>	<u>(136,625)</u>
SURPLUS (DEFICIT), beginning of year		<u>(84,490)</u>	<u>19,203</u>	<u>(127,527)</u>
SURPLUS (DEFICIT), end of year		<u>\$ (158,231)</u>	<u>\$ 19,203</u>	<u>\$ (264,152)</u>

See accompanying notes to financial statements.

SCHEDULE 27

(Departments 400013, 400023, 400033, 405013, 417003, 417006, 418003, 419003, 419004, 430013)

ADAMS LAKE INDIAN BAND
INAC - PUBLIC WORKS PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

Maintenance (NTFF/NTMU/ NTMT/NTMW)	Lands Lease	Elders Maintenance	2016	2015
\$ 23,757	\$ -	\$ -	\$ 23,757	\$ 23,996
-	-	-	110,085	107,380
42,762	-	-	42,762	42,614
-	-	-	37,440	37,440
18,840	-	-	18,840	23,815
-	-	-	49,638	48,983
5,000	-	-	5,000	-
-	-	-	-	(4,178)
16,920	-	-	20,534	71,857
33,132	-	-	33,132	7,890
<u>140,411</u>	<u>-</u>	<u>-</u>	<u>341,188</u>	<u>359,797</u>
(27,500)	-	-	(27,500)	(14,253)
-	-	-	-	11,747
61,384	11,384	3,800	86,766	75,596
60,801	-	-	60,801	31,655
-	-	-	35,312	45,636
4,614	-	-	4,614	5,000
(70)	-	-	(70)	44,397
(36,331)	-	-	(36,331)	(34,239)
15,495	-	1,975	18,816	10,355
10,392	-	-	10,392	66,288
-	-	-	8,648	12,799
-	-	-	9,908	43,043
-	-	-	28,621	26,752
-	-	-	64,657	68,382
-	-	-	47,274	314
-	-	-	9,206	8,385
-	-	-	25,763	30,916
-	-	-	1,650	3,300
-	-	-	24,306	17,118
-	-	-	30,291	27,779
-	-	420	420	160
109,142	-	17,164	126,817	144,607
4,184	-	-	18,253	15,291
12,659	-	-	12,659	15,886
14,233	-	-	16,797	19,405
6,149	-	-	7,134	6,318
1,188	-	-	333	1,396
41,135	-	-	43,738	47,180
10,751	-	-	10,751	11,736
22,757	-	-	22,757	19,822
376,818	-	-	470,905	308,842
<u>687,801</u>	<u>11,384</u>	<u>23,359</u>	<u>1,133,688</u>	<u>1,071,613</u>
(547,390)	(11,384)	(23,359)	(792,500)	(711,816)
<u>(2,437,726)</u>	<u>(12,572)</u>	<u>(21,818)</u>	<u>(2,664,930)</u>	<u>(1,953,114)</u>
<u><u>\$ (2,985,116)</u></u>	<u><u>\$ (23,956)</u></u>	<u><u>\$ (45,177)</u></u>	<u><u>\$ (3,457,430)</u></u>	<u><u>\$ (2,664,930)</u></u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
ALIB - HOUSING INITIATIVE PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Housing rent	\$ 12,000	\$ 11,884	\$ 14,724
Replacement reserve from Pre-1997	-	17,614	-
	<u>12,000</u>	<u>29,498</u>	<u>14,724</u>
EXPENSES:			
Bad debts	-	-	66,479
Expense transfers between departments	(22,968)	-	650
Insurance	13,400	17,189	1,378
Meetings and ceremonies	7,000	3,882	7,752
Miscellaneous	-	8,893	143
Repairs and maintenance	5,000	4,690	10,150
Supplies and materials	200	23	38
Telephone and internet	1,728	1,458	1,377
Training	1,000	846	107
Travel	5,000	3,064	9,417
Wages and benefits	91,528	70,150	178,415
	<u>101,888</u>	<u>110,195</u>	<u>275,906</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (89,888)</u>	<u>(80,697)</u>	(261,182)
DEFICIT, beginning of year		<u>(1,058,070)</u>	<u>(796,888)</u>
DEFICIT, end of year		<u><u>\$(1,138,767)</u></u>	<u><u>\$(1,058,070)</u></u>

**ADAMS LAKE INDIAN BAND
HOUSING CONSTRUCTION PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE:		
CMHC mortgage proceeds (recovery)	<u>\$ (393)</u>	<u>\$ 308,700</u>
EXPENSES:		
Appliances	-	4,439
Building construction	-	166,479
Contractors	-	10,379
Interest expense	-	3,000
Landscaping	-	4,738
Onsite service	-	2,273
Professional fees	-	1,000
Project management	-	6,000
Window coverings	-	2,113
	<u>-</u>	<u>200,421</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(393)	108,279
DEFICIT, beginning of year	<u>(58,394)</u>	<u>(166,673)</u>
DEFICIT, end of year	<u><u>\$ (58,787)</u></u>	<u><u>\$ (58,394)</u></u>

ADAMS LAKE INDIAN BAND
HOUSING CPMS #11401 NAHS STREAM 3 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
Housing funds (NTLO-002)	\$ -	\$ 63,648
EXPENSES:		
Contractors	<u>-</u>	<u>63,648</u>
EXCESS OF REVENUE OVER EXPENSES	-	-
SURPLUS, beginning of year	<u>14,491</u>	<u>14,491</u>
SURPLUS, end of year	<u><u>\$ 14,491</u></u>	<u><u>\$ 14,491</u></u>

ADAMS LAKE INDIAN BAND
HOUSING CPMS #11396 NAHS STREAM 2 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
Housing funds (NTL0-001)	\$ -	\$ 29,700
EXPENSES:		
Contractors	<u>-</u>	<u>30,950</u>
SHORTFALL OF REVENUE OVER EXPENSES	-	(1,250)
DEFICIT, beginning of year	<u>(1,250)</u>	<u>-</u>
DEFICIT, end of year	<u><u>\$ (1,250)</u></u>	<u><u>\$ (1,250)</u></u>

SCHEDULE 32

(Departments 500013, 501001, 501003, 501004, 501005, 501006, 501007, 501008,
501009, 501010, 501011, 501033, 502033, 503033, 508013, 530033, 531033, 532033,
533033)

ADAMS LAKE INDIAN BAND
HOUSING RENOVATIONS PROGRAMS FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE	\$ -	\$ -
EXPENSES	<u>-</u>	<u>-</u>
EXCESS OF REVENUE OVER EXPENSES	-	-
DEFICIT, beginning of year	<u>(1,482)</u>	<u>(1,482)</u>
DEFICIT, end of year	<u><u>\$ (1,482)</u></u>	<u><u>\$ (1,482)</u></u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
ACRS 2011 GROUP 2 CMS #09-11-1054 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE	\$ -	\$ -
EXPENSES:		
Contractors	<u>-</u>	<u>(12,100)</u>
EXCESS OF REVENUE OVER EXPENSES	-	12,100
SURPLUS, beginning of year	<u>676,125</u>	<u>664,025</u>
SURPLUS, end of year	<u><u>\$ 676,125</u></u>	<u><u>\$ 676,125</u></u>

ADAMS LAKE INDIAN BAND
ICMS 9-00114017 ACRS 2014 GRP 2 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
Special services (NTMC-001)	\$ -	\$ 59,809
Recovery prior year (NTMC-001)	<u>(59,809)</u>	<u>-</u>
	<u>(59,809)</u>	<u>59,809</u>
EXPENSES	<u>-</u>	<u>-</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(59,809)	59,809
SURPLUS, beginning of year	<u>59,809</u>	<u>-</u>
SURPLUS, end of year	<u><u>\$ -</u></u>	<u><u>\$ 59,809</u></u>

**ADAMS LAKE INDIAN BAND
LOAKIN BEAR CREEK DAM (CPMS #10775) FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
Municipal services (NTMA-001)	\$ -	\$ 32,280
EXPENSES:		
Contractors	<u>83,584</u>	<u>27,978</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(83,584)	4,302
SURPLUS, beginning of year	<u>4,302</u>	<u>-</u>
SURPLUS (DEFICIT), end of year	<u><u>\$ (79,282)</u></u>	<u><u>\$ 4,302</u></u>

ADAMS LAKE INDIAN BAND
IR 4 WATER SYSTEM AND TREATMENT CPMS #9361 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE	\$ -	\$ -
EXPENSES:		
Contractors	<u>-</u>	<u>10,613</u>
SHORTFALL OF REVENUE OVER EXPENSES	-	(10,613)
DEFICIT, beginning of year	<u>(10,613)</u>	<u>-</u>
DEFICIT, end of year	<u><u>\$ (10,613)</u></u>	<u><u>\$ (10,613)</u></u>

**ADAMS LAKE INDIAN BAND
BUS PURCHASES FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE	\$ -	\$ -
EXPENSES:		
Equipment purchases	<u>-</u>	<u>179,493</u>
SHORTFALL OF REVENUE OVER EXPENSES	-	(179,493)
DEFICIT, beginning of year	<u>(179,493)</u>	<u>-</u>
DEFICIT, end of year	<u><u>\$ (179,493)</u></u>	<u><u>\$ (179,493)</u></u>

ADAMS LAKE INDIAN BAND
BURIAL SITE RECLAMATION CPMS #11532 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	2016	2015
REVENUE:		
Indigenous and Northern Affairs Canada:		
Community buildings (NTMB-001)	\$ -	\$ 87,817
EXPENSES:		
Contractors	<u>20,603</u>	<u>9,327</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(20,603)	78,490
SURPLUS, beginning of year	<u>78,490</u>	<u>-</u>
SURPLUS, end of year	<u>\$ 57,887</u>	<u>\$ 78,490</u>

ADAMS LAKE INDIAN BAND
CAS PORTABLES - CPMS #11577 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Edu pln desgn & constr <1.5M (NTHA-001)	<u>\$ 7,918</u>	<u>\$ 7,918</u>	<u>\$ 204,304</u>
EXPENSES:			
Contractors	-	140,869	61,508
Supplies and materials	-	7,604	-
Wages and benefits	-	2,241	-
	<u>-</u>	<u>150,714</u>	<u>61,508</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 7,918</u>	<u>(142,796)</u>	142,796
SURPLUS, beginning of year		<u>142,796</u>	-
SURPLUS, end of year		<u>\$ -</u>	<u>\$ 142,796</u>

**ADAMS LAKE INDIAN BAND
ROAD MAINTENANCE FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	2016	2015
REVENUE	\$ -	\$ -
EXPENSES:		
Contractors	<u>810</u>	<u>1,880</u>
SHORTFALL OF REVENUE OVER EXPENSES	(810)	(1,880)
DEFICIT, beginning of year	<u>(1,880)</u>	<u>-</u>
DEFICIT, end of year	<u><u>\$ (2,690)</u></u>	<u><u>\$ (1,880)</u></u>

**ADAMS LAKE INDIAN BAND
FLOOD MITIGATION CPMS #11599 FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Flood Mitigation (NTPF-001)	\$ 30,000	\$ 30,000	\$ -
EXPENSES:			
Contractors	-	21,668	-
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 30,000</u>	<u>8,332</u>	-
SURPLUS, beginning of year		-	-
SURPLUS, end of year		<u>\$ 8,332</u>	<u>\$ -</u>

(Departments 610000, 611110, 611120, 611130, 611140, 611210, 611220, 611222, 611230, 611310, 611320, 612110, 612120, 612223, 613210, 630000, 631113, 650000, 656110, 656120, 656130, 656140, 656150, 656310)

ADAMS LAKE INDIAN BAND
FIRST NATIONS HEALTH AUTHORITY TRANSFER AGREEMENT FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 988,181	\$ 970,181	\$ 956,827
Prior year recovery	-	(11,834)	(8,239)
Other revenue	-	18,110	-
	<u>988,181</u>	<u>976,457</u>	<u>948,588</u>
EXPENSES:			
Aboriginal healing	-	-	2,360
Administration	67,553	67,553	83,329
Contractors	120,843	122,398	156,183
Equipment lease	5,500	17,547	17,512
Equipment purchase	16,019	16,188	83,062
FASD	2,000	1,464	245
Honorarium	2,500	250	-
Insurance	3,000	6,133	6,462
Meetings and ceremonies	32,390	37,169	11,749
Memberships, dues and fees	1,500	1,479	1,114
Miscellaneous	-	-	4
Repairs and maintenance - building	5,000	10,572	3,496
Repairs and maintenance - equipment	7,500	10,032	3,348
Special needs	-	1,581	2,150
Supplies and materials	56,327	47,316	32,242
Telephone and internet	4,600	4,555	3,399
Training	20,291	14,832	2,875
Travel	38,720	62,050	44,081
Utilities	10,000	10,330	9,267
Wages and benefits	584,359	529,275	425,163
	<u>978,102</u>	<u>960,724</u>	<u>888,041</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 10,079</u>	15,733	60,547
SURPLUS, beginning of year		<u>612,030</u>	<u>551,483</u>
SURPLUS, end of year		<u>\$ 627,763</u>	<u>\$ 612,030</u>

(Departments 660000, 661010, 661020, 661030, 670000, 670030, 671010, 671020, 671030, 671040, 680000, 680010, 680020)

**ADAMS LAKE INDIAN BAND
ALIB - HEALTH PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Little Shuswap Lake Indian Band:			
Maternal child health program	\$ 35,632	\$ 37,591	\$ 35,632
Local Agency - other	-	21,030	20,659
Other revenue	-	6,833	3,000
	<u>35,632</u>	<u>65,454</u>	<u>59,291</u>
EXPENSES:			
Community/staff wellness day	-	1,599	4,995
Expense transfers between departments	-	-	750
Meetings and ceremonies	27	24,045	-
Miscellaneous	2,500	624	1,425
Supplies and materials	20,500	21,061	11,996
Training	1,000	-	250
Travel	15,500	8,589	6,138
Wages and benefits	26,105	33,437	53,918
	<u>65,632</u>	<u>89,355</u>	<u>79,472</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (30,000)</u>	(23,901)	(20,181)
SURPLUS (DEFICIT), beginning of year		<u>(1,246)</u>	18,935
DEFICIT, end of year		<u>\$ (25,147)</u>	<u>\$ (1,246)</u>

(Departments 700000, 700010, 700100, 700200, 700201, 700202, 700227, 700204, 700205, 700206, 700207, 700228, 700209, 700210, 700211, 700212, 700213, 700214, 700215, 700216, 700217, 700218, 700219, 700220, 700229, 700222, 700223, 700224, 700225, 700226, 700300, 700301, 700302, 700303, 700304, 700305, 700230, 700307, 700308, 700309, 700400, 700500, 700600, 700714, 700231)

ADAMS LAKE INDIAN BAND
CULTURAL RESOURCES AND ARCHAEOLOGY PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Adams Lake parks and recreation	\$ 12,500	\$ 17,450	\$ 14,444
Consulting services	3,140,825	3,176,297	4,390,280
Other revenue	2,000	10,446	4,515
Provincial government	63,425	63,425	-
Revenue transfers between departments	42,047	-	35,000
	<u>3,260,797</u>	<u>3,267,618</u>	<u>4,444,239</u>
EXPENSES:			
Contractors	1,172,948	1,174,597	1,815,084
Equipment lease	6,600	6,500	6,038
Equipment purchases	2,000	17,803	75,868
Expense transfers between departments	-	2,864	(1,822)
Insurance	17,700	16,478	17,108
Interest expense	7,000	4,676	4,900
Memberships, dues and fees	600	1,507	517
Miscellaneous (recovery)	806	806	(28)
Repairs and maintenance - equipment	2,000	618	-
Repairs and maintenance - vehicles	15,000	32,394	34,229
Supplies and materials	38,521	60,898	118,929
Telephone and internet	2,600	2,978	1,850
Training	7,000	1,450	4,872
Travel	57,728	52,354	59,587
Utilities	6,000	6,777	6,613
Vehicle fuel and oil	-	-	65
Wages and benefits	1,167,716	889,943	1,309,129
	<u>2,504,219</u>	<u>2,272,643</u>	<u>3,452,939</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 756,578</u>	994,975	991,300
SURPLUS, beginning of year		<u>1,987,691</u>	<u>996,391</u>
SURPLUS, end of year		<u>\$ 2,982,666</u>	<u>\$ 1,987,691</u>

(Departments 710000, 710001, 710100, 710200, 710300, 710600)

ADAMS LAKE INDIAN BAND
GIS PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Consulting services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,502</u>
EXPENSES:			
Supplies and materials	19,000	15,891	16,959
Training	3,000	-	2,584
Travel	1,000	1,663	474
Wages and benefits	58,495	43,413	39,742
	<u>81,495</u>	<u>60,967</u>	<u>59,759</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (81,495)</u>	(60,967)	(48,257)
DEFICIT, beginning of year		<u>(322,134)</u>	<u>(273,877)</u>
DEFICIT, end of year		<u>\$ (383,101)</u>	<u>\$ (322,134)</u>

(Departments 720000, 720001, 720010, 720020, 720101, 720102, 720103, 720104, 720105, 720106, 720107, 720118, 720201, 720300, 730101, 730102, 730202, 730203, 730204, 730205, 730206, 730207, 230208, 230209, 230301, 730302, 730303, 730401, 730410, 730500, 730501, 730502, 73503, 730510, 730512, 730520, 730601, 730602, 730610, 730611, 730612, 730701, 740101, 740102, 780000)

**ADAMS LAKE INDIAN BAND
FORESTRY PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Log and fibre sales	\$ 3,190,000	\$ 3,473,686	\$ 2,679,744
Other revenue	-	2,718	2,000
	<u>3,190,000</u>	<u>3,476,404</u>	<u>2,681,744</u>
EXPENSES:			
Contractors	573,671	288,624	466,315
CP development	-	89,504	204,610
Equipment purchases	-	-	250
Hauling	414,967	516,622	279,823
Logging	592,791	612,051	599,870
Miscellaneous	40,000	58,030	29,745
Reforestation	28,538	697,901	555,168
Repairs and maintenance - vehicle	-	3,371	-
Road construction and deactivation	-	-	4,631
Stumpage	1,095,194	1,119,671	242,006
Supplies and materials	642	9,886	4,957
Travel	250	6,152	1,022
Wages and benefits	7,282	90,828	23,808
	<u>2,753,335</u>	<u>3,492,640</u>	<u>2,412,205</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 436,665</u>	<u>(16,236)</u>	269,539
DEFICIT, beginning of year		<u>(235,392)</u>	<u>(504,931)</u>
DEFICIT, end of year		<u>\$ (251,628)</u>	<u>\$ (235,392)</u>

(Departments 790084, 791524, 792084, 793084, 794084, 795084, 796004, 798010)

**ADAMS LAKE INDIAN BAND
FISHERIES PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Contract revenue	\$ 108,350	\$ 124,965	\$ 66,242
Other revenue	-	-	5,757
	<u>108,350</u>	<u>124,965</u>	<u>71,999</u>
EXPENSES:			
Contract services	25,000	45,776	-
Insurance	-	686	176
Supplies and materials	6,611	2,855	10,835
Travel	3,472	3,047	2,607
Wages and benefits	56,867	30,670	40,397
	<u>91,950</u>	<u>83,034</u>	<u>54,015</u>
EXCESS OF REVENUE OVER EXPENSES	<u><u>\$ 16,400</u></u>	41,931	17,984
SURPLUS, beginning of year		<u>59,959</u>	<u>41,975</u>
SURPLUS, end of year		<u><u>\$ 101,890</u></u>	<u><u>\$ 59,959</u></u>

(Departments 800521, 801521, 802041, 802201, 803041, 804041, 804042, 804043, 804044)

ADAMS LAKE INDIAN BAND
DAYCARE PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Child care operating fund	\$ 45,000	\$ 44,213	\$ 50,494
Community daycare fees	196,000	185,944	196,443
First Nations Inuit Child Care	52,850	52,850	66,534
Other revenue	29,000	27,340	29,165
	<u>322,850</u>	<u>310,347</u>	<u>342,636</u>
EXPENSES:			
Administration (recovery)	-	-	(1,500)
Equipment lease	-	939	939
Expense transfers between departments	-	-	(560)
Insurance	1,180	1,131	1,174
Miscellaneous	3,500	5,650	2,526
Supplies and materials	9,946	12,221	18,471
Telephone and internet	400	1,040	370
Training	1,000	260	5,227
Travel	-	-	1,462
Utilities	2,700	2,524	2,547
Wages and benefits	317,342	293,053	288,501
	<u>336,068</u>	<u>316,818</u>	<u>319,157</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ (13,218)</u>	<u>(6,471)</u>	23,479
SURPLUS, beginning of year		<u>264,031</u>	<u>240,552</u>
SURPLUS, end of year		<u>\$ 257,560</u>	<u>\$ 264,031</u>

ADAMS LAKE INDIAN BAND
SOCIAL ASSISTANCE - CLIENT PAYMENTS FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	Basic	COPH	Special Needs	Total 2016	Total 2015
REVENUE:						
Indigenous and Northern Affairs Canada:						
Basic needs (NP85-001)	\$ 177,296	\$ 177,296	\$ -	\$ -	\$ 177,296	\$ 233,033
Child out of parent home (NP87-001)	29,858	-	29,858	-	29,858	42,469
Special needs (NP8L-001)	17,773	-	-	17,773	17,773	17,822
Recovery prior year (NP85-001)	-	(33,066)	-	-	(33,066)	(60,659)
Recovery prior year (NP87-001)	-	-	(22,305)	-	(22,305)	(15,478)
Recovery prior year (NP8L-001)	-	-	-	(230)	(230)	(111)
	<u>224,927</u>	<u>144,230</u>	<u>7,553</u>	<u>17,543</u>	<u>169,326</u>	<u>217,076</u>
EXPENSES:						
Basic needs	237,694	236,898	-	-	236,898	189,123
Funeral	-	5,458	-	-	5,458	10,844
Child out of parent home	-	-	19,258	-	19,258	20,164
Special needs	18,178	-	-	18,230	18,230	17,592
Wages and benefits	20,707	-	-	-	-	-
	<u>276,579</u>	<u>242,356</u>	<u>19,258</u>	<u>18,230</u>	<u>279,844</u>	<u>237,723</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (51,652)</u>	<u>(98,126)</u>	<u>(11,705)</u>	<u>(687)</u>	<u>(110,518)</u>	<u>(20,647)</u>
DEFICIT, beginning of year		<u>(20,647)</u>	<u>-</u>	<u>-</u>	<u>(20,647)</u>	<u>-</u>
DEFICIT, end of year		<u>\$ (118,773)</u>	<u>\$ (11,705)</u>	<u>\$ (687)</u>	<u>\$ (131,165)</u>	<u>\$ (20,647)</u>

ADAMS LAKE INDIAN BAND
SOCIAL ASSISTANCE - HOMEMAKERS FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
In-home care (NPC5-001)	<u>\$ 61,158</u>	<u>\$ 61,158</u>	<u>\$ 46,252</u>
EXPENSES:			
Contractors	2,168	20	-
Travel	-	540	1,801
Wages and benefits	<u>45,266</u>	<u>62,847</u>	<u>44,451</u>
	<u>47,434</u>	<u>63,407</u>	<u>46,252</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 13,724</u>	<u>(2,249)</u>	-
SURPLUS, beginning of year		<u>-</u>	<u>-</u>
DEFICIT, end of year		<u>\$ (2,249)</u>	<u>\$ -</u>

**ADAMS LAKE INDIAN BAND
NATIONAL CHILD BENEFIT FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
NCB re-investment (NPB0-001)	\$ 72,216	\$ 72,216	\$ 72,800
Other revenue	-	-	300
	<u>72,216</u>	<u>72,216</u>	<u>73,100</u>
EXPENSES:			
Child care	7,750	66	800
Child nutrition	2,985	7,977	9,675
Cultural enrichment	16,948	14,292	13,271
Expense transfers between departments	-	-	2,830
Home to work transition	-	-	1,000
Repairs and maintenance - vehicle	-	1,412	196
Support to parents	11,695	12,361	14,079
Travel	-	-	1,371
Utilities	-	1,759	1,682
Wages and benefits	32,838	34,349	28,196
	<u>72,216</u>	<u>72,216</u>	<u>73,100</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ -</u>	-	-
SURPLUS, beginning of year		-	-
SURPLUS, end of year		<u>\$ -</u>	<u>\$ -</u>

**ADAMS LAKE INDIAN BAND
FAMILY VIOLENCE FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Prevention projects (NPE0-001)	<u>\$ 6,952</u>	<u>\$ 6,952</u>	<u>\$ 5,362</u>
EXPENSES:			
Changing family roles	1,780	752	5,082
Expense transfers between departments	-	3,200	-
Giving support	1,780	117	280
Healing within	1,780	676	-
Supplies and materials	1,300	1,851	-
Travel	312	356	-
	<u>6,952</u>	<u>6,952</u>	<u>5,362</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ -</u>	-	-
SURPLUS, beginning of year		-	-
SURPLUS, end of year		<u>\$ -</u>	<u>\$ -</u>

**ADAMS LAKE INDIAN BAND
ASSISTANCE - ADMIN FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Service delivery (NP8R-001)	\$ 56,858	\$ 56,858	\$ 56,858
Service delivery (NPC7-001)	8,145	8,145	8,162
Other revenue	-	-	14,432
Revenue transfers between departments	-	-	29,138
	<u>65,003</u>	<u>65,003</u>	<u>108,590</u>
EXPENSES:			
Expense transfers between departments	-	-	1,384
Insurance	-	665	750
Supplies and materials	200	401	184
Telephone and internet	-	1,021	856
Training	500	-	-
Travel	2,500	1,952	2,737
Wages and benefits	96,495	60,964	82,711
	<u>99,695</u>	<u>65,003</u>	<u>88,622</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ (34,692)</u>	-	19,968
DEFICIT, beginning of year		<u>(195,092)</u>	<u>(215,060)</u>
DEFICIT, end of year		<u>\$ (195,092)</u>	<u>\$ (195,092)</u>

**ADAMS LAKE INDIAN BAND
INDIAN REGISTRY FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Indigenous and Northern Affairs Canada:			
Indian registry admin (NPG7-001)	\$ 5,555	\$ 5,555	\$ 5,656
Other revenue	480	1,180	760
	<u>6,035</u>	<u>6,735</u>	<u>6,416</u>
EXPENSES:			
Supplies and materials	300	820	753
Training	500	-	210
Travel	600	864	697
Wages and benefits	11,303	8,650	7,902
	<u>12,703</u>	<u>10,334</u>	<u>9,562</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (6,668)</u>	<u>(3,599)</u>	<u>(3,146)</u>
DEFICIT, beginning of year		<u>(197,629)</u>	<u>(194,483)</u>
DEFICIT, end of year		<u>\$ (201,228)</u>	<u>\$ (197,629)</u>

(Departments 920010, 920500, 920520, 920540, 920550)

ADAMS LAKE INDIAN BAND
ALIB SOCIAL DEVELOPMENT PROGRAM FUNDS
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Other revenue	\$ 4,000	\$ 7,972	\$ 12,283
Provincial government	-	-	20,000
Revenue transfers between departments	-	-	274,129
Secwepemc Child & Family Services	27,000	27,216	27,000
	<u>31,000</u>	<u>35,188</u>	<u>333,412</u>
EXPENSES:			
Administration	300	-	-
Choices program	34,000	35,857	30,700
Contractors	13,000	12,134	22,193
Contract services	13,000	13,299	9,757
Elders activities	1,500	2,447	1,724
Expense transfers between departments	-	-	(3,244)
Honorarium	-	-	4,207
Insurance	2,310	2,900	3,044
Repairs and maintenance - vehicle	2,000	908	2,184
Supplies and materials	1,400	4,493	14,153
Telephone and internet	4,300	5,883	5,593
Training	500	190	-
Travel	30,300	33,050	19,555
Utilities	-	906	578
Wages and benefits	192,969	178,894	184,118
Wellness program	13,000	11,110	16,540
Youth activities	25,000	171	8,855
	<u>333,579</u>	<u>302,242</u>	<u>319,957</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ (302,579)</u>	(267,054)	13,455
DEFICIT, beginning of year		<u>(357,580)</u>	<u>(371,035)</u>
DEFICIT, end of year		<u>\$ (624,634)</u>	<u>\$ (357,580)</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
TRUST FUND**

FINANCIAL STATEMENTS

March 31, 2016

EXHIBIT

TRUST FUND FINANCIAL STATEMENTS:

- | | |
|----|--|
| C1 | TRUST FUND STATEMENT OF FINANCIAL POSITION |
| C2 | TRUST FUND SCHEDULE OF ACCUMULATED SURPLUS |

**ADAMS LAKE INDIAN BAND
TRUST FUND
STATEMENT OF FINANCIAL POSITION
March 31, 2016**

	2016	2015
ASSETS		
CASH IN OTTAWA TRUSTS	\$ 426,570	\$ 403,562
LIABILITIES AND EQUITY		
ACCUMULATED SURPLUS	\$ 426,570	\$ 403,562

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
TRUST FUND
SCHEDULE OF ACCUMULATED SURPLUS
Year ended March 31, 2016**

	Revenue	Capital	2016	2015
BALANCE, beginning of year	\$ 377,232	\$ 26,330	\$ 403,562	\$ 381,234
Additions:				
Interest earned	11,830	-	11,830	9,243
C.P. Right-Of-Way	12,692	-	12,692	11,295
BC Special Grant	<u>1,786</u>	<u>-</u>	<u>1,786</u>	<u>1,790</u>
Deductions:				
Transfer of lease revenue	<u>(3,300)</u>	<u>-</u>	<u>(3,300)</u>	<u>-</u>
BALANCE, end of year	\$ 400,240	\$ 26,330	\$ 426,570	\$ 403,562

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
CAPITAL FUND**

FINANCIAL STATEMENTS

March 31, 2016

EXHIBIT

CAPITAL FUND FINANCIAL STATEMENTS:

- D1 CAPITAL FUND STATEMENT OF FINANCIAL POSITION
- D2 CAPITAL FUND SCHEDULE OF ACCUMULATED SURPLUS

**ADAMS LAKE INDIAN BAND
CAPITAL FUND
STATEMENT OF FINANCIAL POSITION
March 31, 2016**

	2016	2015
ASSETS		
TANGIBLE CAPITAL ASSETS	\$ 11,166,713	\$ 11,364,413
LIABILITIES		
DEMAND LOANS	\$ 330,239	\$ 408,722
MEMBERS' EQUITY		
ACCUMULATED SURPLUS	10,836,474	10,955,691
	\$ 11,166,713	\$ 11,364,413

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
CAPITAL FUND
SCHEDULE OF ACCUMULATED SURPLUS
Year ended March 31, 2016**

	2016	2015
BALANCE, beginning of year	\$ 10,955,691	\$ 11,019,150
Additions:		
From Band Operations	921,355	629,250
Reduction in debt	78,483	196,596
Deductions:		
Amortization of tangible capital assets	(784,921)	(680,320)
Transfer of social housing property	(334,134)	(208,985)
BALANCE, end of year	\$ 10,836,474	\$ 10,955,691

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM**

FINANCIAL INFORMATION

March 31, 2016

EXHIBIT

SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM FINANCIAL INFORMATION:

E	MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
E1	INDEPENDENT AUDITORS' REPORT
E2	SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM STATEMENT OF FINANCIAL POSITION
E3	SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM STATEMENT OF REVENUE AND EXPENSES
E4	SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM STATEMENT OF CASH FLOWS
	NOTES TO SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM FINANCIAL INFORMATION
E5	INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH AGREEMENT WITH CANADA MORTGAGE AND HOUSING CORPORATION
E6	ANNUAL PROJECT DATA REPORT

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING


The financial information of Adams Lake Indian Band - Social Housing Operation - Pre-1997 Program has been prepared in accordance with the basis of accounting required by Canada Mortgage and Housing Corporation. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. This financial information includes 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 information is presented fairly in all material respects.

The integrity and reliability of Adams Lake Indian Band - Social Housing Operation - Pre-1997 Program'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 information. 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 information and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial information. 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 information has been audited by Daley & Company CPA LLP in accordance with Canadian generally accepted auditing standards.



Chief

Manager



DALEY & COMPANY LLP

Chartered Professional Accountants

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Incorporated Professionals

INDEPENDENT AUDITORS' REPORT

To the Members, ADAMS LAKE INDIAN BAND

EXHIBIT E1

Report on the Financial Information

We have audited the accompanying financial information of ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM, which comprise the statement of financial position as at March 31, 2016, and the statement of revenue and expenses and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. This financial information has been prepared by management of ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM in accordance with the basis of accounting required by the Canada Mortgage and Housing Corporation, as disclosed in Note E1 to the financial information.

Management's Responsibility for the Financial Information

Management is responsible for the preparation of this financial information in accordance with the basis of accounting required by the Canada Mortgage and Housing Corporation, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial information 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 information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial information 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 information.

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 information of ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM for the year ended March 31, 2016 is prepared, in all material respects, in accordance with the basis of accounting required by the Canada Mortgage and Housing Corporation, as disclosed in Note E1 to the financial information.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note E1 to the financial information, which describes the basis of accounting. The financial information is prepared for Canada Mortgage and Housing Corporation to comply with Section 95 of the National Housing Act. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM and Canada Mortgage and Housing Corporation and should not be distributed to or used by parties other than ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM and Canada Mortgage and Housing Corporation.

Daley & Company LLP

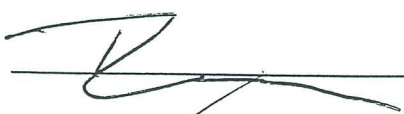

Chartered Professional Accountants

Kamloops, BC
July 4, 2016

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
STATEMENT OF FINANCIAL POSITION
March 31, 2016

ASSETS	2016	2015
CURRENT ASSETS:		
Cash	\$ 75,943	\$ 75,943
Canada Mortgage and Housing Corporation subsidy accrual	1,365	2,168
	<u>77,308</u>	<u>78,111</u>
RESTRICTED CASH:		
Replacement Reserve (Note E3)	88,173	73,238
PROPERTY (Note E4)	<u>690,258</u>	<u>1,400,813</u>
	<u>\$ 855,739</u>	<u>\$ 1,552,162</u>
LIABILITIES		
CURRENT LIABILITIES:		
Accrued interest	\$ 453	\$ 519
Security deposits	1,131	1,170
Advances from Band Operation	117,434	52,076
Current portion of mortgages payable (Note E5)	91,971	43,705
	<u>210,989</u>	<u>97,470</u>
MORTGAGES PAYABLE (Note E5)	<u>201,190</u>	<u>293,166</u>
	<u>412,179</u>	<u>390,636</u>
FUNDED RESERVE:		
Replacement Reserve (Note E3)	<u>37,255</u>	<u>88,376</u>
MEMBERS' EQUITY		
EQUITY IN PROPERTY	<u>397,097</u>	<u>1,063,942</u>
SURPLUS	<u>9,208</u>	<u>9,208</u>
	<u>406,305</u>	<u>1,073,150</u>
	<u>\$ 855,739</u>	<u>\$ 1,552,162</u>

APPROVED BY THE BAND:

 Chief
 Manager

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Canada Mortgage and Housing Corporation:			
Subsidies	\$ 27,027	\$ 18,787	\$ 26,691
Adjustment	-	-	81,668
Rental income	75,500	78,731	91,001
	<u>102,527</u>	<u>97,518</u>	<u>199,360</u>
EXPENSES:			
Administration	6,500	6,500	5,504
Audit	2,900	2,500	2,813
Insurance	9,914	4,820	9,894
Mortgage interest	16,440	5,647	7,830
Mortgage amortization	32,920	43,710	58,462
Repairs and maintenance	13,658	18,680	3,786
Replacement Reserve	20,195	15,661	20,195
	<u>102,527</u>	<u>97,518</u>	<u>108,484</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ -</u>	-	90,876
SURPLUS (DEFICIT), beginning of year		<u>9,208</u>	<u>(81,668)</u>
SURPLUS, end of year		<u>\$ 9,208</u>	<u>\$ 9,208</u>

See accompanying notes to financial information.

**ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
STATEMENT OF CASH FLOWS
Year ended March 31, 2016**

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ -	\$ 90,876
Non-operating item:		
Amortization	43,710	58,462
(Increase) decrease in:		
Canada Mortgage and Housing Corporation subsidy accrual	803	84
Increase (decrease) in:		
Accrued interest	(66)	(250)
Security deposits	(39)	-
Advances to (from) Band Operation	65,358	(149,697)
Cash flows from (used in) operations	<u>109,766</u>	<u>(525)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Funded reserves	(51,121)	137
Change in replacement reserve	(14,935)	58,850
Debt reduction	(43,710)	(58,462)
Cash flows from (used in) financing	<u>(109,766)</u>	<u>525</u>
INCREASE IN CASH	-	-
CASH, beginning of year	<u>75,943</u>	<u>75,943</u>
CASH, end of year	<u>\$ 75,943</u>	<u>\$ 75,943</u>

See accompanying notes to financial information.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE E1. SIGNIFICANT ACCOUNTING POLICIES:

This financial information only includes the accounts of all funds under the direction of Adams Lake Indian Band - Social Housing Operation - Pre-1997 Program and has been prepared in accordance with basis of accounting required by Canada Mortgage and Housing Corporation ("CMHC") as described below.

a) Operations:

This financial information covers Phases 11-13 of the Band's Social Housing Operation of 16 rental units. The units are administered by the Band under an operating agreement with Canada Mortgage and Housing Corporation.

The Band prepares additional financial statements for Band funds and business operations.

b) Basis of Accounting:

This financial information has been prepared in accordance with a special purpose framework in order to comply with the operating agreement with CMHC. The basis of accounting used in this financial information materially differs from Canadian accounting standards for Not-For-Profit Organizations, Part III of the CPA Canada Handbook - Accounting because:

1.) amortization is not provided on the building and furniture and equipment purchased from loans recognized by CMHC over the estimated useful lives of these assets, but rather at a rate equal to the annual principal reduction of the loans;

2.) capital assets:

- (i) purchased from accumulated surplus are charged to operations in the year the expenditure is incurred, and
- (ii) purchased from the replacement reserve are charged against the replacement reserve account, rather than being capitalized on the statement of financial position and amortized over their estimated useful lives;

3.) a reserve for future capital replacement is appropriated annually from operations;

4.) retrofit and renovation grant income, expenses and GST/HST recovery are recorded in the period they occur rather than being capitalized on the statement of financial position and amortized over their estimated useful lives;

5.) GST/HST recovery on capital asset additions purchased from loans recognized by CMHC are credited directly to the Operating Fund as income instead of being applied as a credit against the cost of the capital asset additions; and

6.) certain transitional provisions and disclosure requirements contained in Section 1501, First Time Adoption, of Part III of the CPA Canada Handbook - Accounting are not to be applied.

c) Property:

Property is recorded at cost. Amortization of the buildings is calculated as the principal reduction of the mortgages payable.

d) Accrual Method:

The accrual method is used in accounting for all funds.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE E1. SIGNIFICANT ACCOUNTING POLICIES (continued):

e) Replacement Reserve:

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

f) Revenue Recognition:

Rental income and CMHC subsidies are recorded as earned on a monthly basis.

Interest income is recorded on the accrual basis and is recognized when earned.

g) Use of Estimates:

The preparation of financial information in conformity with the basis of accounting required by the Canada Mortgage and Housing Corporation requires management to make estimates and assumptions that effect the reported amount of assets and liabilities at the date of the financial information 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 information of changes in such estimates in future periods could be significant.

h) Financial Instruments:

The Social Housing Operation initially measures its financial assets and liabilities at fair value adjusted by transaction costs in the case where a financial asset or financial liability is subsequently measured at amortized cost.

The Social Housing Operation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include accounts receivable and other receivables.

Financial liabilities measured at amortized cost include accounts payable and long term debt.

NOTE E2. FINANCIAL INSTRUMENTS:

The Social Housing Operation is exposed to various risks through its financial instruments. The following analysis provides information about the Social Housing Operation's risk exposure and concentration as of March 31, 2016.

Credit Risk:

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Social Housing Operation is mainly exposed to credit risk from its tenants. In order to reduce its credit risk, the Social Housing Operation reviews a new tenant's credit history before extending credit and conducts regular reviews of its existing tenants' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Social Housing Operation has many tenants which minimizes concentration of credit risk.

Interest Rate Risk:

Interest rate risk is minimized through the Organization's current strategy of having the majority of its mortgages payable in fixed term arrangements.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE E3. REPLACEMENT RESERVE:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$15,661 (2015 - \$20,195) 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.

	2016	2015
Balance, beginning of year	\$ 88,376	\$ 88,239
Allocation during the year	15,661	20,195
Interest on account	-	654
CMHC adjustment	(203)	(15,189)
Maturing unit adjustment	(17,609)	-
Approved expenditures	(48,970)	(5,523)
Balance, end of year	<u>\$ 37,255</u>	<u>\$ 88,376</u>
The Replacement Reserve is represented by:		
Cash	<u>\$ 88,173</u>	<u>\$ 73,238</u>

NOTE E4. PROPERTY:

	2016	2015
Land	\$ 119,235	\$ 266,385
Buildings	<u>965,650</u>	<u>1,840,859</u>
	1,084,885	2,107,244
Less accumulated amortization	<u>394,627</u>	<u>706,431</u>
	<u>\$ 690,258</u>	<u>\$ 1,400,813</u>

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE E5. MORTGAGES PAYABLE:	2016	2015
All Nations Trust Company, repayable in monthly installments of \$2,321 including interest at 1.83% per annum, secured by promissory notes of the Ministry and the Band, due December 2019	\$ 225,123	\$ 248,631
All Nations Trust Company, repayable in monthly installments of \$1,115 including interest at 1.80% per annum, due October 2016	68,038	80,083
All Nations Trust Company, paid in full.	<u>-</u>	<u>8,157</u>
	293,161	336,871
Less current portion	<u>91,971</u>	<u>43,705</u>
	<u>\$ 201,190</u>	<u>\$ 293,166</u>

The mortgages are guaranteed by Indigenous and Northern Affairs Canada.

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

2017	\$ 91,971
2018	24,373
2019	24,824
2020	151,993

NOTE E6. RELATED PARTY TRANSACTIONS:

Adams Lake Indian Band provided administration services, garbage collection and utilities, under normal terms of trade, on behalf of the Social Housing Operation.

Amounts charged for these services are:

Administration	<u>\$ 6,500</u>
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These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.



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EXHIBIT E5

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH AGREEMENT WITH CANADA MORTGAGE AND HOUSING CORPORATION

TO: CANADA MORTGAGE AND HOUSING CORPORATION

Report on Compliance with Agreement

We have audited ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM's compliance as at March 31, 2016, with the criteria established in:

- 1) sub-paragraph 2(5) of the Band's Operating Agreement with CMHC in respect of:
 - (i) funding and maintenance of the Replacement Reserve, and the interest income related thereto.
- 2) CMHC 3033, Schedule D in respect of:
 - (i) disbursements from the Replacement Reserve Fund for items of a capital nature in accordance with the criteria.
- 3) sub-paragraph 2(5) of the Band's Operating Agreement with CMHC in respect of:
 - (i) verification of the incomes of lessees paying rent accordingly to the rent to income scale,
 - (ii) application of a rent-to-income ratio for those lessees,
 - (ii) adjustment of the rental charges for rent-to-income lessees.

Management's Responsibility for the Compliance with Agreement

Management is responsible for the compliance with the criteria established by the provisions of the Operating Agreement, and for such internal control as management determines is necessary to enable the compliance be free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the compliance 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 ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM complied with the criteria established by the provisions of the Operating Agreement referred to above.

An audit involves performing procedures to obtain audit evidence supporting compliance with the agreement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's compliance with the agreement 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.

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, ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - PRE-1997 PROGRAM is in compliance, in all material respects, with the criteria set out in the Operating Agreement.

Daley & Company LLP

Chartered Professional Accountants

Kamloops, BC
July 4, 2016

**CMHC
ANNUAL PROJECT DATA REPORT
NONPROFIT HOUSING PROGRAM 1978**

BAND NAME ADAMS LAKE INDIAN BAND			Phase 11 Through 13 Reported		
STREET NO. Box 588	STREET NAME	COUNTY			
CITY Chase	PROVINCE BC	POSTAL CODE V0E 1M0			
OPERATING DATA			CMHC Reference Number 12-146-155		
No. of operating months 12	Year ending March 31, 2016	Vacancy Months	Management Style Province Professional Residents Other		

FINANCIAL DATA

OPERATING EXPENSES	AMOUNT	OPERATING REVENUES	AMOUNT
Amortization costs & interest	\$ 49,357	Revenue - Rentals	\$ 78,731
Insurance	4,820	- Interest	-
Gross Utility Costs	-	- Other	-
Other Operating Costs	-		\$ 78,731
Maintenance	18,680	Maximum Federal Contribution	18,787
Professional	2,500	CMHC adjustment	-
Administration	6,500		-
CEAP Retrofit expenses	-		-
Replacement Reserves	15,661		-
TOTAL OPERATING EXPENSES	\$ 97,518	TOTAL OPERATING REVENUE	\$ 97,518

ACCUMULATED REPLACEMENT RESERVE AT YEAR-END	\$ 37,255
---	-----------

AUDITOR'S CERTIFICATION

I certify that the financial data shown represents a true and fair view of the financial operations of ADAMS LAKE INDIAN BAND	
Date: July 4, 2016	Signature of Auditor: <i>Daley & Company LLP</i> Name of Audit Firm: Daley & Company CPA LLP

TENANT PROFILE

GROSS FAMILY INCOME				HOUSEHOLD SIZE	
Income Range	NO. OF UNITS	No. of Persons in Household	NO. OF UNITS		
RENT-TO-INCOME Less than \$ 3,000	-	1 person	2		
\$ 3,001 5,000	-	2 persons	2		
5,001 7,000	-	3 persons	6		
7,001 9,000	-	4 persons	4		
9,001 11,000	1	5 persons	2		
11,001 13,000	-	6 persons	-		
13,001 16,000	1				
16,001 20,000	-				
Over 20,000	8				
SUBTOTAL	10				
MARKET RENTS	6				
TOTAL PROJECT UNITS	16				

No. of Single Parent Families: 3

UNIT TYPE	MARKET RENT	NO. OF UNITS	BAND CERTIFICATION
Hostel	\$ -	-	I certify that the agreed Rent-to-Income Scale or Ratio has been applied and that the Market Rent opposite are in effect. <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> DATE <i>July 4/16</i> </div> <div style="text-align: center;"> Signature of Authorized Band Member </div> </div>
1 Bedroom	-	-	
2 Bedrooms	500	2	
3 Bedrooms	660	10	
4 Bedrooms	720	4	
5 Bedrooms and over	-	-	
TOTAL RENT-TO-INCOME UNITS		16	

**ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM**

FINANCIAL INFORMATION

March 31, 2016

EXHIBIT

SOCIAL HOUSING OPERATION - POST-1996 PROGRAM FINANCIAL INFORMATION:

- | | |
|-----------|---|
| F | MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING |
| F1 | INDEPENDENT AUDITORS' REPORT |
| F2 | SOCIAL HOUSING OPERATION - POST-1996 PROGRAM STATEMENT OF FINANCIAL
POSITION |
| F3 | SOCIAL HOUSING OPERATION - POST-1996 PROGRAM STATEMENT OF REVENUE
AND EXPENSES |
| F4 | SOCIAL HOUSING OPERATION - POST-1996 PROGRAM STATEMENT OF
CASH FLOWS |
| | NOTES TO SOCIAL HOUSING OPERATION - POST-1996 PROGRAM FINANCIAL
INFORMATION |
| F5 | INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH AGREEMENT
WITH CANADA MORTGAGE AND HOUSING CORPORATION |

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial information of Adams Lake Indian Band - Social Housing Operation - Post-1996 Program has been prepared in accordance with the basis of accounting required by Canada Mortgage and Housing Corporation. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. This financial information includes 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 information is presented fairly in all material respects.

The integrity and reliability of Adams Lake Indian Band - Social Housing Operation - Post-1996 Program'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 information. 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 information and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial information. 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 information has been audited by Daley & Company CPA LLP in accordance with Canadian generally accepted auditing standards.



Chief

Manager



DALEY & COMPANY LLP

Chartered Professional Accountants

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Michael Parker, CPA, CA
Maureen McCurdy, CPA, CA
Sean Wandler, CPA, CA
Incorporated Professionals

INDEPENDENT AUDITORS' REPORT

To the Members, ADAMS LAKE INDIAN BAND

EXHIBIT F1

Report on the Financial Information

We have audited the accompanying financial information of ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM, which comprise the statement of financial position as at March 31, 2016, and the statement of revenue and expenses and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. This financial information has been prepared by management of ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM in accordance with the basis of accounting required by the Canada Mortgage and Housing Corporation, as disclosed in Note F1 to the financial information.

Management's Responsibility for the Financial Information

Management is responsible for the preparation of this financial information in accordance with the basis of accounting required by the Canada Mortgage and Housing Corporation, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial information 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 information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial information 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 information.

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 information of ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM for the year ended March 31, 2016 is prepared, in all material respects, in accordance with the basis of accounting required by the Canada Mortgage and Housing Corporation, as disclosed in Note F1 to the financial information.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note F1 to the financial information, which describes the basis of accounting. The financial information is prepared for Canada Mortgage and Housing Corporation to comply with Section 95 of the National Housing Act. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM and Canada Mortgage and Housing Corporation and should not be distributed to or used by parties other than ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM and Canada Mortgage and Housing Corporation.

Daley & Company LLP

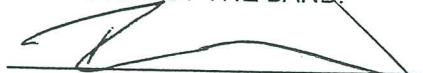
Chartered Professional Accountants


Kamloops, BC
July 4, 2016

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
STATEMENT OF FINANCIAL POSITION
March 31, 2016

ASSETS	2016	2015
CURRENT ASSETS:		
Canada Mortgage and Housing Corporation subsidy accrual	\$ 7,113	\$ 7,444
Advances to Band Operation	115,693	96,263
	<u>122,806</u>	<u>103,707</u>
RESTRICTED CASH:		
Replacement Reserve (Note F3)	279,545	269,333
Operating Reserve (Note F3)	94,111	83,478
	<u>373,656</u>	<u>352,811</u>
PROPERTY (Note F4)	<u>2,440,137</u>	<u>2,560,999</u>
	<u>\$ 2,936,599</u>	<u>\$ 3,017,517</u>
LIABILITIES		
CURRENT LIABILITIES:		
Accrued interest	\$ 2,299	\$ 3,095
Security deposits	3,818	3,376
Current portion of mortgages payable (Note F5)	126,577	762,816
	<u>132,694</u>	<u>769,287</u>
MORTGAGES PAYABLE (Note F5)	<u>1,514,902</u>	<u>970,367</u>
	<u>1,647,596</u>	<u>1,739,654</u>
FUNDED RESERVES:		
Replacement Reserve (Note F3)	278,519	279,358
Operating Reserve (Note F3)	135,247	94,111
	<u>413,766</u>	<u>373,469</u>
MEMBERS' EQUITY		
EQUITY IN PROPERTY	798,659	827,816
SURPLUS	<u>76,578</u>	<u>76,578</u>
	<u>875,237</u>	<u>904,394</u>
	<u>\$ 2,936,599</u>	<u>\$ 3,017,517</u>

APPROVED BY THE BAND:


 Chief


 Manager

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Canada Mortgage and Housing Corporation:			
Subsidies	\$ 114,545	\$ 106,939	\$ 97,809
Rental income	151,880	168,037	161,848
	<u>266,425</u>	<u>274,976</u>	<u>259,657</u>
EXPENSES:			
Administration	28,500	21,000	13,500
Audit	6,000	6,000	4,688
Insurance	23,882	8,943	22,605
Mortgage amortization	52,929	120,862	109,133
Mortgage interest	69,904	32,900	33,974
Repairs and maintenance	55,010	13,935	36,949
Replacement Reserve	30,200	30,200	28,175
	<u>266,425</u>	<u>233,840</u>	<u>249,024</u>
EXCESS OF REVENUE OVER EXPENSES	<u><u>\$ -</u></u>	41,136	10,633
SURPLUS, beginning of year		76,578	76,578
OPERATING RESERVE ALLOCATION (Note F3)		<u>(41,136)</u>	<u>(10,633)</u>
SURPLUS, end of year		<u><u>\$ 76,578</u></u>	<u><u>\$ 76,578</u></u>

See accompanying notes to financial information.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 41,136	\$ 10,633
Non-operating items:		
Amortization	120,862	109,133
(Increase) decrease in:		
Canada Mortgage and Housing Corporation subsidy accrual	331	(1,161)
Advances to (from) Band Operation	(19,430)	6,251
Increase (decrease) in:		
Accrued interest	(797)	139
Security deposits	444	(242)
Cash flows from operations	<u>142,546</u>	<u>124,753</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Funded reserves	(839)	10,766
Change in replacement reserve	(10,212)	(23,368)
Change in operating reserve	(10,633)	(3,018)
Debt reduction	(120,862)	(109,133)
Cash flows used in financing	<u>(142,546)</u>	<u>(124,753)</u>
CASH, end of year	\$ -	\$ -

See accompanying notes to financial information.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE F1. SIGNIFICANT ACCOUNTING POLICIES:

This financial information includes the accounts of all funds under the direction of Adams Lake Indian Band - Social Housing Operation - POST-1996 PROGRAM and has been prepared in accordance with the basis of accounting required by Canada Mortgage and Housing Corporation ("CMHC") as described below.

a) Operations:

This financial information covers POST-1996 PROGRAM of the Band's Social Housing Operation of 29 rental units. The units are administered by the Band under an operating agreement with Canada Mortgage and Housing Corporation.

The Band prepares additional financial statements for Band funds and business operations.

b) Basis of Accounting:

This financial information has been prepared in accordance with a special purpose framework in order to comply with the operating agreement with CMHC. The basis of accounting used in this financial information materially differs from Canadian accounting standards for Not-For-Profit Organizations, Part III of the CPA Canada Handbook - Accounting because:

- 1.) amortization is not provided on the building and furniture and equipment purchased from loans recognized by CMHC over the estimated useful lives of these assets, but rather at a rate equal to the annual principal reduction of the loans;
- 2.) capital assets:
 - (i) purchased from accumulated surplus are charged to operations in the year the expenditure is incurred, and
 - (ii) purchased from the replacement reserve are charged against the replacement reserve account, rather than being capitalized on the statement of financial position and amortized over their estimated useful lives;
- 3.) a reserve for future capital replacement is appropriated annually from operations;
- 4.) retrofit and renovation grant income, expenses and GST/HST recovery are recorded in the period they occur rather than being capitalized on the statement of financial position and amortized over their estimated useful lives;
- 5.) GST/HST recovery on capital asset additions purchased from loans recognized by CMHC are credited directly to the Operating Fund as income instead of being applied as a credit against the cost of the capital asset additions; and
- 6.) certain transitional provisions and disclosure requirements contained in Section 1501, First Time Adoption, of Part III of the CPA Canada Handbook - Accounting are not to be applied.

c) Property:

Property is recorded at cost. Amortization of the buildings is calculated as the principal reduction of the mortgages payable.

d) Accrual Method:

The accrual method is used in accounting for all funds.

e) Replacement Reserve:

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

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE F1. SIGNIFICANT ACCOUNTING POLICIES (continued):

f) 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.

g) Revenue Recognition:

Rental income and CMHC subsidies are recorded as earned on a monthly basis.

Interest income is recorded on the accrual basis and is recognized when earned.

h) Use of Estimates:

The preparation of financial information in conformity with the basis of accounting required by the Canada Mortgage and Housing Corporation requires management to make estimates and assumptions that effect the reported amount of assets and liabilities at the date of the financial information 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 information of changes in such estimates in future periods could be significant.

i) Financial Instruments:

The Social Housing Operation initially measures its financial assets and liabilities at fair value adjusted by transaction costs in the case where a financial asset or financial liability is subsequently measured at amortized cost.

The Social Housing Operation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include accounts receivable and other receivables.

Financial liabilities measured at amortized cost include accounts payable and long term debt.

NOTE F2. FINANCIAL INSTRUMENTS:

The Social Housing Operation is exposed to various risks through its financial instruments. The following analysis provides information about the Social Housing Operation's risk exposure and concentration as of March 31, 2016.

Credit Risk:

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Social Housing Operation is mainly exposed to credit risk from its tenants. In order to reduce its credit risk, the Social Housing Operation reviews a new tenant's credit history before extending credit and conducts regular reviews of its existing tenants' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Social Housing Operation has many tenants which minimizes concentration of credit risk.

Interest Rate Risk:

Interest rate risk is minimized through the Organization's current strategy of having the majority of its mortgages payable in fixed term arrangements.

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE F3. RESERVE FUNDS:

REPLACEMENT RESERVE:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$30,200 (2015 - \$28,175) 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.

	2016	2015
Balance, beginning of year	\$ 279,358	\$ 268,592
Allocation during the year	30,200	28,175
Interest on account	187	477
Approved expenditures	<u>(31,226)</u>	<u>(17,886)</u>
Balance, end of year	<u>\$ 278,519</u>	<u>\$ 279,358</u>
The Replacement Reserve is represented by:		
Cash	<u>\$ 279,545</u>	<u>\$ 269,333</u>

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 any accumulated surplus plus interest and debited in the amount of any accumulated deficit. 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.

	2016	2015
Balance, beginning of year	\$ 94,111	\$ 83,478
Allocation for the year	<u>41,136</u>	<u>10,633</u>
Balance, end of year	<u>\$ 135,247</u>	<u>\$ 94,111</u>
The Operating Reserve is represented by:		
Cash	<u>\$ 94,111</u>	<u>\$ 83,478</u>

ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016

NOTE F4. PROPERTY:	2016	2015
Buildings	\$ 3,465,429	\$ 3,465,429
Less accumulated amortization	<u>1,025,292</u>	<u>904,430</u>
	<u>\$ 2,440,137</u>	<u>\$ 2,560,999</u>

NOTE F5. MORTGAGES PAYABLE:	2016	2015
All Nations Trust Company, repayable in monthly installments of \$1,915 including interest at 1.11% per annum, secured by promissory notes of the Ministry and the Band, due April 2021	\$ 215,540	\$ 234,297
All Nations Trust Company, repayable in monthly installments of \$2,214 including interest at 1.71% per annum, secured by promissory notes of the Ministry and the Band, due September 2017	275,501	297,168
All Nations Trust Company, repayable in monthly installments of \$2,639 including interest at 1.67% per annum, secured by promissory notes of the Ministry and the Band, due June 2018	211,491	239,382
All Nations Trust Company, repayable in monthly installments of \$2,911 including interest at 1.30% per annum, secured by promissory notes of the Ministry and the Band, due December 2020	319,756	348,773
All Nations Trust Company, repayable in monthly installments of \$1,548 including interest at 1.30% per annum, secured by promissory notes of the Ministry and the Band, due December 2020	322,237	335,708
All Nations Trust Company, repayable in monthly installments of \$1,259 including interest at 1.67% per annum, secured by promissory notes of the Ministry and the Band, due January 2020	<u>296,954</u>	<u>277,855</u>
	<u>1,641,479</u>	<u>1,733,183</u>
Less current portion	<u>126,577</u>	<u>762,816</u>
	<u>\$ 1,514,902</u>	<u>\$ 970,367</u>

The mortgages are guaranteed by Indigenous and Northern Affairs Canada.

Principal repayments due in the ensuing 5 years are approximately as follows:

2017	\$ 126,577
2018	359,633
2019	232,649
2020	334,388
2021	588,232

**ADAMS LAKE INDIAN BAND
SOCIAL HOUSING OPERATION - POST-1996 PROGRAM
NOTES TO FINANCIAL INFORMATION
March 31, 2016**

NOTE F6. RELATED PARTY TRANSACTIONS:

Adams Lake Indian Band provided administration services, maintenance, garbage collection and utilities, under normal terms of trade, on behalf of the Social Housing Operation.

Amounts charged for these services are:

Administration	<u>\$ 21,000</u>
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These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.



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Incorporated Professionals

EXHIBIT F5

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH AGREEMENT WITH CANADA MORTGAGE AND HOUSING CORPORATION

TO: CANADA MORTGAGE AND HOUSING CORPORATION

Report on Compliance with Agreement

We have audited ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM compliance as at March 31, 2016, with the criteria established in:

1. Paragraph 10 (2)(g) of the Band's Operating Agreement with CMHC in respect of funding and maintenance of the Operating Reserve and the interest income related thereto.
2. Paragraph 10(2)(e) of the Band's Operating Agreement with CMHC in respect of funding and maintenance of the Replacement Reserve and the interest income related thereto.
3. Schedule 10(2)(f) in respect of:
 - (1) Disbursements from the Replacement Reserve Fund for items of a capital nature in accordance with the criteria.
 - (2) Procurement requirements have been adhered to.

Management's Responsibility for the Compliance with Agreement

Management is responsible for the compliance with the criteria established by the provisions of the Operating Agreement, and for such internal control as management determines is necessary to enable the compliance be free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the compliance 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 ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM complied with the criteria established by the provisions of the Operating Agreement referred to above.

An audit involves performing procedures to obtain audit evidence supporting compliance with the agreement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's compliance with the agreement 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.

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

Other Matters

As of March 31, 2016 the Operating Reserve was underfunded by \$41,136.

Opinion

In our opinion, except as noted in the Other Matters paragraph, ADAMS LAKE INDIAN BAND - SOCIAL HOUSING OPERATION - POST-1996 PROGRAM is in compliance, in all material respects, with the criteria set out in the Operating Agreement.

Daley & Company LLP

Chartered Professional Accountants

ADAMS LAKE DEVELOPMENT CORPORATION

Financial Statements

Year Ended March 31, 2016

(Unaudited - See Notice To Reader)

ADAMS LAKE DEVELOPMENT CORPORATION

Index to Financial Statements

Year Ended March 31, 2016

(Unaudited - See Notice To Reader)

EXHIBIT G - NOTICE TO READER

FINANCIAL STATEMENTS

EXHIBIT G1 - Balance Sheet

EXHIBIT G2 - Statement of Deficit

EXHIBIT G3 - Statement of Loss



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EXHIBIT G

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of ADAMS LAKE DEVELOPMENT CORPORATION as at March 31, 2016 and the statements of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Kamloops, BC
June 15, 2016

Daley & Company LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Disclaimer of Liability

These financial statements were compiled solely for the use of ADAMS LAKE DEVELOPMENT CORPORATION. Daley & Company CPA LLP makes no representations of any kind to any other person in respect of these financial statements and accepts no responsibility for their use by any other person.

ADAMS LAKE DEVELOPMENT CORPORATION

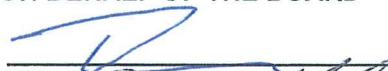
Balance Sheet


March 31, 2016

(Unaudited - See Notice To Reader)

	2016	2015
ASSETS		
Cash	\$ 124,037	\$ 128,302
Accounts receivable	68,364	14,022
Prepaid expenses	5,852	5,852
Property and equipment	24,367	26,345
Investment in BC FN Gaming Initiative	15,000	15,000
Deferred charges	1,119,841	1,003,166
Land development costs	1,083,957	918,829
	<u>\$ 2,441,418</u>	<u>\$ 2,111,516</u>
LIABILITIES AND SHAREHOLDER'S DEFICIENCY		
Accounts payable	\$ 121,798	\$ 226,728
Deposits received	2,500	2,500
Callable debt	304,706	306,022
Deferred lease revenue	1,593,573	1,255,524
Due to Adams Lake Indian Band	7,549,458	7,384,846
	<u>9,572,035</u>	<u>9,175,620</u>
SHAREHOLDER'S DEFICIENCY		
Share capital	1	1
Deficit	(7,130,618)	(7,064,105)
	<u>(7,130,617)</u>	<u>(7,064,104)</u>
	<u>\$ 2,441,418</u>	<u>\$ 2,111,516</u>

ON BEHALF OF THE BOARD

 Director

 Director

These financial statements are not necessarily prepared in accordance with Canadian generally accepted accounting principles.

ADAMS LAKE DEVELOPMENT CORPORATION**Statement of Deficit****Year Ended March 31, 2016***(Unaudited - See Notice To Reader)*

	2016	2015
DEFICIT - BEGINNING OF YEAR	\$ (7,064,105)	\$ (6,963,089)
NET LOSS FOR THE YEAR	<u>(66,513)</u>	<u>(101,016)</u>
DEFICIT - END OF YEAR	<u>\$ (7,130,618)</u>	<u>\$ (7,064,105)</u>

ADAMS LAKE DEVELOPMENT CORPORATION**Statement of Loss****For the Year Ended March 31, 2016***(Unaudited - See Notice To Reader)*

	2016	2015
SALES		
Real estate sales	\$ -	\$ 219,286
COST OF SALES		
Opening property held for resale	-	234,667
Construction costs	-	5,804
Selling costs	-	10,750
Land development costs transferred to deferred charges	-	(38,075)
	-	213,146
GROSS PROFIT	-	6,140
REVENUE		
Land sublease	39,167	30,829
Maintenance fees	35,472	31,781
Miscellaneous	101,971	101,016
Utilities revenue	22,060	19,073
	198,670	182,699
EXPENSES		
Advertising and promotion	-	191
Amortization	1,978	2,442
Amortization of deferred costs	18,928	17,829
Bad debts	-	4,780
Consulting fees	20,000	8,750
Insurance	205	435
Interest and bank charges	1,048	1,543
Interest on callable debt	19,654	16,788
Land lease	2,157	2,178
Licenses, dues and fees	-	460
Office	1,685	2,940
Professional fees	32,894	61,523
Repairs and maintenance	41,191	31,840
Salaries and wages	99,325	114,641
Travel	-	926
Utilities	26,656	23,581
Vehicle	-	45
	265,721	290,892
LOSS FROM OPERATIONS	(67,051)	(102,053)
INTEREST INCOME	538	1,037
NET LOSS	\$ (66,513)	\$ (101,016)

These financial statements are not necessarily prepared in accordance with Canadian generally accepted accounting principles.

SEXQELTKEMC LIMITED PARTNERSHIP

Financial Statements

Year Ended March 31, 2016

SEXQELTKEMC LIMITED PARTNERSHIP

Index to Financial Statements

Year Ended March 31, 2016

EXHIBIT H - MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL

EXHIBIT H1 - INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

EXHIBIT H2 - Statement of Financial Position

EXHIBIT H3 - Statement of Partners' Capital

EXHIBIT H4 - Statement of Comprehensive Loss

EXHIBIT H5 - Statement of Cash Flow

Notes to Financial Statements

Management's Responsibility for Financial Reporting

The financial statements of SEXQELTKEMC LIMITED PARTNERSHIP have been prepared in accordance with International Financial Reporting 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 judgments. 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 SEXQELTKEMC LIMITED PARTNERSHIP'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 Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the Partners' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the Partners, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the Partners by Daley & Company CPA LLP, in accordance with Canadian generally accepted auditing standards.



Partner


Partner

Partner



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Incorporated Professionals

EXHIBIT H1

INDEPENDENT AUDITOR'S REPORT

To the Partners of SEXQELTKEMC LIMITED PARTNERSHIP

We have audited the accompanying financial statements of SEXQELTKEMC LIMITED PARTNERSHIP, which comprise the statement of financial position as at March 31, 2016 and the statements of comprehensive loss, partners' capital and cash flow 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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 SEXQELTKEMC LIMITED PARTNERSHIP as at March 31, 2016 and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards.

Daley & Company LLP

Kamloops, BC
June 17, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS

SEXQELTKEMC LIMITED PARTNERSHIP

Statement of Financial Position

March 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 52,119	\$ 414,604
Accounts receivable (Note 6)	1,005,908	342,000
Goods and services tax recoverable	279	-
Prepaid expenses	9,308	4,959
Due from related parties (Note 7)	2,917	126,736
	<u>1,070,531</u>	<u>888,299</u>
EQUIPMENT (Note 8)	6,670	3,970
INVESTMENT IN JOINTLY CONTROLLED ENTITY (Note 9)	5	5
INVESTMENT IN LIMITED PARTNERSHIP (Note 10)	140,742	118,089
	<u>\$ 1,217,948</u>	<u>\$ 1,010,363</u>
LIABILITIES AND PARTNERS' CAPITAL		
CURRENT		
Accounts payable	\$ 986,170	\$ 168,178
Goods and services tax payable	-	5,681
Wages payable	27,152	14,570
Employee deductions payable	6,377	7,846
Due to related parties (Note 7)	11,024	-
Loan payable (Note 12)	2,808	2,808
	<u>1,033,531</u>	<u>199,083</u>
CONTINGENCY (Note 13)		
COMMITMENTS (Note 14)		
PARTNERS' CAPITAL	<u>184,417</u>	<u>811,280</u>
	<u>\$ 1,217,948</u>	<u>\$ 1,010,363</u>

APPROVED BY THE PARTNERS


 _____ Partner


 _____ Partner


 _____ Partner

See accompanying notes to financial statements.

SEXQELTKEMC LIMITED PARTNERSHIP**Statement of Partners' Capital****Year Ended March 31, 2016**

	2015 Balance	Net Loss	Contributions	Withdrawals	2016 Balance
Splatsin First Nation	\$ 270,401	\$ (208,934)	\$ -	\$ -	\$ 61,467
Neskonlith Indian Band	270,401	(208,933)	-	-	61,468
Adams Lake Indian Band	270,401	(208,933)	-	-	61,468
Sexqeltkemc Enterprises Inc.	77	(63)	-	-	14
Partners' total	\$ 811,280	\$ (626,863)	\$ -	\$ -	\$ 184,417
	2014 Balance	Net Income	Contributions	Withdrawals	2015 Balance
Splatsin First Nation	\$ 246,005	\$ 24,396	\$ -	\$ -	\$ 270,401
Neskonlith Indian Band	246,005	24,396	-	-	270,401
Adams Lake Indian Band	246,005	24,396	-	-	270,401
Sexqeltkemc Enterprises Inc.	70	7	-	-	77
Partners' total	\$ 738,085	\$ 73,195	\$ -	\$ -	\$ 811,280

See accompanying notes to financial statements.

SEXQELTKEMC LIMITED PARTNERSHIP**Statement of Comprehensive Loss****For the Year Ended March 31, 2016**

	2016	2015
REVENUE	\$ 3,747,376	\$ 5,166,455
EXPENSES		
Advertising and promotion	620	4,721
Amortization	9,648	7,521
Bad debts	6,000	-
Business taxes, licences and memberships	934	1,000
Consulting	52,988	21,347
Honoraria	37,973	21,750
IT Services	16,850	-
Insurance	9,852	5,376
Interest and bank charges	6,425	2,589
Meeting	27,704	11,150
Office	12,964	12,612
Professional fees	24,278	25,966
Rental	12,000	12,000
Salaries and wages	284,382	326,290
Sub-contracts	3,311,859	4,166,389
Supplies	35,317	23,126
Telephone	8,677	3,033
Training	7,274	7,883
Travel	52,112	29,237
	3,917,857	4,681,990
INCOME (LOSS) BEFORE OTHER COMPREHENSIVE INCOME (LOSS)	(170,481)	484,465
OTHER COMPREHENSIVE LOSS		
Loss from Limited Partnership	(456,382)	(411,270)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	\$ (626,863)	\$ 73,195

See accompanying notes to financial statements.

Statement of Cash Flow
Year Ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 3,077,468	\$ 6,779,992
Cash paid to suppliers and employees	(3,071,024)	(6,258,357)
Interest paid	(6,430)	(2,588)
Goods and services tax	(5,960)	(1,418)
Cash flow from (used by) operating activities	(5,946)	517,629
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(12,347)	(5,496)
Contributions to Limited Partnership	(479,035)	(529,359)
Cash flow used by investing activities	(491,382)	(534,855)
FINANCING ACTIVITY		
Advances from related parties	134,843	438,559
INCREASE (DECREASE) IN CASH FLOW	(362,485)	421,333
Cash (deficiency) - beginning of year	414,604	(6,729)
CASH - END OF YEAR	\$ 52,119	\$ 414,604

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

1. DESCRIPTION OF OPERATIONS

SEXQELTKEMC LIMITED PARTNERSHIP (the "Partnership") is domiciled in Kamloops, British Columbia. The Partnership is a business entity comprised of representative members from the Adams Lake, Neskonlith and Splatshin people. The objective of the Partnership is to recognize, develop and secure business and employment opportunities within the traditional boundaries of the Sexqeltkemc te Secwepemc. These financial statements contain all of the assets, liabilities, and partners' equity for the Partnership. Net earnings of the Partnership are allocated to the respective Partners annually as summarized on the statement of partners' equity.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements were authorized for issue by the Partners on June 17, 2016.

Going Concern:

The Partnership had a net loss and comprehensive loss for the year of \$626,863 and Partners' Capital of \$184,417 and as a result its ability to continue to carry out operations is dependent upon continued support from its partners, which may cast significant doubt over the ability to continue as a going concern.

These financial statements have been prepared in accordance with IFRS on a going-concern basis. The going concern basis of accounting assumes the Partnership will continue the realization of assets and the payment of liabilities in the ordinary course of business. Should the Partnership be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Partnership's ability to continue as a going concern is dependant upon its ability to attain profitable operations and generate funds therefrom and/or on borrowing from third parties sufficient to meet current and future obligations. The Partnership plans to generate cash from repayment of cash advances from Sexqeltkemc Cloud Services Partnership as well as increase financial management service revenues and gross profits.

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Equipment

Items of equipment are measured at cost less accumulated amortization and accumulated impairment loss.

Cost includes expenditures that are directly attributable to the acquisition of the asset.

Leases in terms of which the Partnership assumes substantially all the risks and rewards of ownership are classified as capital leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Other leases are operating leases and the leased assets are not recognized in the Partnership's statement of financial position.

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of the equipment and are recognized net within other income in profit or loss.

Amortization is based on the estimated useful life of the assets and is recorded using the straight line method at the following annual rates:

Office equipment	2 years
Computer equipment	2 years
Computer software	2 years
Furniture and fixtures	3 years

The Partnership regularly reviews its equipment to eliminate obsolete items.

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(continues)

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of Long Lived Assets

The carrying amount of the Partnership's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Partnership Interests

The Partnership holds a partnership interest in Secwepemc Camp & Catering Limited Partnership which is jointly controlled with another party (50% of voting units are held). 50.995% of the annual income and loss is allocated to the Sexqeltkemc Limited Partnership. The Partnership recognizes its interest in its jointly controlled entity (partnership interest) using the equity method and is recognized initially at cost. The financial statements include the Partnership's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Partnership, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Partnership's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Partnership has an obligation or has made payments on behalf of the investee.

The Partnership holds a partnership interest in Sexqeltkemc Cloud Services Limited Partnership which is controlled by Sexqeltkemc Enterprises Inc., the general partner. 99.99% of the annual income and loss is allocated to the Sexqeltkemc Limited Partnership, the limited partner. The Partnership recognizes its partnership interest using the equity method and is recognized initially at cost. The financial statements include the Partnership's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Partnership, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Partnership's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Partnership has an obligation or has made payments on behalf of the investee.

(continues)

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Partnership recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Basis of measurement and currency

The financial statements have been prepared on a historical cost basis except for financial assets or liabilities classified or designated as held for trading, which are measured at fair value. These financial statements are presented in Canadian dollars, which is the Partnership's functional currency.

(continues)

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments

Financial assets

The Partnership initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date at which the Partnership becomes a party to the contractual provisions of the instrument. The Partnership derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Partnership is recognized as a separate asset or liability.

The Partnership has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables (including trade and other receivables and bank balances) are measured at amortized cost using the effective interest method, less any impairment losses.

Financial liabilities

The Partnership initially recognizes other financial liabilities (including liabilities designated at fair value through profit or loss) on the trade date at which the Partnership becomes a party to the contractual provisions of the instrument. The Partnership derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Partnership has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Partnership has the following non-derivative financial liabilities: trade and other payables. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Fair value of financial assets and financial liabilities

The carrying values of cash, trade and other receivables, due from/to related parties, trade and other payables and loan payable approximate their fair value due to the relatively short period to maturity of these items or because they are receivable or payable on demand.

Use of estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(continues)

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of presentation

These financial statements reflect the assets, liabilities, revenues and expenses related to the business known as Sexqeltkemc Limited Partnership and do not include any other assets, liabilities, revenues or expenses of the partners or the liability of the partners for taxes on earnings of the Partnership. The statement of comprehensive income does not include a charge for salary to the partners, or interest on invested capital.

4. FINANCIAL INSTRUMENTS

The Partnership is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Partnership's risk exposure and concentration as of March 31, 2016.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Partnership is exposed to credit risk from customers. In order to reduce its credit risk, the Partnership reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. The Partnership extends credit to well established and stable customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Partnership is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable. Management manages liquidity risk by maintaining adequate reserves, banking facilities, and by continuously monitoring forecast and actual cash flows.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Partnership manages exposure through its normal operating and financing activities. The Partnership is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

5. CAPITAL MANAGEMENT

The Partnership considers its capital to be the balance maintained in its partners' equity accounts. The primary objective of the Partnership is to invest its capital in a manner that will allow it to continue as a going concern and comply with its stated objectives. Capital is invested under the direction of the Board of Directors of the Partnership with the objective of providing a reasonable rate of return, minimizing risk and ensuring adequate liquid investments are on hand for current cash flow requirements.

The Partnership is not subject to any externally imposed capital requirements.

SEXQELTKEMC LIMITED PARTNERSHIP**Notes to Financial Statements****Year Ended March 31, 2016****6. ACCOUNTS RECEIVABLE**

	<u>2016</u>	<u>2015</u>
Less than 90 days	\$ 907,301	\$ 155,533
Over 90 days	98,607	34,337
Holdbacks	-	152,130
	<u>\$ 1,005,908</u>	<u>\$ 342,000</u>

The Partnership has assessed the recovery of accounts receivable and has decided, based on the best available information, that there should be no allowance for doubtful accounts in the current year. Management believes that all accounts are collectible.

7. DUE FROM/TO RELATED PARTIES

	<u>2016</u>	<u>2015</u>
Current portion due from related parties		
Sexqeltkemoc Enterprises Inc., a partner, non-interest bearing, unsecured, no stated terms of repayment	\$ 2,917	\$ 2,267
Secwepemc Camp & Catering Limited Partnership, repaid during the year	-	124,469
	<u>\$ 2,917</u>	<u>\$ 126,736</u>
Current portion due to related party		
Secwepemc Camp & Catering Limited Partnership, a significantly influenced partnership, non-interest bearing, unsecured, no stated terms of repayment	\$ 11,024	\$ -

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

8. EQUIPMENT:

2016:

	Office equipment	Computer Equipment	Computer Software	Furniture and fixtures	Total
Cost					
Balance, beginning of year	\$ 2,650	\$ 15,678	\$ -	\$ 7,425	\$ 25,753
Add: Additions during the year	870	3,249	8,228	-	12,347
Balance, end of year	3,520	18,927	8,228	7,425	38,100
Accumulated amortization					
Balance, beginning of year	2,650	13,675	-	5,458	21,783
Add: Amortization	435	3,628	4,114	1,470	9,647
Balance, end of year	3,085	17,303	4,114	6,928	31,430
Net Book Value	\$ 435	\$ 1,624	\$ 4,114	\$ 497	\$ 6,670

2015:

	Office equipment	Computer Equipment	Computer Software	Furniture and fixtures	Total
Cost					
Balance, beginning of year	\$ 2,650	\$ 11,671	\$ -	\$ 5,937	\$ 20,258
Add: Additions during the year	-	4,007	-	1,488	5,495
Less:					
Disposals during the year	-	-	-	-	-
Balance, end of year	2,650	15,678	-	7,425	25,753
Accumulated amortization					
Balance, beginning of year	2,556	8,723	-	2,983	14,262
Add: Amortization	94	4,952	-	2,475	7,521
Less:					
Disposals during the year	-	-	-	-	-
Balance, end of year	2,650	13,675	-	5,458	21,783
Net Book Value	\$ -	\$ 2,003	\$ -	\$ 1,967	\$ 3,970

SEXQELTKEMC LIMITED PARTNERSHIP**Notes to Financial Statements****Year Ended March 31, 2016****9. INVESTMENT IN JOINTLY CONTROLLED ENTITY**

The Partnership has a 50.995% interest in Secwepemc Camp & Catering Limited Partnership and holds 50% of the voting units.

	<u>2016</u>	<u>2015</u>
Partnership units	<u>\$ 5</u>	<u>\$ 5</u>

Financial Information of Secwepemc Camp & Catering Limited Partnership is as follows at March 31 and for the year then ended:

Cash	<u>\$ 333,946</u>	<u>\$ 276,839</u>
Other current assets	<u>977,203</u>	<u>1,878,630</u>
Liabilities	<u>(1,311,139)</u>	<u>(2,155,459)</u>
Partnership capital	<u>\$ 10</u>	<u>\$ 10</u>

	<u>2016</u>	<u>2015</u>
Revenue	<u>\$ 3,359,862</u>	<u>\$ 6,113,969</u>
Expenses	<u>(3,359,862)</u>	<u>(6,113,969)</u>
Net income	<u>\$ -</u>	<u>\$ -</u>

Secwepemc Camp & Catering Limited Partnership is a Partnership domiciled in Canada formed under the laws of the Province of British Columbia on May 10, 2011. The address of the Partnership's registered office is 1600, 505 - 3rd Street SW, Calgary AB T2P 3E6. The Partnership is jointly controlled by Sexqeltkemc Limited Partnership and by Horizon North Camp & Catering Partnership which is 100% owned by Horizon North Logistics Inc. The Partnership provides camps and catering services for infrastructure and construction projects in British Columbia. The Partnership earns all revenue from one long-term contract.

SEXQELTKEMC LIMITED PARTNERSHIP**Notes to Financial Statements****Year Ended March 31, 2016****10. INVESTMENT IN LIMITED PARTNERSHIP**

The Partnership is the limited partner in Sexqeltkemc Cloud Services Limited Partnership, holds no voting rights and does not partake in management. It is allocated 99.99% of the income or loss each fiscal year.

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 118,089	\$ -
Contributions	479,035	529,359
Net loss for the year	<u>(456,382)</u>	<u>(411,270)</u>
	<u>\$ 140,742</u>	<u>\$ 118,089</u>

Financial Information of Sexqeltkemc Cloud Services Limited Partnership is as follows at March 31 and for the year then ended:

Cash	\$ 8,740	\$ 129,327
Other current assets	57,560	20,081
Equipment	538,087	447,189
Liabilities	<u>(464,381)</u>	<u>(478,549)</u>
Partnership capital	<u>\$ 140,006</u>	<u>\$ 118,048</u>
Revenues	\$ 54,880	\$ 1,408
Expense	<u>(511,308)</u>	<u>(412,719)</u>
Net loss	<u>\$ (456,428)</u>	<u>\$ (411,311)</u>

Sexqeltkemc Cloud Services Limited Partnership is domiciled in Canada and has a registered office at 520 Chief Eli Larue Way in Kamloops, BC. The Partnership was formed on February 24, 2014 between Sexqeltkemc Cloud Services Inc. (General Partner) and Sexqeltkemc Limited Partnership (Limited Partner). The Partnership is registered as a Limited Partnership pursuant to the Partnership Act of British Columbia. The Partnership is ultimately controlled by Sexqeltkemc Enterprises Inc. The objective of the Partnership is to provide technology services and business operation training to First Nation people throughout the Province of British Columbia. The Partnership is in the development stage in its business life cycle.

11. BANK INDEBTEDNESS

Under a line of credit arrangement with the Royal Bank of Canada, the Partnership may borrow up to \$300,000 on such terms as the Partnership and the bank may mutually agree upon. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2016, the remaining unused portion of the credit line was \$300,000. The line of credit is secured by guarantees of \$100,000 by each of the three partner Bands.

SEXQELTKEMC LIMITED PARTNERSHIP**Notes to Financial Statements****Year Ended March 31, 2016**

12. LOAN PAYABLE

	<u>2016</u>	<u>2015</u>
Horizon North Camp & Catering Partnership, due on demand, non-interest bearing, unsecured, no stated terms of repayment	<u>\$ 2,808</u>	<u>\$ 2,808</u>

13. CONTINGENCY

The Partnership has guaranteed the credit facilities of Sexqeltkemc Cloud Services Limited Partnership, a significantly influenced Partnership, to a maximum of \$500,000. The balance of the facilities outstanding at March 31, 2016 is \$424,662. The Partnership has not charged a fee for this guarantee.

14. COMMITMENTS

The Partnership rents a building under a long-term lease which expires March 31, 2017 and leases two photocopiers until August 15, 2018 and July 15, 2021.

Contractual obligation repayment schedule:

2017	\$ 16,103
2018	4,103
2019	2,599
2020	1,847
2021	1,847
Thereafter	<u>616</u>
	<u>\$ 27,115</u>

15. SIGNIFICANT CUSTOMER

The Partnership derives 96% (2015 - 88%) of its revenue either directly or indirectly from the Ministry of Transportation and Infrastructure.

SEXQELTKEMC LIMITED PARTNERSHIP

Notes to Financial Statements

Year Ended March 31, 2016

16. RELATED PARTY TRANSACTIONS

During the year, the Partnership earned revenues of \$15,000 (2015 - \$15,000) from Sexqeltkemc Lakes Division, a commonly controlled entity. As at March 31, 2016, an amount receivable of \$Nil (2015 - \$Nil) was due from Sexqeltkemc Lakes Division.

During the year, the Partnership earned service fee & management fee revenues of \$128,106 (2015 - \$513,884) from Secwepemc Camp & Catering Limited Partnership, a significantly influenced partnership.

During the year, the Partnership reported a net loss of \$456,382 (2015 - \$411,270) from Sexqeltkemc Cloud Services Limited Partnership, a significantly influenced partnership, and paid IT service costs of \$13,200 (2015 - \$Nil), and phone, fax and internet costs of \$5,380 (2015 - \$Nil).

During the year, the Partnership paid travel costs of \$Nil (2015 - \$1,727), other miscellaneous office costs of \$Nil (2015 - \$1,650) and a donation of \$1,000 (2015 - \$Nil) to Neskonlith Indian Band, a partner.

During the year, the Partnership paid sub-contract costs of \$2,904,236 (2015 - \$4,010,645), miscellaneous office costs of \$Nil (2015 - \$300), travel costs of \$20 (2015 - \$5,165) and a donation of \$1,000 (2015 - \$Nil) to Adams Lake Indian Band, a partner. As at March 31, 2016, an amount payable of \$928,726 (2015 - \$183,804) was due to Adams Lake Indian Band and is subject to normal trade terms. This amount is included in accounts payable.

During the year, the Partnership paid travel costs of \$6,787 (2015 - \$1,193), subcontract expenses of \$63,931 (2015 - \$Nil) and a donation of \$1,000 (2015 - \$Nil) to Splatshin First Nation, a partner.

The Partnership has guaranteed the credit facilities of Sexqeltkemc Cloud Services Limited Partnership, a significantly influenced Partnership, to a maximum of \$500,000. The balance of the facilities outstanding at March 31, 2016 is \$424,662. The Partnership has not charged a fee for this guarantee.

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

17. FUTURE CHANGES TO ACCOUNTING STANDARDS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended March 31, 2016 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements.

SEXQELTKEMC ENTERPRISES INC.

Financial Statements

Year Ended March 31, 2016

(Unaudited - See Notice To Reader)

SEXQELTKEMC ENTERPRISES INC.

Index to Financial Statements

Year Ended March 31, 2016

(Unaudited - See Notice To Reader)

EXHIBIT I - NOTICE TO READER

FINANCIAL STATEMENTS

EXHIBIT I1 - Balance Sheet

EXHIBIT I2 - Statement of Loss and Deficit



**DALEY &
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Sean Wandler, CPA, CA
Incorporated Professionals

EXHIBIT I

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of SEXQELTKEMC ENTERPRISES INC. as at March 31, 2016 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Kamloops, BC
June 8, 2016

Daley & Company LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Disclaimer of Liability

These financial statements were compiled solely for the use of SEXQELTKEMC ENTERPRISES INC. Daley & Company CPA LLP makes no representations of any kind to any other person in respect of these financial statements and accepts no responsibility for their use by any other person.

SEXQELTKEMC ENTERPRISES INC.

Balance Sheet

March 31, 2016

(Unaudited - See Notice To Reader)

	2016	2015
ASSETS		
CURRENT		
Due from Adams Lake Indian Band	\$ 10	\$ 10
Due from Neskonlith Indian Band	10	10
Due from Splotsin First Nation	10	10
	<u>30</u>	<u>30</u>
SEXQELTKEMC CLOUD SERVICES INC.	10	10
SEXQELTKEMC LIMITED PARTNERSHIP	5	67
	<u>\$ 45</u>	<u>\$ 107</u>
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT		
Due to Sexqeltkemc Cloud Services Inc.	\$ 10	\$ 10
Due to Sexqeltkemc Limited Partnership	2,917	2,267
	<u>2,927</u>	<u>2,277</u>
SHAREHOLDERS' DEFICIENCY		
Share capital	30	30
Deficit	(2,912)	(2,200)
	<u>(2,882)</u>	<u>(2,170)</u>
	<u>\$ 45</u>	<u>\$ 107</u>

ON BEHALF OF THE BOARD



Director



Director

These financial statements are not necessarily prepared in accordance with Canadian generally accepted accounting principles.

Statement of Loss and Deficit
For the Year Ended March 31, 2016
(Unaudited - See Notice To Reader)

	2016	2015
REVENUE	\$ -	\$ -
EXPENSES		
Professional fees	<u>649</u>	<u>625</u>
LOSS FROM OPERATIONS	(649)	(625)
OTHER INCOME (EXPENSES)		
Partnership income (loss) - Sexqeltkemc Limited Partnership	<u>(63)</u>	<u>7</u>
NET LOSS	(712)	(618)
DEFICIT - BEGINNING OF YEAR	<u>(2,200)</u>	(1,582)
DEFICIT - END OF YEAR	<u>\$ (2,912)</u>	<u>\$ (2,200)</u>

ADAMS LAKE INDIAN BAND
SUPPLEMENTARY FINANCIAL INFORMATION
FIRST NATIONS HEALTH AUTHORITY TRANSFER AGREEMENT
March 31, 2016

EXHIBIT

SUPPLEMENTARY FINANCIAL INFORMATION:

J	INDEPENDENT AUDITORS' REPORT
J1	STATEMENT OF FINANCIAL POSITION
J2	STATEMENT OF REVENUE AND EXPENSES
	SCHEDULES:
J2A	HEALTH TRANSFER
J2B	ABORIGINAL HEAD START
J2C	HOME AND COMMUNITY CARE
J2D	PATIENT TRAVEL
J2E	COMMUNICABLE DISEASE CONTROL
J2F	AIDS
J2G	SAFE WATER
J2H	EMERGENCY PREPAREDNESS
J2I	ABORIGINAL DIABETES INITIATIVE
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J2K	MENTAL HEALTH CRISIS MANAGEMENT
J2L	BRIGHTER FUTURES
J2M	CANADA PRENATAL NUTRITION PROGRAM
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J2O	FIRST NATIONS INUIT HEALTH SERVICES ACCREDITATION
J2P	CAPITAL FACILITIES - OPERATIONS AND MAINTENANCE
J2Q	FIRST NATIONS ENVIRONMENTAL CONTAMINANTS FUND



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Incorporated Professionals

INDEPENDENT AUDITORS' REPORT

EXHIBIT J

To the Members, ADAMS LAKE INDIAN BAND

Report on Supplementary Schedules

We have audited the consolidated financial statements of ADAMS LAKE INDIAN BAND, for the year ended March 31, 2016.

A statement of financial position and statements of revenue and expenses are required to be presented to the membership of ADAMS LAKE INDIAN BAND pursuant to the funding agreement between First Nations Health Authority and ADAMS LAKE INDIAN BAND. For the purposes of understanding our involvement with these schedules, please note that:

- We have audited and separately reported on the consolidated financial statements;
- Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole;
- The attached schedules are presented for the purpose of forming an opinion for the membership and First Nations Health Authority and do not form part of the consolidated financial statements; and
- These schedules have been subjected to the auditing procedures applied to the audit of the consolidated financial statements taken as a whole.

Management's Responsibility for Supplementary Schedules

Management is responsible for the preparation of these schedules in accordance with the criteria established by the funding agreement with First Nations Health Authority.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements. The supplementary schedules have been subjected to the auditing procedures applied in the audit of the consolidated financial statements. However, no procedures have been carried out on these schedules in addition to those necessary to form an opinion on the consolidated financial statements.

Opinion

In our opinion, the supplementary schedules derived from the consolidated financial statements of ADAMS LAKE INDIAN BAND are presented fairly, in all material respects, in accordance with the criteria established by the funding agreement with First Nations Health Authority.

Daley & Company LLP

Chartered Professional Accountants

Kamloops, BC
July 4, 2016

ADAMS LAKE INDIAN BAND
FIRST NATIONS HEALTH AUTHORITY TRANSFER AGREEMENT
STATEMENT OF FINANCIAL POSITION
March 31, 2016

ASSETS	2016	2015
CURRENT ASSETS:		
Due from Band Operation	\$ 627,763	\$ 612,030
MEMBERS' EQUITY		
SURPLUS	\$ 627,763	\$ 612,030

APPROVED BY THE BAND:



Chief

Manager

ADAMS LAKE INDIAN BAND
FIRST NATIONS HEALTH AUTHORITY TRANSFER AGREEMENT
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 988,181	\$ 970,181	\$ 956,827
Prior year recovery	-	(11,834)	(8,239)
Other revenue	-	18,110	-
	<u>988,181</u>	<u>976,457</u>	<u>948,588</u>
EXPENSES:			
Aboriginal healing	-	-	2,360
Administration	67,553	67,553	83,329
Contractors	120,843	122,398	156,183
Equipment lease	5,500	17,547	17,512
Equipment purchase	16,019	16,188	83,062
FASD	2,000	1,464	245
Honorarium	2,500	250	-
Insurance	3,000	6,133	6,462
Meetings and ceremonies	32,390	37,169	11,749
Memberships, dues and fees	1,500	1,479	1,114
Miscellaneous	-	-	4
Repairs and maintenance - building	5,000	10,572	3,496
Repairs and maintenance - equipment	7,500	10,032	3,348
Special needs	-	1,581	2,150
Supplies and materials	56,327	47,316	32,242
Telephone and internet	4,600	4,555	3,399
Training	20,291	14,832	2,875
Travel	38,720	62,050	44,081
Utilities	10,000	10,330	9,267
Wages and benefits	584,359	529,275	425,163
	<u>978,102</u>	<u>960,724</u>	<u>888,041</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 10,079</u>	15,733	60,547
SURPLUS, beginning of year		<u>612,030</u>	<u>551,483</u>
SURPLUS, end of year		<u>\$ 627,763</u>	<u>\$ 612,030</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
HEALTH TRANSFER FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority:			
Health Planning and Management	\$ 250,625	\$ 232,625	\$ 220,498
National Native Alcohol and Drug Abuse Program	51,233	51,233	48,562
Solvent Abuse Program	11,701	11,701	11,091
Other revenue	-	7,288	-
Revenue transfers within department	38,634	(2,000)	-
	<u>352,193</u>	<u>302,847</u>	<u>280,151</u>
EXPENSES:			
Aboriginal healing	-	-	2,360
Administration	64,094	64,094	75,670
Contractors	5,756	32,651	13,808
Equipment lease	-	-	9,330
Equipment purchase	-	(193)	33,091
FASD	2,000	1,464	245
Insurance	-	-	6,462
Meetings and ceremonies	6,200	17,753	5,930
Memberships, dues and fees	1,500	1,479	1,114
Miscellaneous	-	-	4
Repairs and maintenance - equipment	-	-	1,273
Special needs	-	1,581	2,150
Supplies and materials	14,000	12,268	13,376
Telephone and internet	4,600	4,436	3,399
Training	2,000	8,678	1,944
Travel	16,049	15,147	4,202
Utilities	-	-	6,965
Wages and benefits	220,586	184,470	132,568
	<u>336,785</u>	<u>343,828</u>	<u>313,891</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 15,408</u>	<u>(40,981)</u>	<u>(33,740)</u>
SURPLUS, beginning of year		<u>220,865</u>	<u>254,605</u>
SURPLUS, end of year		<u>\$ 179,884</u>	<u>\$ 220,865</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
ABORIGINAL HEAD START FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 131,820	\$ 131,820	\$ 124,948
Other revenue	-	10,822	-
	<u>131,820</u>	<u>142,642</u>	<u>124,948</u>
EXPENSES:			
Contractors	1,531	5,634	-
Equipment purchase	1,000	283	49,971
Honorarium	500	250	-
Meetings and ceremonies	1,000	739	427
Supplies and materials	7,500	12,479	7,116
Training	1,000	2,574	350
Travel	2,000	5,900	3,236
Utilities	3,000	2,713	2,302
Wages and benefits	107,417	99,089	89,271
	<u>124,948</u>	<u>129,661</u>	<u>152,673</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 6,872</u>	12,981	(27,725)
SURPLUS, beginning of year		<u>207,302</u>	<u>235,027</u>
SURPLUS, end of year		<u>\$ 220,283</u>	<u>\$ 207,302</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
HOME AND COMMUNITY CARE FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 134,815	\$ 134,815	\$ 127,787
Revenue transfer within department	(38,634)	-	-
	<u>96,181</u>	<u>134,815</u>	<u>127,787</u>
EXPENSES:			
Administration	-	-	6,659
Contractors	5,000	9,215	9,461
Equipment lease	4,000	3,834	3,674
Equipment purchases	-	70	-
Meetings and ceremonies	1,600	-	291
Supplies and materials	6,000	6,348	2,968
Training	1,000	390	-
Travel	2,000	1,731	789
Wages and benefits	69,553	53,136	63,896
	<u>89,153</u>	<u>74,724</u>	<u>87,738</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 7,028</u>	60,091	40,049
SURPLUS, beginning of year		<u>40,049</u>	-
SURPLUS, end of year		<u>\$ 100,140</u>	<u>\$ 40,049</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
PATIENT TRAVEL FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 22,501</u>	<u>\$ 22,501</u>	<u>\$ 13,815</u>
EXPENSES:			
Travel	-	20,916	18,157
Wages and benefits	<u>13,815</u>	<u>2,853</u>	<u>1,840</u>
	<u>13,815</u>	<u>23,769</u>	<u>19,997</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 8,686</u>	(1,268)	(6,182)
DEFICIT, beginning of year		<u>(10,593)</u>	<u>(4,411)</u>
DEFICIT, end of year		<u>\$ (11,861)</u>	<u>\$ (10,593)</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
COMMUNICABLE DISEASE CONTROL FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 64,226</u>	<u>\$ 64,226</u>	<u>\$ 60,878</u>
EXPENSES:			
Contractors	12,002	-	142
Meetings and ceremonies	4,259	-	148
Supplies and materials	4,000	478	161
Travel	2,000	1,129	489
Wages and benefits	<u>38,617</u>	<u>39,873</u>	<u>23,708</u>
	<u>60,878</u>	<u>41,480</u>	<u>24,648</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 3,348</u>	22,746	36,230
SURPLUS, beginning of year		<u>36,230</u>	<u>-</u>
SURPLUS, end of year		<u>\$ 58,976</u>	<u>\$ 36,230</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
AIDS FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 1,327	\$ 1,327	\$ 1,327
EXPENSES:			
Supplies and materials	<u>1,327</u>	<u>-</u>	<u>175</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ -</u>	1,327	1,152
SURPLUS, beginning of year		<u>1,152</u>	<u>-</u>
SURPLUS, end of year		<u>\$ 2,479</u>	<u>\$ 1,152</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
SAFE WATER FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 35,108	\$ 35,108	\$ 33,278
Prior year recovery	-	-	(8,239)
	<u>35,108</u>	<u>35,108</u>	<u>25,039</u>
EXPENSES:			
Contractors	<u>33,278</u>	<u>35,108</u>	<u>31,520</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 1,830</u>	-	(6,481)
SURPLUS, beginning of year		<u>1,744</u>	<u>8,225</u>
SURPLUS, end of year		<u>\$ 1,744</u>	<u>\$ 1,744</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
EMERGENCY PREPAREDNESS FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENSES:			
Contractors	10,000	-	-
Meetings and ceremonies	3,555	159	-
Supplies and materials	10,000	76	309
Training	2,000	2,000	-
	<u>25,555</u>	<u>2,235</u>	<u>309</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (25,555)</u>	<u>(2,235)</u>	<u>(309)</u>
SURPLUS, beginning of year		<u>26,344</u>	<u>26,653</u>
SURPLUS, end of year		<u>\$ 24,109</u>	<u>\$ 26,344</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
ABORIGINAL DIABETES INITIATIVE FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 8,632</u>	<u>\$ 8,632</u>	<u>\$ 8,182</u>
EXPENSES:			
Meetings and ceremonies	1,000	4,429	3,428
Supplies and materials	-	263	1,024
Travel	1,269	7,631	5,859
Wages and benefits	5,913	-	-
	<u>8,182</u>	<u>12,323</u>	<u>10,311</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 450</u>	(3,691)	(2,129)
DEFICIT, beginning of year		<u>(2,129)</u>	<u>-</u>
DEFICIT, end of year		<u>\$ (5,820)</u>	<u>\$ (2,129)</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
INFORMATION SYSTEMS FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE	\$ -	\$ -	\$ -
EXPENSES:			
Contractors	<u>20,000</u>	<u>15,094</u>	<u>16,200</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (20,000)</u>	(15,094)	(16,200)
SURPLUS, beginning of year		<u>3,835</u>	<u>20,035</u>
SURPLUS (DEFICIT), end of year		<u>\$ (11,259)</u>	<u>\$ 3,835</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
MENTAL HEALTH CRISIS MANAGEMENT FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 53,875	\$ 53,875	\$ 51,066
Revenue transfer within department	50,000	50,000	50,000
	<u>103,875</u>	<u>103,875</u>	<u>101,066</u>
EXPENSES:			
Contractors (recovery)	4,609	(1,804)	1,243
Meetings and ceremonies	2,000	1,217	54
Supplies and materials	2,000	4,290	3,727
Travel	4,000	5,286	2,674
Wages and benefits	88,457	88,451	90,153
	<u>101,066</u>	<u>97,440</u>	<u>97,851</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 2,809</u>	6,435	3,215
SURPLUS, beginning of year		<u>3,215</u>	<u>-</u>
SURPLUS, end of year		<u>\$ 9,650</u>	<u>\$ 3,215</u>

See accompanying notes to financial statements.

**ADAMS LAKE INDIAN BAND
BRIGHTER FUTURES FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016**

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ 78,753	\$ 78,753	\$ 74,647
Revenue transfer within department	(50,000)	(50,000)	(50,000)
	<u>28,753</u>	<u>28,753</u>	<u>24,647</u>
EXPENSES:			
Contractors	4,219	4,504	6,060
Honorarium	2,000	-	-
Meetings and ceremonies	1,776	1,416	27
Supplies and materials	4,000	7,101	659
Training	500	295	581
Travel	4,000	3,387	7,261
Wages and benefits	8,152	4,830	5,333
	<u>24,647</u>	<u>21,533</u>	<u>19,921</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 4,106</u>	7,220	4,726
SURPLUS, beginning of year		<u>4,726</u>	-
SURPLUS, end of year		<u>\$ 11,946</u>	<u>\$ 4,726</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
CANADA PRENATAL NUTRITION PROGRAM FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 27,180</u>	<u>\$ 27,180</u>	<u>\$ 15,704</u>
EXPENSES:			
Meetings and ceremonies	3,000	10,836	27
Supplies and materials	4,500	2,957	421
Training	791	795	-
Travel	1,500	473	455
Wages and benefits	<u>5,913</u>	<u>5,352</u>	<u>4,085</u>
	<u>15,704</u>	<u>20,413</u>	<u>4,988</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 11,476</u>	6,767	10,716
SURPLUS, beginning of year		<u>10,716</u>	<u>-</u>
SURPLUS, end of year		<u>\$ 17,483</u>	<u>\$ 10,716</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
COMMUNITY HEALTH PROMOTION AND INJURY/ILLNESS PREVENTION FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 39,452</u>	<u>\$ 39,452</u>	<u>\$ 37,395</u>
EXPENSES:			
Administration	3,459	3,459	-
Meetings and ceremonies	5,000	225	230
Supplies and materials	1,000	1,001	200
Training	1,000	100	-
Travel	1,000	300	26
Wages and benefits	<u>25,936</u>	<u>33,222</u>	<u>14,309</u>
	<u>37,395</u>	<u>38,307</u>	<u>14,765</u>
EXCESS OF REVENUE OVER EXPENSES	<u><u>\$ 2,057</u></u>	1,145	22,630
SURPLUS, beginning of year		<u>22,630</u>	<u>-</u>
SURPLUS, end of year		<u><u>\$ 23,775</u></u>	<u><u>\$ 22,630</u></u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
FIRST NATIONS INUIT HEALTH SERVICES ACCREDITATION FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 35,768</u>	<u>\$ 35,768</u>	<u>\$ 46,350</u>
EXPENSES:			
Administration	-	-	1,000
Contractors	24,448	19,250	44,207
Meetings and ceremonies	3,000	395	1,187
Supplies and materials	2,000	55	2,106
Training	12,000	-	-
Travel	4,902	150	933
Wages and benefits	-	17,999	-
	<u>46,350</u>	<u>37,849</u>	<u>49,433</u>
SHORTFALL OF REVENUE OVER EXPENSES	<u>\$ (10,582)</u>	<u>(2,081)</u>	<u>(3,083)</u>
SURPLUS, beginning of year		<u>8,266</u>	<u>11,349</u>
SURPLUS, end of year		<u>\$ 6,185</u>	<u>\$ 8,266</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
CAPITAL FACILITIES - OPERATIONS AND MAINTENANCE FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	<u>\$ 41,165</u>	<u>\$ 41,165</u>	<u>\$ 39,019</u>
EXPENSES:			
Contractors	-	2,746	3,096
Equipment lease	1,500	13,713	4,508
Equipment purchase	15,019	16,028	-
Insurance	3,000	6,133	-
Repairs and maintenance - building	5,000	10,572	3,496
Repairs and maintenance - equipment	7,500	10,032	2,075
Telephone and internet	-	119	-
Utilities	7,000	7,617	-
	<u>39,019</u>	<u>66,960</u>	<u>13,175</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 2,146</u>	<u>(25,795)</u>	25,844
SURPLUS, beginning of year		<u>25,844</u>	-
SURPLUS, end of year		<u>\$ 49</u>	<u>\$ 25,844</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
FIRST NATIONS ENVIRONMENTAL CONTAMINANTS FUND
STATEMENT OF REVENUE AND EXPENSES
Year ended March 31, 2016

	Budget	2016	2015
REVENUE:			
Federal Government:			
First Nations Health Authority	\$ -	\$ -	\$ 42,280
Prior year recovery	-	(11,834)	-
	-	(11,834)	42,280
EXPENSES:			
Contractors	-	-	30,446
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ -</u>	<u>(11,834)</u>	11,834
SURPLUS, beginning of year		<u>11,834</u>	<u>-</u>
SURPLUS, end of year		<u>\$ -</u>	<u>\$ 11,834</u>

See accompanying notes to financial statements.

ADAMS LAKE INDIAN BAND
SUPPLEMENTARY FINANCIAL INFORMATION

March 31, 2016

EXHIBIT

SUPPLEMENTARY FINANCIAL INFORMATION:

- K INDEPENDENT AUDITORS' REPORT
- K1 SCHEDULE OF REMUNERATION AND EXPENSES - CHIEF AND COUNCILLORS
- K2 SCHEDULE OF REMUNERATION AND EXPENSES - UNELECTED SENIOR OFFICIALS



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Incorporated Professionals

INDEPENDENT AUDITORS' REPORT

To the Members, ADAMS LAKE INDIAN BAND

EXHIBIT K

Report on Supplementary Schedules

We have audited the consolidated financial statements of ADAMS LAKE INDIAN BAND, for the year ended March 31, 2016.

A statement of schedule of remuneration and expenses - chief and councillors, and schedule of remuneration and expenses - unelected senior officials are required to be presented to the membership of ADAMS LAKE INDIAN BAND pursuant to the funding agreement between Indigenous and Northern Affairs Canada and ADAMS LAKE INDIAN BAND. For the purposes of understanding our involvement with these schedules, please note that:

- We have audited and separately reported on the consolidated financial statements;
- Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole;
- The attached schedules are presented for the purpose of forming an opinion for the membership and the Department of Indian Affairs and do not form part of the consolidated financial statements; and
- These schedules have been subjected to the auditing procedures applied to the audit of the consolidated financial statements taken as a whole.

Management's Responsibility for Supplementary Schedules

Management is responsible for the preparation of these schedules in accordance with the criteria established by the funding agreement with Indigenous and Northern Affairs Canada.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements. The supplementary schedules have been subjected to the auditing procedures applied in the audit of the consolidated financial statements. However, no procedures have been carried out on these schedules in addition to those necessary to form an opinion on the consolidated financial statements.

Opinion

In our opinion, the supplementary schedules derived from the consolidated financial statements of ADAMS LAKE INDIAN BAND are presented fairly, in all material respects, in accordance with the criteria established by the funding agreement with Indigenous and Northern Affairs Canada.

Daley & Company LLP

Chartered Professional Accountants

Kamloops, BC
July 4, 2016

**ADAMS LAKE INDIAN BAND
SCHEDULE OF REMUNERATION AND EXPENSES
CHIEF AND COUNCILLORS
For the year ended March 31, 2016**

Name of Individual	Position Title	Number of Months		Remuneration	Expenses
ROBIN BILLY	CHIEF	12		\$ 74,597	\$ 23,701
GEORGINA JOHNNY	COUNCILLOR	3		11,414	1,440
RON JULES	COUNCILLOR	8		31,728	10,402
DEBORAH HALL	COUNCILLOR	3		12,585	1,739
DORIS JOHNNY	COUNCILLOR	9		34,185	3,915
BRANDY JULES	COUNCILLOR	12		52,042	14,890 -
NORMA MANUEL	COUNCILLOR	12		52,042	7,450
GREGORY WITZKY	COUNCILLOR	12		52,042	16,459
				\$ 320,635	\$ 79,996

ADAMS LAKE INDIAN BAND
SCHEDULE OF REMUNERATION AND EXPENSES
UNELECTED SENIOR OFFICIALS
For the year ended March 31, 2016

Name of Individual	Position Title	Number of Months	Salary (S) and Honoraria (H)		Other Remuneration	Expenses Reimbursed as part of Other Remuneration
			From	To		
ALBERT QUINN	BAND MANAGER	5	\$ 130,000	\$ 140,000	\$ 419	\$ 419
BEATRICE ANTHONY	ACTING BAND MANAGER	6	20,000	\$ 30,000	3,716	\$ 3,716
LEAH GAZE	DIRECTOR OF FINANCE	12	70,000	80,000	1,621	1,576
IVA JULES	LANDS MANAGEMENT	12	60,000	70,000	5,721	5,191
DONNA JULES	EDUCATION COORDINATOR	2	-	10,000	-	-
DIANE ANTHONY	EDUCATION COORDINATOR	7	20,000	30,000	4,839	3,821
SHANE COUTLEE	EDUCATION COORDINATOR	3	10,000	20,000	4,004	4,004
MARYANN YARAMA	HOUSING COORDINATOR	12	60,000	70,000	13,052	9,822
JESSICA BRUSH	GYM MANAGER	12	40,000	45,000	3,227	1,397
SHIRLEY ANDERSON	HEALTH DIRECTOR	12	70,000	75,000	5,839	5,577
DAVID NORDQUIST	RIGHTS & TITLE MANAGER	12	75,000	80,000	12,040	6,980
STEVE MURPHY	NATURAL RESOURCES MANAGER	12	175,000	180,000	2,168	220
ROB MATTHEW	PRINCIPAL - CHIEF ATAHM	5	35,000	40,000	7,149	7,149
DOREEN L'HIRONDELLE	PRINCIPAL - CHIEF ATAHM	8	55,000	60,000	10,590	4,129
JOYCE MANUEL	SOCIAL DEVELOPMENT OFFICER	5	30,000	32,000	2,315	1,306
VICKI SAMPOLIO	DAYCARE MANAGER	12	35,000	40,000	1,138	
ART MICHEL	IT MANAGER	12	85,000	90,000	361	-
MICHAEL MCLELLAN	HUMAN RESOURCES MANAGER	2	10,000	15,000	328	-
DEBRA SLOAT	HUMAN RESOURCES MANAGER	9	50,000	55,000	1,153	477
KAREN EVERARD	COMMUNITY PLANNING	9	25,000	30,000	461	461