



Photo taken at Boston
Bar Indian Band
Interpretative Centre

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2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Citxw Nlaka'pamux Assembly

The Citxw Nlaka'pamux Assembly (CNA) was formed for the purpose of managing and administering the Participating Bands' commitments in the Participation Agreement with Highland Valley Copper and Economic Community Development Agreement with the province of British Columbia.

The Participating Bands' include:

**Ashcroft Indian Band
Boston Bar First Nation
Coldwater Indian Band
Cook's Ferry Indian Band
Nicomen Indian Band
Nooaitch Indian Band
Shackan Indian Band
Siska Indian Band**



The CNA is also responsible for assisting the Participating Bands in implementing the Participation Agreement and Economic Community Development Agreement. Since Highland Valley Copper (HVC) became the operator of the Mine in 1986, the Participating Bands and HVC have worked towards building positive relationships, resulting in the creation of a protocol agreement in 2009, followed by interim agreements in 2010 and 2011, and then concluded to the final Participation Agreement which was signed June 30, 2013 and is a long-term definitive commitment between the Participating Bands and HVC with respect to the Mine and mining activities in the area surrounding the Mine.

The Participation Agreement creates an Implementation Committee with representatives from HVC and the Participating Bands and is primarily responsible for ensuring that the commitments created in the Agreement are met. The Participation Agreement commits HVC to provide economic benefits to the Participating Bands concurrent with working towards increasing opportunities for training, employment, business development and contract work at the HVC for Participating Band owned businesses and members. Each of the Parties acknowledges and agrees that a key objective of this Agreement is for the Parties to work together in a cooperative manner in order to substantially increase Contract Opportunities for Participating Bands and their Businesses. The Implementation Committee will periodically assess the Contract Opportunities provided through this Agreement as part of the long term-planning process in order to develop strategies to improve upon such opportunities.

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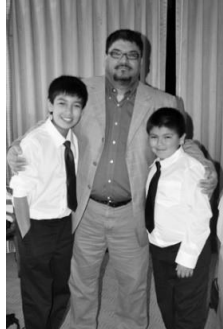
Board of Directors



| | |
|---|--|
|  | ASHCROFT INDIAN BAND Chief Greg Blain |
|  | BOSTON BAR FIRST NATION Chief Dolores O'Donaghey |
|  | COLDWATER INDIAN BAND Chief Lee Spahan |
|  | COOK'S FERRY INDIAN BAND Chief David Walkem |
|  | NICOMEN INDIAN BAND Chief Donna Gallinger |
|  | NOOAITCH INDIAN BAND Chief Marcel Shackelly |
|  | SHACKAN INDIAN BAND Chief Percy Joe |
|  | SISKA INDIAN BAND Chief Fred Sampson |

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Message from the Manager



My name is Wayne Kaboni and I am a proud Ojibway from Wikwemikong Unceded Indian Reserve in Ontario. I am single father of two sons and one daughter. I have dedicated my life and activities to the social and cultural development of youth. I have over 25 years' experience as a successful Entrepreneur and as a business mentor, and I have spoken at many conferences and events about business development, entrepreneurship and community development.

It was with great pleasure to become General Manager of Citxw Nlaka'pamux Assembly (C.N.A) in April 2014. The challenges of a new group is the pace of the vertical learning and legacy aspirations of Impact Benefit Agreements or in this case a Participation Agreement. During the first month, I learned the process and aspirations of the Eight Participating Bands Leadership by having a two priorities planning workshop, in which a report was completed to outline the goals and objectives for the next two years for the C.N.A. This document has become a valuable planning guide for leadership and the organization in guiding program or project development moving forward.

Shortly after the planning exercise we began the journey in program and project development. The first project was the Environmental Technicians Program with Vancouver Island University, and 15 students completed the program. We also developed some discussion papers around business development and employment at the Mine site. We hired an Employment and Training Coordinator to work with Contractors at the mine site, Highland Valley to increase employment at the Mine Site, and provide much needed support for those looking for employment and training opportunities.

We also developed some Nation based projects to benefit the Communities, such as the High School Completion Bursary program, outlined a language revitalization program, some youth leadership camps, and an outline to pursue a further understanding Tsilqotin Decision with a legal discussion paper.

It is with great pleasure that I am part of a collective group of communities that have "Communities First" in their negotiations. I look forward to working with all the communities to build or extend capacity at the community level.

Respectfully

Wayne Kaboni
Manager

Nlaka'pamux Legacy Trust

Purpose

The Trust is to receive, manage and distribute funds generated from the Highland Valley copper mine and such funding agreements are laid out under the following two documents:

- The Economic and Community Development agreement between the Participating Bands and Her Majesty the Queen in Right of the Province of British Columbia (the "Province"). The purpose of this agreement is sharing mineral tax revenues in relation to the Highland Valley mine.
- The Participation Agreement between the Participating Bands and Teck, which stipulates the method for sharing mine profits and other benefits regarding the mine.

The beneficiaries of the Trust includes the eight communities and a not for profit entity called Citx^w Nlaka'pamux ("CNA"), which is controlled by the Chiefs of the eight communities. There are various terms set out in the Trust Deed which set out how the Trust is to be managed and how money is to be shared amongst the communities. The money is to be used to provide for or assist in the long term socio-economic well-being of the beneficiaries, including the improvement of their cultural, communal and economic sustainability. Payments are not to be made directly to any individuals.

There are provisions which permit the addition of other property from the communities to be managed by the Trust.

Trustees Oversight

The individuals responsible for implementing and overseeing the Trust Deed are called Trustees. The Trustees hire professional investment managers to manage all or part of the funds, as well as other managers for other investments, if needed. There are a number of rules in the Trust Deed which sets out what Trustee can and cannot do, as well as their responsibilities and liabilities. The CNA is required to be consulted on a number of items which impact the strategic direction of the Trust. The Trustees have the authority to put in place administrative policies and procedures for the orderly management of the Trust.

There are four Trustees; three persons from the Nlaka'pamux Nation and one Administrative Trustee. Each person is appointed for four years. However, in the initial years the terms of the Nlaka'pamux Trustees are staggered with appointments of 2, 3 and 4 years in order to ensure continuity. The current Trustees are:

- **Nlaka'pamux Community Trustees:**
 - Raymond Phillips, Email: ray@nlxtrust.com
 - Mark Podlasly, Email: mark@nlxtrust.com
 - Norman Blain, Email: norm@nlxtrust.com
- **Administrative Trustee:**
 - Ross Stringer, CPA, CA , Email: admintrustee@nlx.com

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Nlaka'pamux Community Trustee Raymond D. Phillips



Raymond D. Phillips QC
Barrister & Solicitor
Box 369, 688 McIntyre Rd,
Lytton, BC V0K 1Z0
Toll free (855) 355-2471
Fax: (250) 455-0040
chuckpalsht@gmail.com

Raymond has been practicing law for 20 years, representing and advising First Nations people, communities, business, and organizations from his offices in Lytton and Kamloops, BC. In 1993, Raymond received his law degree at the University of British Columbia and was called to the BC Bar in 1994. Between 1994-1995 he articulated with the Department of Justice in Vancouver, BC.

From 1995 to 2002, Raymond worked as a staff lawyer with St'át'imc/ Nlha'kpmx Legal Services and managed offices located in Lytton and Lillooet. In 1996, Raymond was elected as school trustee for SD 74 and in the last year of his term was the Board Chairperson. During his years of practice, Raymond has accomplished a number of achievements working as criminal defense counsel, specializing in defending First Nations and members asserting, defending and practicing their inherent rights and title. He was elected as Director with the Nzenmen Child and Family Development Centre in Lytton, BC in 1992, and remains on that board today. In 2004 he became corporate counsel with the Nicola Tribal Association.

For the period 2005 - 2011, the St'át'imc Nation Chiefs Council retained Raymond as a member of their legal team to negotiate and settle long outstanding grievances against BC Hydro and its predecessors arising from hydro development within the St'át'imc Territory. Today, this agreement represents one of the largest non-treaty settlements in the history of the Province.

From 2009 to 2013, Raymond was a member of a legal team retained by the Nlha'kpmx communities to negotiate and settle claims against the Highland Valley Copper mine. A settlement was reached and now Raymond is one of 3 Community Trustees managing the Nlaka'apmx Legacy Trust.

"Helping the Nkshaytkyn Seek a Measure of Justice Since 1995"

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

In 2012, Raymond joined the Canadian Bar Association Justice Reform Committee, providing a response to BC Government's "Green Paper" with an attempt to create "efficiencies" in the justice system. In the spring of 2013, Raymond was appointed as Duty Counsel in the newly created First Nations Court in Kamloops, BC.

On top of all this work, Raymond has been successfully running his own private law practice since 2002. He provides a range of general counsel services for a number of Bands and First Nations people in the interior region. These services include corporate structuring, real estate, elections, election appeals, business transactions (on and off-reserve), wills and estates, employment, protection of cultural heritage sites, and tenure negotiations (with Highways, BC Hydro, Telus, and Communications). Raymond also sits as director with Cayoose Creek Development Corp, a 100% aboriginal owned company engaged in major construction projects in the province of BC. In February, 2015 Raymond was appointed Queens Council from the Province of British Columbia. In the spring of 2015 Raymond was appointed to the Access to Justice Committee of the Law Society of British Columbia.

In his spare time, Raymond enjoys ranching, hunting, fishing, riding horses, playing fastball, basketball, soccer and coaching youth basketball



"Helping the Nkshaytkyn Seek a Measure of Justice Since 1995"

2014 ANNUAL REPORT - CITXW NLAKE'PAMUX ASSEMBLY

Nlake'pamux Community Trustee Mark Podlasly

BIO – Mark Podlasly

EMAIL: mark@northpacificenergy.com

Mark Podlasly, member of the Cook's Ferry Band is an entrepreneur and an expert in strategic partnerships, community wealth sharing and global energy markets.

A graduate of Harvard University's Kennedy School, Mark is an advisor to the BC First Nations Energy and Mining Council. Mark is also a Trustee for the Nlake'pamux Legacy Trust, a First Nations mining revenue sharing fund dedicated to community and skills building for eight First Nations in central BC. Frequently invited to speak on extractive industry impacts, Mark has presented at Kellogg School of Management's executive mining and leadership programs in Brazil and Chicago, and the executive team of Oxfam International in Boston and Washington, DC.

Mark is co-founder and CEO of North Pacific Energy Ltd., a Canadian wood biomass company servicing Japan's electricity and industrial power sectors. Starting in 2015, North Pacific will be providing up to 600,000 tons of carbon-neutral biomass from Northern BC to Japanese customers.

Prior to co-founding North Pacific, Mark ran a successful executive education and consulting practice in Asia, Europe and the USA, designing corporate strategy, leadership, and globalization programs for clients including GE, Unilever, General Mills, Clorox, Goldman Sachs and Praxair. He was also a senior advisor and Vice President of Project Management at Gale International's New Songdo City project in South Korea.

Mark is a member of the Advisory Board of Simon Fraser University's Aboriginal Business and Leadership Executive MBA program, and serves on the boards for Teach For Canada and the Institute for Canadian Citizenship.

When he's not working, Mark can be found teaching his two daughters to fish, kayak, or make a pizza – not necessarily in that order. He lives in Vancouver.

Nlake'pamux Community Trustee Norman Blain



Community Trustee Norman Blain is a member of the Ashcroft Indian Band. Norman graduated from Thompson Rivers University with a B.B.A in 2012 and then began working for his band as the Director of Finance. Norman is currently pursuing his professional accounting designation (CGA-CPA).

Norman was chosen to be one of inaugural trustees for the Nlake'pamux Legacy Trust and has since been reappointed to a 5 year term. This position is a great honor for Norman because it has given him the opportunity to work closely with the First Nation communities in his area.

When Norman is not working his passion in life is running. He has completed countless marathons and Ultra-Marathons in the beautiful mountains and roads across British Columbia and Washington.

Priorities, Goals and Outcomes: 2014-2016

In Accordance with Section 7 - "TRUST REPORTS AND AUDITS" part 7(1) of the Economic and Community Development Agreement (ECDA) - the CNA board, on behalf of the Participating bands, within one year after the Effective Date, and thereafter at the end of each three year period during the Term, will prepare a "Statement of Trust Priorities" that identifies priorities and outlines goals and outcomes to help to achieve the objectives set out in section 6 over the next three years, and will make available a copy of each "Statement of Trust Priorities" to the Trust, the Members and British Columbia. The Participating Bands are interested in addressing the cultural and societal needs of both the individual and collective Participating Bands through the development of initiatives in relation to the following Purposes of the NLX Trust:

- Governance;
- Culture, Heritage and Language;
- Social Development;
- Economic Development;
- Environment and Natural Resources;
- Education and Training;
- Community Infrastructure; and
- Sport and Recreation.

The following outlines the initial Priorities, Goals and expected Outcomes of the use of funds put into the Nlaka'pamux Legacy Trust (2013) (the "NLX Trust") on behalf of the Ashcroft, Boston Bar, Coldwater, Cooks Ferry, Nicomen, Nooaitch, Shackan, and Siska Bands (collectively the "Participating Bands") from both the ECDA with the Province of BC and the Participation Agreement with Teck / Highland Valley Copper Partnership ("HVC"). These were produced by the Citxw Nlaka'pamux Assembly Board of Directors and based on a number of meetings within the communities over the past year. These are meant to be aspirational and we hope to build on them as we conduct additional community meetings to better determine how our communities would like the funds invested to better enhance the **"Economic and Social well-being of our communities and Members"**.



2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Governance

There are two levels of governance GOALS to consider: the administration of both the NLX Trust Funds and the Operation of the CNA; and the enhancement of our member Bands and Nation self-determination as a people.

PRIORITY – HIGH

GOALS - Administrative

1. To provide sufficient funds from the NLX Trust to ensure the operations of the NLX Trustees are carried out and ensure the requirements of the NLX Trust Indenture are funded.
2. To use NLX Trust Funds for CNA Operations in meeting the needs of the consultation required under the ECDA and other needs.
3. Overall to effectively and efficiently use NLX Trust funds for the administration of both the NLX Trust and CNA operations.

OUTCOMES

1. A professionally managed NLX Trust that minimizes operating expenses while maximizing rates of returns within an acceptable level of risk.
2. The implementation of a comprehensive consultation process that addresses the interests of the 8 Bands and their members in relation to the operation of the Highland Valley Copper Mine within the context of both the ECDA and the Participation Agreements and respecting Nlaka'pamux title and rights.
3. An effective and responsive CNA operation that effectively addresses the implementation and monitoring of both agreements on behalf of the member bands.

GOALS – Self-Determination of Bands and Nation

PRIORITY – High

1. To develop the necessary legal documentation to enable the Bands individually and working as part of the Nlaka'pamux Nation to become self-governing based on Nlaka'pamux values, teachings and laws.
2. To clarify, consolidate and protect our aboriginal Title and rights within our traditional Nlaka'pamux homelands, including but not limited to development of policies to deal with relations with other First Nations and asserting title and rights over all aspects of our homelands.
3. To enhance and protect our Members' access to and use of all resources within our homelands.

OUTCOMES

1. The development and adoption of a process to improve Band and Nation governance.
2. Aboriginal title and rights and our members' access to and use of all resources within our homelands is better understood by all, Band members, government officials and the public, especially regarding the HVC mine properties.

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Culture, Heritage and Language

GOALS – *Language*

PRIORITY - HIGH

1. To develop a plan on how to revitalize and integrate the use of the Nlaka'pamux language by our members in all aspects of their lives and in the conduct of each of our Bands' operations.
2. To establish an Nlaka'pamux Language Centre to guide the revitalization and integration of the Nlaka'pamux language within our communities and provide accreditation for Nlaka'pamux language instructors.
3. To increase the number of fluent Nlaka'pamuxcin speakers with the focus on our Youth.

OUTCOMES – *Language*

1. Nlaka'pamuxcin is used in the operation of all aspects of the NLX Trust, CNA and Bands business operations.
2. An Nlaka'pamux Language Centre is established and is actively developing and supporting ways to enhance the use of Nlaka'pamuxcin and the number of fluent speakers including but not limited to immersion programs, youth programs, Elders programs, and public and Band schools.
3. Nlaka'pamuxcin language instructors are being developed and accredited.
4. Band Members and the general public have a better understanding of the importance and use of our language.
5. Various methods/programs to use and understand Nlaka'pamuxcin are developed and at least 10% of all participants demonstrate language retention.



2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

GOALS – Culture & Heritage

PRIORITY - Medium

1. Investigate the feasibility of establishing an Interpretive Centre/Museum/Cultural Centre to house historical artifacts and documents and enhance the understanding of our Nlaka'pamux Culture and History, including the potential for partnering with others.
2. Promote understanding of the historical and continuing importance and use of the Highland Valley area by Nlaka'pamux.
3. To enhance the understanding of Nlaka'pamux culture, lifestyle, language, culturally significant areas, our whole homeland area, and our history by our members, our neighbors and the general public through existing and emerging communication and multimedia methods.
4. To utilize Elders in all aspects of revitalizing Nlaka'pamux language and culture.
5. To support the enhancement and development of Nlaka'pamux culture including, but not limited to, traditional, contemporary, and emerging arts, music, theatre, dance, film.

OUTCOMES – Culture & Heritage

1. Undertake a Feasibility study on the establishment of an Interpretative/Cultural/Museum Centre.
2. The establishment of annual or periodic Cultural Camps or activities that promote the use of and understanding of all aspects of Nlaka'pamux culture, history and stories.
3. Develop a report/presentation on the historical and continuing importance of and use of the Highland Valley area.
4. The well-being of our Members is improved by the understanding and practice of their culture, heritage and history through the development of programs or activities that enhance this understanding.
5. Government agencies, industry and the general public gain a better understanding of and appreciation of Nlaka'pamux people and our connection to the Highland Valley area.
6. Development of programs to support artists and promote Nlaka'pamux culture and heritage



2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Social Development

GOAL – Elders

PRIORITY - High

1. The establishment of an Elders Council to provide advice to the CNA and NLX Trust.
2. To provide space in each community for Elders to socialize.
3. To have Elders participate in all aspects of community life.
4. To provide short-term and long-term care for elders that is culturally relevant and family friendly.

OUTCOMES

1. Establish a task force of Elders to determine their needs and develop a plan to engage Elders on and off-reserve.
2. An Elders Council with input from all elders on and off-reserve is providing input and advice to all aspects of community life.
3. Elders are actively engaged in advising the CNA on the development of programs and services for them.
4. Each community has space for elders to socialize.
5. Investigate the feasibility of establishing long-term care facility(s).

GOALS – Youth

PRIORITY - High

1. To develop future leaders who are culturally grounded.
2. To have a Youth Council with membership from all bands to advise the CNA and NLX Trust and Band leadership on the needs of youth (12 – 25 yrs).

OUTCOMES

1. The development of programs and services focused on the needs of our youth both on and off reserve.
2. An active Youth Council providing advice to Band Councils, the CNA, and the NLX Trust on issues important to Youth.
3. Vibrant and healthy youth training to be future leaders in their families, communities and Nation.



2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

GOALS – Health

PRIORITY - Medium

1. To improve the health of our community members on and off-reserve.
2. To improve access to health services for our community members.
3. Support the child and family services agencies serving our communities.
4. To encourage a more active and healthier lifestyle for our members.

OUTCOMES

1. Development of programs and services supporting healthier living based on traditional activities and food use.
2. Investigate the feasibility of providing mobile health services in conjunction with the First Nations Health Authority and Provincial Health services.

PRIORITY - Low

GOALS – Arts

1. To develop programs that support and encourage all aspects of Nlaka'pamux art including but not limited to traditional, contemporary, and emerging art forms in music, painting, fashion, theatre, film, and performing arts.
2. To investigate the establishment of an Nlaka'pamux Arts Council to guide and advise on the above.

OUTCOMES

1. The development of programs, services and financial support for artists within our communities.
2. Investigate the feasibility of establishing an Nlaka'pamux arts fellowship program to support creativity and enhancement of Nlaka'pamux culture through art.
3. Development of a program to support the marketing of Nlaka'pamux art.



2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Economic Development

PRIORITY - High

GOALS

1. To gain more jobs and wealth creation from activities directly associated with the Highland Valley Copper Mine.
2. To obtain jobs and business opportunities in all aspects of the economy.

OUTCOMES

1. The establishment of a Limited Liability Partnership for the benefit of all the Bands to acquire contracting opportunities related to the HVC mine operation and other economic activities.
2. The establishment of joint ventures or partnerships that assist with the development of successful businesses.
3. The well-being and self-sufficiency of members from each Band is enhanced through employment and business development.



Environment and Natural Resources

PRIORITY - High

GOALS

1. To develop programs and/or services that provide advice to our 8 bands in order to protect the natural resources and the environment for the continual use and enjoyment of future generations of our membership.

OUTCOMES

1. Band membership is more aware of and actively engaged in the use and enjoyment of Nlaka'pamux homelands by practicing cultural ceremonies and activities on the land.

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Education and Training

PRIORITY - High

GOALS

1. To encourage and assist with the development of employable skills for our members.
2. To revitalize traditional Nlaka'pamux teachings and training in all aspects of life.

OUTCOMES

1. The creation of bursaries, scholarships and awards for high school and post-secondary students.
2. Develop a summer student internship program for high school students.
3. The development of an education and training plan for the CNA to administer to support employment of Members.
4. The development of a program(s) to teach traditional education in all aspects of Nlaka'pamux culture and life.



Community Infrastructure

PRIORITY – MEDIUM

GOALS

1. Improvement in the care of our Elders as close to home as feasible to improve the quality of life and well-being of our Elders and their families and communities.
2. Provide space for Elders to meet, entertain and socialize in each community.
3. Improved access to existing health services for all band members on and off-reserve to improve their health and well-being.
4. The creation of the space and environment to encourage and facilitate the learning of our language and cultural practices.
5. Facilitating the creation of seasonal cultural camps/gatherings through providing necessary infrastructure and more membership learning and practicing of Nlaka'pamux cultural practices.

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

OUTCOMES

1. In conjunction with existing service providers, to determine the need for, and feasibility of, the development of community infrastructure in the following areas:
 - a. Long Term – Assisted Living Care facilities
 - b. Elders Gathering Centre
 - c. Mobile Health Services
 - d. Cultural and / or Language Centre
 - e. Cultural Camps throughout the territory.
2. To determine the need for, and feasibility of, establishing transportation services servicing all 8 Bands.

Sports and Recreation

PRIORITY - Low

GOALS

1. To create a Recreation and Sports Council to guide and promote the development of recreation and sports activities and programs for all levels of participation from individual and family recreation to team sport.
2. To promote recreational and sports activities that are culturally relevant and promote a more active lifestyle from children to Elders.

OUTCOMES

1. The establishment of an Nlaka'pamux Sports and Recreation Council to investigate and develop culturally and contemporary inspired sports challenges, family and community team development programs.
2. The well-being and health of Band membership is improved through more active lifestyle.
3. Traditional Nlaka'pamux physical activities and training are revitalized.
4. Increased involvement of community members in sports and recreational activities.
5. Financial support is made available to encourage participation in sports and recreational activities through the development of a policy for sponsorship and support of sports.



Independent Auditor's Report

To the Directors of Citxw Nlake'pamux Assembly:

We have audited the accompanying financial statements of Citxw Nlake'pamux Assembly, which comprise the statement of financial position as at December 31, 2014, and the statements of operations and accumulated operating surplus, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 Citxw Nlake'pamux Assembly as at December 31, 2014 and the results of its operations and change in accumulated operating surplus, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chilliwack, British Columbia

April 23, 2015

MNP LLP
Chartered Accountants

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

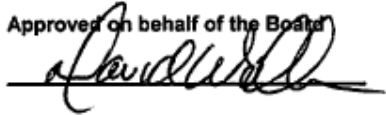
Financial Report

Citxw Nlaka'pamux Assembly Statement of Financial Position

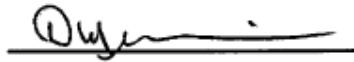
As at December 31, 2014

| | 2014 | 2013 |
|-----------------------------------|---------|---------|
| Financial assets | | |
| Cash and cash equivalents | 435,884 | 216,281 |
| Goods and services tax receivable | 1,439 | - |
| | 437,323 | 216,281 |
| Liabilities | | |
| Accounts payable and accruals | 15,633 | 33,149 |
| Deferred revenue (Note 4) | 118,981 | - |
| Net financial assets | 302,709 | 183,132 |
| Non-financial assets | | |
| Tangible capital assets (Note 5) | 14,366 | - |
| Prepaid expenses and deposits | 780 | - |
| Total non-financial assets | 15,146 | - |
| Accumulated surplus | 317,855 | 183,132 |

Approved on behalf of the Board



Chairman



Board Member

The accompanying notes are an integral part of these financial statements

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Citxw Nlaka'pamux Assembly Statement of Operations and Accumulated Operating Surplus *For the year ended December 31, 2014*

| | 2014 Budget | 2014 | 6 months ended December 31 2013 |
|---|----------------|---------|---------------------------------------|
| Revenue | | | |
| Implementation funds | 500,000 | 500,000 | 257,534 |
| Program funding | 256,000 | 147,133 | - |
| Interest income | - | 3,137 | - |
| | 756,000 | 650,270 | 257,534 |
| Expenses | | | |
| Amortization | - | 3,074 | - |
| Board expenses | 83,400 | 90,870 | 11,307 |
| Consultants | 76,000 | 137,742 | 38,522 |
| General and administrative expenses | 31,946 | 49,030 | 2,546 |
| Payroll expenses | 99,764 | 104,578 | 12,500 |
| Programs and events | 140,945 | 130,253 | 9,527 |
| | 432,055 | 515,547 | 74,402 |
| Operating surplus | 323,945 | 134,723 | 183,132 |
| Accumulated operating surplus, beginning of year | 183,132 | 183,132 | - |
| Accumulated operating surplus, end of year | 507,077 | 317,855 | 183,132 |

The accompanying notes are an integral part of these financial statements

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Citxw Nlaka'pamux Assembly Statement of Change in Net Financial Assets

For the year ended December 31, 2014

| | <i>2014 Budget</i> | <i>2014</i> | <i>6 months ended December 31 2013</i> |
|--|------------------------|----------------|--|
| Annual operating surplus | 323,945 | 134,723 | 183,132 |
| Purchases of tangible capital assets | - | (17,440) | - |
| Amortization of tangible capital assets | - | 3,074 | - |
| Acquisition of prepaid expenses | - | (780) | - |
| Increase in net financial assets | 323,945 | 119,577 | 183,132 |
| Net financial assets, beginning of year | 183,132 | 183,132 | - |
| Net financial assets, end of year | 507,077 | 302,709 | 183,132 |

The accompanying notes are an integral part of these financial statements

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Citxw Nlaka'pamux Assembly Statement of Cash Flows

For the year ended December 31, 2014

| | 2014 | 2013 |
|--|-----------|----------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Funding received | 764,675 | 257,534 |
| Cash used for operating expenses | (530,769) | (41,253) |
| Interest income | 3,137 | - |
| | 237,043 | 216,281 |
| Capital activities | | |
| Purchases of tangible capital assets | (17,440) | - |
| Increase in cash resources | 219,603 | 216,281 |
| Cash resources, beginning of year | 216,281 | - |
| Cash resources, end of year | 435,884 | 216,281 |

The accompanying notes are an integral part of these financial statements

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

Citxw Nlaka'pamux Assembly Notes to the Financial Statements

For the year ended December 31, 2014

1. Operations

The Citxw Nlaka'pamux Assembly ("CNA") was established on July 4, 2013 as a federally incorporated not-for-profit corporation. The CNA is the governing body which appoints Trustees and approves annual budgets for the Nlaka'pamux Legacy Trust (2013) (the "Trust") and works with the Trustees in fulfilling the terms of the Trust and the agreements it has with the Province of British Columbia and Teck Highland Valley Partnership ("Teck"). The Board Members of the CNA are the appointed representatives of the following eight Nlaka'pamux Nation Bands:

Ashcroft Indian Band
Boston Bar First Nation
Coldwater Indian Band
Cook's Ferry Indian Band
Nicomen Indian Band
Nooaitch Indian Band
Shackan Indian Band
Siska Indian Band

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Cash resources

Cash resources includes balances with banks. At year end, no amounts in cash are subject to restrictions that prevent its use for current purposes.

Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Measurement uncertainty

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

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the statement of operations in the periods in which they become known.

Financial Instruments

CNA recognizes its financial instruments when it becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The CNA's financial instruments consist of cash resources, accounts payable and accruals, the carrying values of which approximate their fair value due to the relatively short periods to maturity. Unless otherwise noted, it is management's opinion that the CNA is not exposed to significant interest, currency, or credit risks arising from these instruments.

Income taxes

The CNA is registered as a non-profit organization under the *Income Tax Act* (the "Act") and as such is exempt from income taxes. In order to maintain its status as a non-profit organization under the Act, the CNA must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

2014 ANNUAL REPORT - CITXW NLAKE'PAMUX ASSEMBLY

Citxw Nlaka'pamux Assembly Notes to the Financial Statements

For the year ended December 31, 2014

2. Significant accounting policies (Continued from previous page)

Net financial assets

The Organization's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Organization is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records.

Amortization

Tangible capital assets are amortized monthly using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

| | Method | Rate |
|-------------------------|---------------|---------|
| Furniture and equipment | straight-line | 5 years |
| Computers | straight-line | 3 years |

3. Economic dependence

The CNA received all of its revenue in the year from a single party. The revenues were derived from payments in accordance with a participation agreement with this party. For years subsequent to 2014, the CNA anticipates its revenue to be derived from a combination of this participation agreement as well as through funding from the Nlaka'pamux Legacy Trust (2013) (refer to note 1). The ability of the Organization to continue operations is dependent upon the continued financial commitments as agreed to by the parties noted above.

4. Deferred revenue

Deferred revenue consists of the following unspent program funding:

| | 2014 | 6 months ended December 31 2013 |
|--|----------------|---------------------------------------|
| Employment and Training Coordinator | 112,500 | - |
| Environmental Technician Certificate Program | 6,481 | - |
| | 118,981 | - |

5. Tangible capital assets

| | Additions | Disposals | Accumulated amortization | 2014 Net book value |
|-------------------------|---------------|-----------|-----------------------------|---------------------------|
| Furniture and equipment | 975 | - | 49 | 926 |
| Computers | 16,466 | - | 3,026 | 13,440 |
| | 17,441 | - | 3,075 | 14,366 |

6. Comparative figures

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

2014 ANNUAL REPORT - CITXW NLAKA'PAMUX ASSEMBLY

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