

**Fort Nelson First Nation
Consolidated Financial Statements**
For the year ended March 31, 2024

Fort Nelson First Nation Contents

For the year ended March 31, 2024

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To the Members of Fort Nelson First Nation:

Opinion

We have audited the consolidated financial statements of Fort Nelson First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2024, and the results of its consolidated operations, its consolidated remeasurement gains and losses, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Surrey, British Columbia

July 29, 2024

MNP LLP

Chartered Professional Accountants

Fort Nelson First Nation
Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023
Financial assets		
Cash resources (Note 5)	20,884,261	22,901,516
Portfolio investments (Note 6)	76,359,018	20,563,007
Portfolio investments held in trust (Note 7)	14,700,619	10,834,681
Funds held in trust (Note 8)	10,889,160	10,410,292
Accounts receivable (Note 9)	7,872,442	12,033,012
Investments in First Nation business entities and partnership (Note 10)	5,650,639	5,535,250
Note receivable (Note 11)	1,000,000	1,000,000
Total of financial assets	137,356,139	83,277,758
Liabilities		
Accounts payable and accruals (Note 12)	4,809,471	3,934,005
Deferred revenue (Note 13)	15,425,046	12,023,482
Long-term debt (Note 14)	3,037,488	3,205,470
Promissory notes payable (Note 15)	212,358	212,358
Total of financial liabilities	23,484,363	19,375,315
Net financial assets	113,871,776	63,902,443
Contingencies (Note 16)		
Non-financial assets		
Tangible capital assets (Schedule 2)	22,937,632	23,254,183
Prepaid expenses	313,829	123,730
Total non-financial assets	23,251,461	23,377,913
Accumulated surplus (Note 17)	137,123,237	87,280,356
Accumulated surplus is comprised of:		
Accumulated surplus (Note 17)	130,660,458	87,561,501
Accumulated remeasurement gains (losses) (Note 17)	6,462,779	(281,145)
	137,123,237	87,280,356

Approved on behalf of the Council



Chief



Councillor

Fort Nelson First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2024

	<i>Schedules</i>	<i>2024 Budget</i>	<i>2024</i>	<i>2023</i>
Revenue				
Indigenous Services Canada		6,161,619	7,322,576	6,740,166
Province of British Columbia		4,012,083	49,027,249	19,168,954
First Nations Health Authority		2,359,081	1,692,286	1,248,572
Government of Canada		1,633,008	828,475	1,048,207
North East Native Advancing Agency		139,862	110,213	119,616
First Nations Education Steering Committee		442,202	639,639	498,564
BC First Nation Gaming Revenue Sharing LP		379,714	616,358	672,924
Rental income		283,798	269,339	265,943
Canada Mortgage and Housing Corporation		159,200	237,110	150,841
Property taxation		49,600	52,885	49,989
Interest income		299,930	1,308,052	393,990
Other revenue		1,832,847	1,727,625	3,060,872
Trust distributions		-	1,158,770	1,335,815
Income from portfolio investments		1,466,483	4,681,219	1,721,439
Other business activities		1,182,000	1,260,446	1,228,370
Gain (loss) from investments in First Nation business entities		1,117,000	70,388	(833,734)
		21,518,427	71,002,630	36,870,528
Program expenses				
Administration & Governance	3	5,529,144	5,236,852	4,491,556
Capital	4	4,128,247	3,419,749	2,766,385
Culture	5	979,617	152,584	381,610
Economic Development	6	1,158,398	1,772,732	1,750,531
Education	7	4,631,355	4,977,253	4,147,833
Family & Community Services	8	1,469,849	867,736	856,770
Health	9	2,607,215	1,854,063	1,708,781
Housing	10	1,415,511	1,333,736	1,149,543
Investments	11	501,114	2,130,322	1,823,447
Justice	12	772,417	821,184	533,420
Lands, Resources & Treaty Rights	13	5,988,652	4,682,184	4,031,940
Social Services	14	661,227	655,278	685,423
		29,842,746	27,903,673	24,327,239
Surplus (deficit)		(8,324,319)	43,098,957	12,543,289
Accumulated surplus, beginning of year		87,561,501	87,561,501	75,018,212
Accumulated surplus, end of year		79,237,182	130,660,458	87,561,501

The accompanying notes are an integral part of these consolidated financial statements

Fort Nelson First Nation
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31, 2024

	2024	2023
Accumulated remeasurement gains (losses), beginning of year	(281,145)	1,311,985
Unrealized gains (losses) attributable to:		
Portfolio investments	6,608,945	(937,604)
Amounts reclassified to the statement of operations:		
Portfolio investments	134,979	(655,526)
Accumulated remeasurement gains (losses), end of year	6,462,779	(281,145)

Fort Nelson First Nation
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Surplus (deficit)			
Purchases of tangible capital assets	(8,324,319)	43,098,957	12,543,289
Amortization of tangible capital assets	1,506,992	(1,436,345)	(1,555,157)
Acquisition of prepaid expenses	1,546,701	1,752,896	1,654,947
Change in remeasurement gains (losses) for the year	-	(190,099)	(67,318)
Increase (decrease) in net financial assets	(5,270,626)	49,969,333	10,982,631
Net financial assets, beginning of year	63,902,443	63,902,443	52,919,812
Net financial assets, end of year	58,631,817	113,871,776	63,902,443

Fort Nelson First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating activities		
Surplus	43,098,957	12,543,289
Non-cash items		
Amortization	1,752,896	1,654,947
Realized loss (gain) on portfolio investments	(224,420)	347,464
Realized loss on investments held in trust	89,441	308,062
Loss (gain) from investments in First Nation business entities	(70,388)	833,734
	44,646,486	15,687,496
Changes in working capital accounts		
Accounts receivable	4,160,570	4,063,429
Prepaid expenses	(190,099)	(67,318)
Accounts payable and accruals	875,466	36,969
Deferred revenue	3,401,564	7,013,041
	52,893,987	26,733,617
Financing activities		
Repayment of long-term debt	(167,982)	(146,482)
Mortgage advance	-	420,973
	(167,982)	274,491
Capital activities		
Purchases of tangible capital assets	(1,436,345)	(1,555,157)
Investing activities		
Increase in portfolio investments - net	(50,723,320)	(10,445,002)
Decrease (increase) in portfolio investments held in trust - net	(2,059,726)	261,771
Increase in funds held in trust	(478,868)	(494,321)
Decrease (increase) in investment in First Nation business entities	(45,001)	382,346
	(53,306,915)	(10,295,206)
Increase (decrease) in cash resources	(2,017,255)	15,157,745
Cash resources, beginning of year	22,901,516	7,743,771
Cash resources, end of year	20,884,261	22,901,516

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

1. Operations

The Fort Nelson First Nation (the "First Nation") is a First Nations government located in the province of British Columbia. The First Nation is responsible for the well-being of its community and enacts legal policies and programs in the areas of Administration, Capital, Culture, Economic Development, Education, Family and Community Services, Health, Housing, Justice, Lands, Resources & Treaty Rights, Investments and Social Services. The First Nation is also mandated to take actions to protect the well-being of members and the community and to establish cultural programs and undertake initiatives in economic development.

2. Change in accounting policy

Revenue

Effective April 1, 2023, the First Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 *Revenue*. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

3. Significant accounting policies

These consolidated financial statements are the representations of management in accordance with Canadian public sector accounting standards as recommended by the Public Accounting Standards Board of CPA Canada and are consistent with the accounting policies set out by the Department of Indigenous Services Canada. Significant accounting policies adopted by the First Nation are as follows:

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for government business entities. Trusts administered on behalf of third parties by Fort Nelson First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Liard Hotsprings Lodge (FNFN) Ltd.
- Chalo Independent School Society
- Fort Nelson Indian Band Land Trust Society
- Reaching For Our Vision Trust

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Fort Nelson First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

Entities accounted for by the modified equity basis include:

- Deh Tai GP Ltd.
- Deh Tai Limited Partnership
- FNFN Forestry Limited Partnership

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

3. Significant accounting policies *(Continued from previous page)*

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Net financial assets

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

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in cash (Note 5).

Portfolio investments

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Portfolio investments with prices quoted in an active market include a guaranteed investment certificate and equity instruments that either have no maturity dates or have a maturity of greater than three months at the time of acquisition, and an investment in a partnership for which there is no control. Changes in fair value of investments quoted in an active market are recorded in the consolidated statement of remeasurement gains and losses. Earnings from portfolio investments that are not quoted in an active market are recognized only to the extent received or receivable.

Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible assets are recorded at their fair value at the date of contribution. All intangibles and items inherited by right of the First Nation, such as reserve lands, forests, water, and mineral resources, are not recognized as assets in the First Nation's consolidated financial statements. Historic works of art and treasures are not recorded as assets in these consolidated financial statements.

Amortization

Assets under construction are not amortized until the asset becomes available for use. Amortization for other tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings	straight-line	4 %
Automotive equipment	straight-line	10 %
Computer and office equipment	straight-line	10-30 %
Machinery and equipment	straight-line	10-30 %
Roads and land improvements	straight-line	4-20 %
Service installations	straight-line	5 %

Long-lived assets

Long-lived assets consist of tangible capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

3. Significant accounting policies *(Continued from previous page)*

Long-lived assets *(Continued from previous page)*

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in operations for the year.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2024.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2024, no liability for contaminated sites exists.

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2024, no liability for asset retirement obligations exists.

Revenue recognition

Funding

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 consolidated statement of financial position in the year of receipt.

Government transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

3. Significant accounting policies *(Continued from previous page)*

Revenue recognition *(Continued from previous page)*

Externally restricted revenue

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

Funds held in trust

The First Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Other income

Investment income reported on investments not subject to significant influence is recorded as revenue in the period earned.

Rental and other revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Measurement uncertainty (Use of estimates)

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amounts due from First Nation members and investments in First Nation business entities are stated after evaluation as to their collectability and recoverability and an appropriate allowance for impairment is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

Asset retirement obligation

A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future periods could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

Funds held in trust

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

3. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through twelve reportable segments: Administration & Governance, Capital, Culture, Economic Development, Education, Family & Community Services, Health, Investments, Housing, Justice, Lands Resources and Treaty Rights, and Social Services. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed above.

Financial instruments

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

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations that are available in an open market. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the consolidated statement of remeasurement gains and losses. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments, etc. in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements can occur, provided they are not greater than the amount that would have been reported at the date of reversal had the impairment not been previously recognized. In such instances these reversals are recognized in the consolidated statement of operations.

Foreign currency translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the consolidated statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains are reclassified to the consolidated statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the consolidated statement of remeasurement gains and losses.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

3. Significant accounting policies *(Continued from previous page)*

Consolidated statement of remeasurement gains and losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in First Nation business entities are distinguished from revenues and expenses reported in the consolidated statement of operations. The consolidated statement of operations reports the extent to which revenue raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the consolidated statement of remeasurement gains and losses. Taken together, the two statements account for changes in a First Nation's net assets (liabilities) in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to all financial instruments are reported in the consolidated statement of operations.

4. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk to the First Nation's earnings that arises from fluctuations in market interest rates and the degree of volatility of these rates. The First Nation does not use derivative instruments to reduce its exposure to interest rate risk. Management expects interest rates to remain relatively constant for the coming year and therefore considers the related risk to be low.

Market risk

Market risk relates to the possibility that the equity investments will change in value due to future fluctuations in market prices. The First Nation does not use derivative instruments to reduce its exposure to market risk.

Fair values

Due to their short-term nature, the carrying values of cash resources, portfolio investments, accounts receivable, accounts payable and accruals approximate their fair values. The terms and interest rates of the First Nation's long-term debt are similar to those currently offered for similar loans, therefore the carrying values of these loans are also considered to approximate their fair values.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

Risk management

The First Nation manages its credit risk by assessing the collectability of its receivables and creating allowances for potentially uncollectible accounts receivable.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

5. Cash resources

Restricted cash

Included in cash are externally restricted funded reserves in the amount of \$547,695 (2023 - \$520,919).

Credit facilities

The First Nation has available a \$150,000 revolving line of credit and a \$250,000 bank overdraft with interest charged at the Scotiabank prime rate plus 0.75% and 0.5% per annum respectively. At March 31, 2024, the outstanding line of credit and bank overdraft balances were \$NIL (2023 - \$NIL), and are secured by certain vehicles owned and a general security agreement over all present and future personal property with appropriate insurance coverage. Prime rate at March 31, 2024 was 7.20% (2023 - 6.70%).

6. Portfolio investments

Included in portfolio investments are the following:

- Publicly traded securities with a market value of \$76,288,819 (2023 - \$20,495,805) and an adjusted cost base of \$70,925,297 (2023 - \$20,594,240).
- The First Nation has an investment in a limited partnership representing 49.9% ownership of the partnership units with an adjusted cost base of \$1 (2023 - \$1). The limited partnership is accounted for as a portfolio investment and is not quoted in an active market.
- A 1-year Guaranteed Investment Certificate of \$70,198 (2023 - \$67,201).

7. Portfolio investments held in trust

Included in portfolio investments held in trust are publicly traded securities with a market value of \$14,700,619 (2023 - \$10,834,681) and an adjusted cost base of \$13,601,363 (2023 - \$11,017,392).

8. Funds held in trust

Funds held in trust include the Ottawa Trust accounts which arise from moneys derived from capital or revenue sources as outlined in Section 62 of the *Indian Act*. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*. Capital and revenue trust moneys are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2024	2023
Capital Trust		
Balance, beginning of year	9,739,605	9,599,474
Additions	76,859	140,131
Balance, end of year	9,816,464	9,739,605
Revenue Trust		
Balance, beginning of year	670,687	316,497
Additions	402,009	354,190
Balance, end of year	1,072,696	670,687
	10,889,160	10,410,292

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

9. Accounts receivable

	2024	2023
Indigenous Services Canada	-	445,176
First Nations Health Authority	3,350	468,270
Province of British Columbia	6,559,650	9,288,821
Government of Canada	209,593	555,700
Due from members	1,630,249	1,604,886
Other receivables	1,488,771	1,440,734
Allowance for doubtful accounts	(2,019,171)	(1,770,575)
	7,872,442	12,033,012

10. Investments in First Nation business entities and partnership

The First Nation has investments in the following entities:

	2024				
	<i>Investment cost</i>	<i>Advances to (from)</i>	<i>Accumulated earnings (loss) in equity</i>	<i>Current earnings (loss) in equity</i>	<i>Total investment</i>
First Nation Business entities – Modified Equity:					
Deh Tai Limited Partnership - 99.9%					
Deh Tai Limited Partnership - 99.9%	100	10,241,457	(3,251,758)	384,077	7,373,876
Deh Tai GP Ltd. - 100%	1	-	(1,606,145)	(503,853)	(2,109,997)
FNFN Forestry Limited Partnership - 99.99%					
	-	101,875	94,721	190,164	386,760
	101	10,343,332	(4,763,182)	70,388	5,650,639

	2023				
	<i>Investment cost</i>	<i>Advances to (from)</i>	<i>Accumulated earnings (loss) in equity</i>	<i>Current earnings (loss) in equity</i>	<i>Total investment</i>
First Nation Business entities – Modified Equity:					
Deh Tai Limited Partnership - 99.9%					
Deh Tai Limited Partnership - 99.9%	100	10,186,457	(2,911,795)	(339,963)	6,934,799
Deh Tai GP Ltd. - 100%	1	-	(1,141,889)	(464,256)	(1,606,144)
FNFN Forestry Limited Partnership - 99.99%					
	-	111,874	124,236	(29,515)	206,595
	101	10,298,331	(3,929,448)	(833,734)	5,535,250

The First Nation has fully consolidated the assets, liabilities, revenue and expenses of Liard Hotsprings Lodge (FNFN) Ltd., which was established to provide accommodations, restaurant operations and sales of gasoline, food and souvenirs near Fort Nelson, British Columbia.

FNFN Forestry Limited Partnership was established to enter into forestry operations near Fort Nelson, British Columbia.

Deh Tai Limited Partnership together with its general partner, Deh Tai GP Ltd. were established as part of a Master Limited Partnership structure to invest in entities to pursue economic development opportunities. As of March 31, 2024, the Limited Partnership held investments in the following:

- Eh Cho Dene Limited Partnership was established to carry on road construction, site preparation and maintenance and land clearing for gas plants, hydro stations and right-of-ways.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

10. Investments in First Nation business entities and partnership *(Continued from previous page)*

- Fern Lake Commercial Holdings Limited Partnership was established to hold commercial rental properties.
- Fern Lake Residential Holdings Limited Partnership was established to hold residential rental properties.
- Clarke Lake Geothermal Limited Partnership was established to develop geothermal electricity production facilities. During the year, Clarke Lake Limited Partnership capitalized \$2,345,471 (2023 - \$12,019,534) in development costs for a geothermal project.

As at March 31, 2024, the general partner held an investment in 1164062 B.C. Ltd., which was established to provide accommodations through hotel and restaurant operations in Fort Nelson, British Columbia.

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>FNFN Forestry Limited Partnership As at December 31, 2023</i>	<i>Deh Tai GP Ltd. As at December 31, 2023</i>	<i>Deh Tai Limited Partnership As at December 31, 2023</i>
Assets			
Cash	-	149,153	1,323,740
Accounts receivable	-	48,930	2,232,511
Other current assets	-	51,670	178,207
Investments	6,185,444	-	523,242
Property, plant and equipment	-	78,827	35,100,439
Advances to related parties	-	3,352,625	3,284,936
Total assets	6,185,444	3,681,205	42,643,075
Liabilities			
Bank indebtedness	-	2,332	-
Accounts payable and accruals	6,000	138,614	1,810,303
Deferred revenue	-	-	28,827,799
Long-term debt	-	40,000	692,292
Payable to the First Nation	-	274,128	11,882,352
Advances from related parties	111,875	5,339,029	3,227,208
Total liabilities	117,875	5,794,103	46,439,954
Net assets (debt)	6,067,569	(2,112,898)	(3,796,879)
Total revenue	-	590,236	7,941,582
Total expenses	467,043	1,109,662	7,936,061
Net income (loss)	(467,043)	(519,426)	5,521

11. Note receivable

The note receivable from an unrelated party is secured by a personal guarantee of an unrelated individual, is due on demand and bears interest at 8% after the demand date.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

12. Accounts payable and accruals

	2024	2023
Indigenous Services Canada	562,599	311,356
First Nations Health Authority	298,716	343,818
Province of British Columbia	349,157	201,939
Other accounts payable and accrued liabilities	<u>3,598,999</u>	3,076,892
	4,809,471	3,934,005

13. Deferred revenue

Deferred revenue consists of funds received for specific purposes which were not completed at the end of the fiscal year.

	<i>Balance, beginning of year</i>	<i>Funding received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	6,575,782	8,200,453	7,322,576	7,453,659
First Nations Health Authority	1,330,226	1,742,055	1,692,286	1,379,995
Province of British Columbia	2,496,610	5,525,036	3,829,166	4,192,480
Other deferred revenue	1,620,864	32,347,992	31,572,495	2,396,361
	12,023,482	47,815,536	44,416,523	15,422,495

14. Long-term debt

	2024	2023
Scotiabank - Mortgage repayable in monthly instalments of \$463 (2023 - \$431) including interest at 5.76% per annum (2023 - 3.995%) due for renewal on May 15, 2028 and matures May 2032; guaranteed by Indigenous Services Canada.	36,311	39,361
All Nations Trust (6 units - Phase 5) (CMHC Full Program) - Mortgage repayable in monthly instalments of \$5,966, including interest at 3.75% per annum; due for renewal on July 1, 2027 and matures July 1, 2047; guaranteed by Indigenous Services Canada; secured by assets with a net book value of \$1,618,998 (2023 - \$1,651,013).	1,118,961	1,148,450
All Nations Trust (6 units - Phase 2) (CMHC Full Program) - Mortgage repayable in monthly instalments of \$2,401, including interest at 3.58% per annum; matures December 1, 2028; guaranteed by Indigenous Services Canada; secured by assets with a net book value of \$161,935 (2023 - \$183,220).	130,316	155,711
All Nations Trust (3 units - Phase 3) (CMHC Full Program) - Mortgage repayable in monthly instalments of \$2,701, including interest at 3.75% per annum; maturing July 1, 2037; guaranteed by Indigenous Services Canada; secured by assets with a net book value of \$750,136 (2023 - \$769,383)	341,480	360,875
All Nations Trust (8 units - Phase 4) (CMHC Full Program) - Mortgage repayable in monthly instalments of \$6,407, including interest at 1.12% per annum; due for renewal on October 1, 2026 and matures October 1, 2041; guaranteed by Indigenous Services Canada; secured by assets with a net book value of \$1,556,976 (2023 - \$1,619,696).	1,228,094	1,290,923

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

14. Long-term debt *(Continued from previous page)*

	2024	2023
All Nations Trust - Mortgage repayable in monthly instalments of \$451, including interest at 3% per annum; due for renewal on February 1, 2026 and matures February 1, 2036; guaranteed by Indigenous Services Canada; secured by assets with a net book value of \$57,357 (2023 - \$62,277).	54,403	58,122
All Nations Trust - Mortgage repayable in monthly instalments of \$279, including interest at 3.00% per annum; matures January 1, 2025; guaranteed by Indigenous Services Canada.	2,775	5,984
All Nations Trust - Mortgage repayable in monthly instalments of \$1,030, including interest at 3.50% per annum; matures August 1, 2037; guaranteed by Indigenous Services Canada; secured by assets with a net book value of \$406,023 (2023 - \$439,698).	125,148	133,002
Scotiabank term loan - Loan repaid on November 24, 2023.	-	13,042
	3,037,488	3,205,470

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

2025	162,092
2026	162,497
2027	166,043
2028	169,692
2029	166,631
Thereafter	2,210,533
	3,037,488

15. Promissory notes payable

The Council has filed a specific claim in the British Columbia Supreme Court for damage for injunctive relief, infringement of Treaty Rights and for related declaration of rights pursuant to Treaty 8 and Trapline Registration System. Negotiations towards an out of court settlement are currently in progress. The outcome is not certain and presently undeterminable. The Council received funding from Indigenous Services Canada as advance for the negotiation of this claim. Under the terms of the funding agreement, these advances are to be repaid by the Council out of their claim settlements. These advances have been recorded as a liability, as the Council has provided promissory notes to the Government of Canada in 2015 in accordance with the Native Claims Loan Agreement. The first note of \$157,708 is non-interest bearing, unsecured and is due on the date on which the Specified Claim is settled.

The second note of \$54,650 was issued by Canada Mortgage and Housing Corporation for the purposes of renovations and repairs on a band owned house. Subject to certain conditions, the loan is forgivable.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

16. Contingencies

The First Nation is contingently liable for member housing loans provided to individual members for loans made by various financial institutions for purposes of acquiring on reserve housing. In the event that members default on their obligations under these loans, the First Nation would be required to pay the outstanding loan balance to the lenders. In the event that the First Nation is unable to pay on any defaulted member loans, these loans are guaranteed by Indigenous Services Canada. The First Nation's guarantee is itself secured by the related real properties.

As at March 31, 2024, the loans are analyzed as follows:

CIBC Mortgages Corporation	38,933
CIBC Mortgages Corporation	52,076
North Peace Savings and Credit Union	60,587
North Peace Savings and Credit Union	<u>157,593</u>
	<u><u>309,190</u></u>

One of the First Nation's consolidated entities, Liard Hotsprings Lodge (FNFN) Ltd., is contingently liable for decommissioning costs that will be incurred at the end of the operating life of the fuel tanks on the entity's property. The ultimate decommissioning liability is uncertain and can vary in response to many factors including environmental factors, new restorative techniques and changes in legal requirements. As a result, the entity is unable to measure the potential liability at the date of these consolidated financial statements and, accordingly, no provision has been made in the accounts.

The First Nation is contingently liable for remediation costs for properties that are not in productive use where contamination may exceed environmental standards. As of the date of these consolidated financial statements, there is uncertainty as to whether the First Nation is responsible or will accept responsibility for the remediation costs, and a reasonable estimate of the remediation costs is not available. Accordingly no provision has been made in the accounts.

As part of its normal operations, a subsidiary entity of the First Nation engages in gravel quarry operations that involve the use of several gravel pits. As per environmental regulations and the Nation's commitment to environmental stewardship, these gravel pits will require remediation at the end of their operational lives.

At present, there is no established timeline for the remediation of these gravel pits. The timing of the remediation is contingent upon several factors, including the rate of extraction and market demand for gravel. As such, it is not possible to determine with certainty when the remediation process will commence.

Due to the uncertainties surrounding the timing of the remediation and the potential changes in environmental regulations and remediation technologies, an estimate of the remediation costs cannot be reliably measured at this time. Therefore, no provision for remediation costs has been recognized in the consolidated financial statements.

The First Nation continues to monitor the situation and will recognize a provision for the remediation costs in the period in which it becomes probable that the remediation will be carried out and the costs can be reliably estimated.

These consolidated statements are subject to review by the First Nation's funding agents. It is possible that the adjustments could be made based on the results of their reviews.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

17. Accumulated surplus

Accumulated surplus consists of the following:

	2024	2023
Restricted cash	547,695	520,919
Portfolio investments held in trust	14,700,619	10,834,681
Trust funds held by federal government - capital account	9,816,464	9,739,605
Trust funds held by federal government - revenue account	1,072,696	670,687
Investments in First Nation business entities	5,650,639	5,535,250
Investment in tangible capital assets	19,890,144	20,048,713
	51,678,257	47,349,855
Surplus available for operations	78,972,201	40,211,646
Accumulated surplus	130,660,458	87,561,501
Accumulated remeasurement gains (losses)	6,462,779	(281,145)
	137,123,237	87,280,356

18. Budget information

The disclosed budget information has been approved by the Chief and Council and community members of the First Nation at the Community meeting held on March 21, 2023.

Budgeted figures on the Consolidated Statement of Operations	(8,324,319)
Adjusted for:	
Capital expenditures	1,506,992
Replacement reserve transfers	<u>(31,500)</u>
Budgeted deficit approved by Chief and Council and community members	<u>(6,848,827)</u>

19. Trust funds

Fort Nelson First Nation Future Generations Trust (2018)

The First Nation's revenue for the year included distributions from the trust of \$246,846 (2023 - \$264,689) and expenses included distributions to the trust of \$246,846 (2023 - \$264,689). As at March 31, 2024, the balance of funds held in trust was \$7,415,675 (2023 - \$7,157,336) and the fair market value of the investments held in trust was \$8,018,525 (2023 - \$7,084,441). The Fort Nelson First Nation Future Generations Society acts as trustee to the Fort Nelson Future Generations Trust (2018).

Fort Nelson First Nation Agricultural Benefits Trust

The First Nation's revenue for the year included distributions from the trust of \$911,924 (2023 - \$1,071,126) and expenses included distributions to the trust of \$911,924 (2023 - \$1,071,126). As at March 31, 2024, the balance of funds held in trust was \$31,777,877 (2023 - \$31,055,429) and the fair market value of the investments held in trust was \$34,303,396 (2023 - \$30,599,194).

Under Canadian public sector accounting standards, the trusts are not recorded as an asset with the corresponding equity in accumulated surplus of the First Nation as the trusts are not controlled by the First Nation, they are controlled by a third party for the benefit of the First Nation membership.

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

20. Defined contribution pension plan

Fort Nelson First Nation has a defined contribution registered pension plan covering all indeterminate full-time and part-time employees. Contributions to the plan are based on the employee electing to contribute either 2.5% or 5.5% of contributions on their gross income. The employer matches the participants' contributions to a maximum of 5.5%. Employees can contribute up to 18% of their current year's earned income, up to the maximum contribution limit for the year (\$31,560 for 2024). There have been no significant changes to the plan in the current year.

21. Supplemental cash flow information

During the year, the First Nation paid cash interest of \$113,718 (2023 - \$98,962) and received cash for interest of \$2,299,558 (2023 - \$1,255,378).

22. Economic dependence

Fort Nelson First Nation receives a significant portion of its revenue from Indigenous Services Canada and First Nations Health Authority as a result of Treaties entered into with the Government of Canada. These treaties are administered by Indigenous Services Canada and First Nations Health Authority under the terms and conditions of the *Indian Act*. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

23. Comparative figures

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

Fort Nelson First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

24. Segments

The First Nation describes its operating segments as follows:

Administration and Governance

This segment provides band support and administrative services for the operations of the First Nation, including governance, various financial functions, human resources and IT.

Capital

This segment is comprised of programs that oversee the First Nation's infrastructure, including buildings, water & waste water and roads

Culture

This segment provides programs, services and events designed to enhance language revitalization and cultural fluency.

Economic Development

This segment implements community economic development planning and capacity building initiatives, which are pursued to benefit the First Nation's community by enhancing employment, income generation activities, use of land and resources, economic infrastructure and business opportunities.

Education

This segment is responsible for managing and delivering K to grade 12 education programs and services. This includes language and culture, employment counselling services and the management of post-secondary student funding and support programs. Education is responsible for Pre-4 to post secondary programs. Chalo School is responsible for Pre-4 to Gr 12 and the post secondary function administers programs related to post-secondary funding and trades.

Family and Community Services

This segment is comprised of programs that support community wellbeing, promote early childhood development and culture to children and young families.

Health

This segment administers the delivery of health programs and services.

Housing

This segment's activities include First Nation owned and CMHC housing rental units and repairs.

Investments

This segment includes income and investments in government business enterprises, as well as income from portfolio investments and partnerships.

Justice

This segment administers services to assist community members in the local administration of justice, in a culturally relevant fashion.

Lands, Resources & Treaty Rights

This segment is responsible for ensuring that interests of the First Nation are represented in matters of lands and natural resources.

Social Services

This segment administers benefits and services to individuals and families living on reserve who are in need of support. Department services include income assistance, assisted living and child out of parental home.

Fort Nelson First Nation
Schedule 1 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2024

	2024	2024	2023
	Budget		
Consolidated expenses by object			
Administration recoveries	(787,949)	(1,437,979)	(1,112,678)
Administrative fees	1,204,083	1,055,396	788,964
Advertising	26,100	11,620	13,130
Amortization	1,546,701	1,752,896	1,654,947
Bad debts	-	248,596	40,846
Bank charges and interest	175,890	558,479	231,197
Community programs	1,267,445	874,580	1,476,271
Contributions to trusts	-	1,158,770	1,335,815
Cost of goods sold	382,348	596,667	506,990
Distribution to minors	300,000	420,000	260,000
Furniture and equipment	175,293	111,564	229,372
Honoraria	1,251,507	978,657	844,422
Insurance	278,893	249,192	216,532
Interest on long-term debt	92,547	81,856	74,704
Meeting and conventions	156,934	62,685	21,881
Nominal roll tuition fees	375,000	317,188	367,638
Office and miscellaneous	200,556	227,519	479,801
Per capita distributions	1,640,000	1,967,830	810,000
Post secondary	333,944	386,705	305,161
Professional fees	3,874,927	4,133,802	3,434,330
Property tax	23,942	31,047	26,675
Repairs and maintenance	2,398,064	1,705,151	1,219,568
Social services payments	384,282	423,574	458,051
Student incentives	53,600	62,018	67,329
Supplies and other	668,223	710,892	678,721
Telephone	386,035	313,308	293,668
Transportation	779,689	656,645	749,540
Travel and training	853,851	479,568	308,048
Utilities	420,866	336,686	440,108
Wages and benefits	11,379,975	9,428,761	8,106,208
	29,842,746	27,903,673	24,327,239

Fort Nelson First Nation
Schedule 2 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2024

	<i>Land</i>	<i>Buildings</i>	<i>Automotive equipment</i>	<i>Computer and office equipment</i>	<i>Machinery and equipment</i>	<i>Roads and land improvements</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	2,255,652	25,608,114	1,476,855	2,120,328	1,007,558	12,563,491	45,031,998
Acquisition of tangible capital assets	-	436,596	323,532	408,306	241,146	72,158	1,481,738
Balance, end of year	2,255,652	26,044,710	1,800,387	2,528,634	1,248,704	12,635,649	46,513,736
Accumulated amortization							
Balance, beginning of year	-	15,506,494	1,077,412	1,781,141	765,797	8,920,075	28,050,919
Annual amortization	-	786,104	81,421	140,399	70,134	365,672	1,443,730
Balance, end of year	-	16,292,598	1,158,833	1,921,540	835,931	9,285,747	29,494,649
Net book value of tangible capital assets	2,255,652	9,752,112	641,554	607,094	412,773	3,349,902	17,019,087
2023 Net book value of tangible capital assets	2,255,652	10,101,620	399,443	339,187	241,761	3,643,416	16,981,079

Fort Nelson First Nation
Schedule 2 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2024

	Subtotal	Service installations	Assets under construction	CMHC Housing units	Liard Hotsprings Lodge (FNFN) Ltd. - Property and equipment	2024	2023
Cost							
Balance, beginning of year	45,031,998	10,720,942	256,860	5,278,227	1,718,864	63,006,891	61,451,734
Acquisition of tangible capital assets	1,481,738	126,915	(216,960)	-	34,652	1,426,345	1,555,157
Balance, end of year	46,513,736	10,847,857	39,900	5,278,227	1,753,516	64,433,236	63,006,891
Accumulated amortization							
Balance, beginning of year	28,050,919	9,943,684	-	1,054,915	703,190	39,752,708	38,097,761
Annual amortization	1,443,730	106,629	-	136,977	65,560	1,752,896	1,654,947
Balance, end of year	29,494,649	10,050,313	-	1,191,892	768,750	41,505,604	39,752,708
Net book value of tangible capital assets	17,019,087	797,544	39,900	4,086,335	984,766	22,927,632	23,254,183
2023 Net book value of tangible capital assets	16,981,079	777,258	256,860	4,223,312	1,015,674	23,254,183	

Fort Nelson First Nation
Administration & Governance
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
Indigenous Services Canada	836,193	1,124,053	1,155,815
Province of British Columbia	-	45,007,787	16,101,678
BC First Nation Gaming Revenue Sharing LP	379,714	616,358	672,924
Other revenue	150,130	181,529	121,193
Property taxation	49,600	52,885	49,989
	1,415,637	46,982,612	18,101,599
Expenses			
Administration recoveries	(649,764)	(1,240,195)	(1,012,153)
Administrative fees	28,728	40,775	21,067
Advertising	26,100	11,620	13,130
Amortization	137,703	121,556	99,745
Bad debts	-	248,596	40,846
Bank charges and interest	4,440	6,227	7,679
Community programs	91,840	120,357	684,234
Furniture and equipment	24,828	22,006	16,521
Honoraria	526,603	502,740	443,858
Insurance	10,068	15,436	13,148
Interest on long-term debt	1,120	310	1,197
Meeting and conventions	46,240	55,511	11,423
Office and miscellaneous	178,456	138,728	141,726
Per capita distributions	1,640,000	1,967,830	810,000
Professional fees	718,606	823,119	1,065,738
Repairs and maintenance	20,000	20,000	25,209
Supplies and other	171,098	204,790	158,999
Telephone	76,710	109,418	107,394
Transportation	30,739	3,301	7,752
Travel and training	245,511	213,111	95,443
Utilities	23,100	19,481	20,076
Wages and benefits	2,177,018	1,832,135	1,718,524
	5,529,144	5,236,852	4,491,556
Surplus (deficit) before transfers	(4,113,507)	41,745,760	13,610,043
Transfers between programs	-	(3,024,732)	217,628
Surplus (deficit)	(4,113,507)	38,721,028	13,827,671

Fort Nelson First Nation
Capital
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget	2024	2023
Revenue			
Indigenous Services Canada	1,830,320	1,756,832	2,080,873
North East Native Advancing Agency	34,862	27,586	13,616
First Nations Health Authority	56,735	50,670	63,600
First Nations Education Steering Committee	12,602	12,250	13,055
Government of Canada	-	-	351,865
Rental income	-	-	9,750
Other revenue	61,105	50,979	321,274
	1,995,624	1,898,317	2,854,033
Expenses			
Administration recoveries	(54,663)	(49,484)	(64,018)
Administrative fees	185,530	151,666	180,623
Amortization	667,995	513,395	526,258
Bank charges and interest	-	6,181	2,343
Community programs	23,520	123,736	2,797
Furniture and equipment	25,400	23,298	40,827
Honoraria	-	-	5,725
Insurance	101,765	50,896	50,493
Meeting and conventions	3,494	63	-
Office and miscellaneous	3,600	4,275	8,661
Professional fees	348,596	591,095	152,549
Repairs and maintenance	1,665,667	852,522	706,107
Supplies and other	52,919	37,440	50,263
Telephone	6,725	12,831	10,735
Transportation	91,377	70,057	59,271
Travel and training (recovery)	64,359	5,866	(941)
Utilities	48,540	59,713	50,426
Wages and benefits	893,423	966,199	984,266
	4,128,247	3,419,749	2,766,385
Surplus (deficit) before transfers	(2,132,623)	(1,521,432)	87,648
Transfers between programs	-	638,369	313,914
Surplus (deficit)	(2,132,623)	(883,063)	401,562

Fort Nelson First Nation
Culture
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
First Nations Health Authority	120,525	11,557	6,152
Other revenue	310,398	750	552,442
	430,923	12,307	558,594
Expenses			
Administrative fees	42,836	1,065	48,749
Community programs	127,527	25,677	10,244
Furniture and equipment	646	-	5,172
Honoraria	193,466	37,489	82,481
Meeting and conventions	4,970	-	1,639
Office and miscellaneous	300	-	10,347
Professional fees	172,233	41,875	115,525
Supplies and other	21,364	22,988	9,918
Telephone	10,500	674	-
Transportation	28,572	3,502	12,856
Travel and training	22,000	1,837	4,088
Utilities	18,000	4,877	-
Wages and benefits	337,203	12,600	80,591
	979,617	152,584	381,610
Surplus (deficit) before transfers	(548,694)	(140,277)	176,984
Transfers between programs	-	148,576	6,943
Surplus (deficit)	(548,694)	8,299	183,927

Fort Nelson First Nation
Economic Development
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget	2024	2023
Revenue			
Indigenous Services Canada	47,398	89,499	273,442
Government of Canada	-	-	28,024
Income from portfolio investments	8,800	-	130,479
Other revenue	-	1,050	-
Other business activities	1,182,000	1,260,446	1,228,370
Gain (loss) from investments in First Nation business entities	1,117,000	70,388	(833,734)
	2,355,198	1,421,383	826,581
Expenses			
Administrative fees	4,740	8,950	481
Amortization	44,982	65,559	59,138
Bank charges and interest	-	31,862	24,258
Cost of goods sold	382,348	596,667	506,990
Honoraria	-	43,461	3,961
Insurance	23,985	46,350	32,456
Office and miscellaneous	-	63,423	312,740
Professional fees	82,642	205,639	168,962
Property tax	5,498	5,787	4,939
Repairs and maintenance	168,581	110,427	36,059
Supplies and other	13,695	14,178	3,274
Telephone	23,990	19,098	16,500
Transportation	-	17,101	22,185
Travel and training	2,999	62,936	2,518
Utilities	19,570	84,856	191,256
Wages and benefits	385,368	396,438	364,814
	1,158,398	1,772,732	1,750,531
Surplus (deficit) before transfers	1,196,800	(351,349)	(923,950)
Transfers between programs	-	756,484	220,695
Surplus (deficit)	1,196,800	405,135	(703,255)

Fort Nelson First Nation
Education
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
Indigenous Services Canada	2,120,950	2,718,978	2,112,741
Province of British Columbia	1,082,068	1,318,873	1,235,649
North East Native Advancing Agency	-	25,000	-
First Nations Education Steering Committee	429,600	627,389	485,510
Other revenue	242,777	356,200	117,391
	3,875,395	5,046,440	3,951,291
Expenses			
Administration recoveries	(83,522)	(131,096)	(17,248)
Administrative fees	179,414	306,196	226,744
Amortization	-	296,315	258,826
Bank charges and interest	900	841	3,193
Community programs	24,600	6,646	-
Honoraria	96,900	55,267	52,873
Insurance	33,600	50,212	35,711
Meeting and conventions	-	169	-
Nominal roll tuition fees	375,000	317,188	367,638
Office and miscellaneous	-	2,531	117
Post secondary	333,944	386,705	305,161
Professional fees	282,932	222,439	268,724
Repairs and maintenance	249,184	272,980	156,721
Student incentives	53,600	62,018	67,329
Supplies and other	168,450	211,399	191,908
Telephone	64,240	63,791	63,928
Transportation	-	4,118	4,580
Travel and training	50,542	96,807	19,337
Utilities	77,400	59,374	61,186
Wages and benefits	2,724,171	2,693,353	2,081,105
	4,631,355	4,977,253	4,147,833
Surplus (deficit)	(755,960)	69,187	(196,542)

Fort Nelson First Nation
Family & Community Services
Schedule 8 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2024

	2024 Budget	2024	2023
Revenue			
Indigenous Services Canada	321,545	142,638	320,170
Province of British Columbia	352,885	258,488	214,134
North East Native Advancing Agency	105,000	57,627	104,000
First Nations Health Authority	656,838	457,761	192,194
Other revenue	-	2,983	11,669
	1,436,268	919,497	842,167
Expenses			
Administrative fees	143,757	84,277	67,209
Amortization	30,219	25,213	26,115
Community programs	235,882	86,447	233,008
Furniture and equipment	8,112	25,115	2,810
Honoraria	6,996	750	-
Professional fees	1,025	300	2,395
Supplies and other	22,571	21,720	8,446
Telephone	15,740	20,393	27,503
Transportation	19,438	26,374	19,273
Travel and training	51,875	17,565	7,309
Utilities	10,916	7,678	12,976
Wages and benefits	923,318	551,904	449,726
	1,469,849	867,736	856,770
Surplus (deficit) before transfers	(33,581)	51,761	(14,603)
Transfers between programs	-	-	1,437
Surplus (deficit)	(33,581)	51,761	(13,166)

Fort Nelson First Nation
Health
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
Indigenous Services Canada	7,728	-	-
North East Native Advancing Agency	-	-	2,000
First Nations Health Authority	1,524,983	1,172,298	914,000
Other revenue	5,500	66,020	12,097
	1,538,211	1,238,318	928,097
Expenses			
Administrative fees	48,020	56,215	32,905
Amortization	238,283	257,237	245,782
Community programs	715,334	457,972	519,337
Furniture and equipment	14,622	7,427	-
Honoraria	270,800	246,338	227,084
Insurance	2,700	788	714
Meeting and conventions	-	93	-
Office and miscellaneous	-	138	-
Professional fees	16,477	37,705	13,953
Supplies and other	60,257	45,266	34,070
Telephone	15,256	24,702	15,077
Transportation	41,732	23,240	22,660
Travel and training	31,000	4,595	4,399
Utilities	11,040	21,868	13,287
Wages and benefits	1,141,694	670,479	579,513
	2,607,215	1,854,063	1,708,781
Deficit before transfers	(1,069,004)	(615,745)	(780,684)
Transfers between programs	-	462,537	552,679
Deficit	(1,069,004)	(153,208)	(228,005)

Fort Nelson First Nation
Housing
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
Indigenous Services Canada	-	280,320	72,612
Rental income	283,798	269,339	256,193
Interest income	-	26,790	15,144
Canada Mortgage and Housing Corporation	159,200	237,110	150,841
	442,998	813,559	494,790
Expenses			
Administration recoveries	-	(17,204)	(19,258)
Amortization	276,737	279,647	260,763
Bank charges and interest	-	14	-
Furniture and equipment	6,000	2,724	2,677
Insurance	106,775	85,510	84,011
Interest on long-term debt	89,807	79,105	71,831
Office and miscellaneous	13,200	15,559	6,167
Professional fees	13,774	8,410	8,410
Repairs and maintenance	284,992	447,416	290,479
Telephone	2,460	1,156	926
Transportation	16,640	18,821	11,065
Travel and training	35,600	6,860	75,045
Utilities	195,750	69,980	80,839
Wages and benefits	373,776	335,738	276,588
	1,415,511	1,333,736	1,149,543
Deficit before transfers	(972,513)	(520,177)	(654,753)
Transfers between programs	-	455,907	545,086
Deficit	(972,513)	(64,270)	(109,667)

Fort Nelson First Nation
Investments
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
Interest income	299,930	1,281,262	378,845
Income from portfolio investments	1,457,683	4,681,219	1,590,960
Trust distributions	-	1,158,770	1,335,815
Other revenue	-	-	500,000
Lease income	26,664	45,246	45,245
Royalties and dues	97,875	76,859	140,131
	1,882,152	7,243,356	3,990,996
Expenses			
Amortization	10,500	10,497	10,497
Bank charges and interest	170,550	513,354	193,724
Contributions to trusts	-	1,158,770	1,335,815
Distribution to minors	300,000	420,000	260,000
Interest on long-term debt	1,620	2,441	1,675
Property tax	18,444	25,260	21,736
	501,114	2,130,322	1,823,447
Surplus before transfers	1,381,038	5,113,034	2,167,549
Transfers between programs	-	(756,484)	(2,949,045)
Surplus (deficit)	1,381,038	4,356,550	(781,496)

Fort Nelson First Nation
Justice
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget	2024	2023
Revenue			
Indigenous Services Canada	442,676	629,945	31,373
Province of British Columbia	72,130	82,573	81,253
Government of Canada	125,430	95,330	99,843
Other revenue	-	8,236	50,000
	640,236	816,084	262,469
Expenses			
Administrative fees	58,772	74,297	21,110
Amortization	13,101	18,543	-
Community programs	48,742	53,745	26,651
Furniture and equipment	3,600	4,049	3,090
Honoraria	6,250	3,050	-
Office and miscellaneous	200	1,384	-
Professional fees	2,000	20	-
Supplies and other	18,300	22,608	9,624
Telephone	10,370	9,251	6,427
Transportation	26,990	25,455	24,965
Travel and training	40,450	2,456	7,544
Utilities	4,550	919	3,585
Wages and benefits	539,092	605,407	430,424
	772,417	821,184	533,420
Deficit before transfers	(132,181)	(5,100)	(270,951)
Transfers between programs	-	251,337	267,020
Surplus (deficit)	(132,181)	246,237	(3,931)

Fort Nelson First Nation
Lands, Resources & Treaty Rights
Schedule 13 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2024

	2024 Budget	2024	2023
Revenue			
Indigenous Services Canada	-	-	74,772
Province of British Columbia	2,505,000	2,258,917	1,536,240
First Nations Health Authority	-	-	72,626
Government of Canada	1,507,578	733,145	568,475
Other revenue	938,398	937,773	1,189,431
	4,950,976	3,929,835	3,441,544
Expenses			
Administrative fees	501,953	324,658	182,205
Amortization	127,181	164,934	155,347
Furniture and equipment	92,085	26,945	158,274
Honoraria	150,492	89,562	28,440
Meeting and conventions	102,230	6,849	8,819
Office and miscellaneous	4,800	1,481	44
Professional fees	2,236,642	2,203,200	1,638,076
Repairs and maintenance	9,640	1,806	4,993
Supplies and other	134,705	129,471	212,252
Telephone	158,724	50,901	43,947
Transportation	508,601	454,915	558,811
Travel and training	306,515	67,535	94,371
Utilities	12,000	7,940	6,476
Wages and benefits	1,643,084	1,151,987	939,885
	5,988,652	4,682,184	4,031,940
Deficit before transfers	(1,037,676)	(752,349)	(590,396)
Transfers between programs	-	992,676	767,025
Surplus (deficit)	(1,037,676)	240,327	176,629

Fort Nelson First Nation
Social Services
Schedule 14 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget	2024	2023
Revenue			
Indigenous Services Canada	554,809	580,311	618,368
Expenses			
Administrative fees	10,333	7,297	7,868
Amortization	-	-	12,475
Social services payments	384,282	423,574	458,051
Supplies and other (recovery)	4,864	1,032	(32)
Telephone	1,320	1,093	1,232
Transportation	15,600	9,761	6,122
Travel and training (recovery)	3,000	-	(1,064)
Wages and benefits	241,828	212,521	200,771
	661,227	655,278	685,423
Deficit before transfers	(106,418)	(74,967)	(67,055)
Transfers between programs	-	75,330	56,617
Surplus (deficit)	(106,418)	363	(10,438)