

Squamish Nation

Consolidated Financial Statements
March 31, 2023

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements ("financial statements") of the Squamish Nation (the "Nation") as at March 31, 2023 and for the year then ended are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

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

The Squamish Nation Council ("Council") is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

Council reviews the financial statements and approves them. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the independent auditor's report. Council considers its findings when approving the financial statements for issuance to the Members.

The financial statements have been approved by Council. In addition, these financial statements have been audited by PricewaterhouseCoopers LLP in accordance with Canadian generally accepted auditing standards on behalf of the Nation members. PricewaterhouseCoopers LLP has full access to Council.



Khelsilem, Council Chairperson



Keith Hester, Director of Finance



Independent auditor's report

To the Council of Squamish Nation

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Squamish Nation and its subsidiaries (together, the Nation) as at March 31, 2023 and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

What we have audited

The Nation's consolidated financial statements comprise:

- the consolidated statement of financial position as at March 31, 2023;
- the consolidated statement of operations and accumulated surplus for the year then ended;
- the consolidated statement of changes in financial assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

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

Independence

We are independent of the Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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

PricewaterhouseCoopers LLP

PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7

T: +1 604 806 7000, F: +1 604 806 7806, ca_vancouver_main_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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 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 Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 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 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 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 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
August 16, 2023

Squamish Nation

Consolidated Statement of Financial Position

As at March 31, 2023

	2023 \$	2022 \$
Financial Assets		
Cash and cash equivalents	229,650,745	177,916,086
Restricted cash (note 5)	2,055,497	1,592,569
Accounts receivable (notes 15, 16 and 19)	30,968,173	29,326,709
Inventory held for resale	103,397	204,310
Funds held by the Government of Canada	1,250,371	1,185,427
Investments and advances (note 6)	76,391,978	86,510,756
	<u>340,420,161</u>	<u>296,735,857</u>
Liabilities		
Accounts payable and accrued liabilities (notes 12, 16 and 19)	19,946,126	14,900,890
Committed program funds (schedule 2)	12,117,515	9,888,710
Deferred revenue (note 3)	42,638,827	43,074,730
Loans payable (note 10)	24,909,248	18,936,629
Deferred capital contributions (note 11)	-	28,729,515
Restricted funds	301,432	273,697
	<u>99,913,148</u>	<u>115,804,171</u>
Net financial assets	<u>240,507,013</u>	<u>180,931,686</u>
Non-Financial Assets		
Tangible capital assets (schedule 1)	131,508,672	97,811,250
Property under development	4,741,905	4,674,824
Prepaid expenses	1,305,274	561,938
Deferred lease costs (note 8)	1,631,426	1,745,837
	<u>139,187,277</u>	<u>104,793,849</u>
Accumulated surplus (note 21)	<u>379,694,290</u>	<u>285,725,535</u>
Commitments and contingent liabilities (notes 2(c), 10 and 12)		

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

Squamish Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2023

	Budget \$	2023 \$	2022 \$
Revenue			
Leases	34,149,683	36,469,720	35,101,728
Government transfer	32,251,466	45,431,162	41,213,336
Lands and resources accommodation (note 3)	7,377,017	3,394,755	5,002,285
Taxation	10,692,736	10,769,598	11,349,093
Retail	-	749,430	670,490
Nation amenity contribution (note 4)	5,000,000	57,782,416	-
Capital contribution released as revenue (note 11)	-	29,593,808	2,749,215
Interest and other	9,704,501	28,783,222	20,224,155
Committed funds released as revenue	3,092,020	10,235,667	11,574,793
Equity earnings from government business enterprises (note 6(d))	-	4,438,435	5,398,894
Equity earnings from government business partnerships (note 6(d))	314,496	-	297,889
Committed funds to next year	-	(12,032,779)	(8,468,352)
	<u>102,581,919</u>	<u>215,615,434</u>	<u>125,113,526</u>
Expenditures (note 17)			
Program costs (schedule 2)	106,113,996	107,500,178	79,467,167
Taxation	3,956,500	4,137,811	3,457,145
Retail	-	505,186	549,410
Leases	883,619	776,539	718,426
Interest and other expense	123,396	2,026,794	2,508,403
Lands and resources accommodation	850,872	1,238,356	804,882
Project negotiation expenses	94,932	334,070	213,390
Equity loss from government business partnerships (note 6 (d))	-	5,127,745	-
	<u>112,023,315</u>	<u>121,646,679</u>	<u>87,718,823</u>
Excess of revenue over expenditures for the year	(9,441,396)	93,968,755	37,394,703
Accumulated surplus – Beginning of year	<u>285,725,535</u>	<u>285,725,535</u>	<u>248,330,832</u>
Accumulated surplus – End of year	<u>276,284,139</u>	<u>379,694,290</u>	<u>285,725,535</u>

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

Squamish Nation

Consolidated Statement of Changes in Financial Assets

For the year ended March 31, 2023

	Budget \$	2023 \$	2022 \$
Excess of revenue over expenditures for the year	(9,441,396)	93,968,755	37,394,703
Amortization of tangible capital assets	4,410,819	3,953,840	4,410,819
Acquisition of tangible capital assets	(10,522,360)	(37,651,262)	(10,522,360)
Acquisition of property under development	-	(67,081)	(48,262)
Changes in prepaid expenses	-	(743,336)	345,169
Amortization of deferred lease costs	-	114,411	114,411
Increase in net financial assets	(15,552,937)	59,575,327	31,694,480
Net financial assets – Beginning of year	180,931,686	180,931,686	149,237,206
Net financial assets – End of year	165,378,749	240,507,013	180,931,686

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

Squamish Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2023

	2023 \$	2022 \$(Restated – note 16)
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenditures for the year	93,968,755	37,394,703
Items not involving cash		
Amortization of tangible capital assets	3,953,840	4,410,819
Capital contribution released into revenue	(29,593,808)	-
Equity earnings from government business enterprises and government business partnerships	689,310	(5,696,783)
Amortization of deferred lease costs	114,411	114,411
	69,132,508	36,223,150
Changes in operating working capital	4,581,986	(3,746,735)
	73,714,494	32,476,415
Capital activities		
Acquisition of tangible capital assets	(37,651,262)	(10,522,360)
Expenditures incurred for property under development	(67,081)	(48,262)
	(37,718,343)	(10,570,622)
Investing activities		
(Increase) decrease in restricted cash	(462,928)	5,521,093
Increase in funds held by the Government of Canada	(64,944)	(48,101)
Advances to government business enterprises and government business partnerships	(1,897,191)	(1,562,142)
Drawings from government business enterprises and government business partnerships	11,326,659	-
	8,901,596	3,910,850
Financing activities		
Proceeds from loan payable	7,717,276	-
Repayment of loans payable	(1,744,657)	(3,311,411)
Additions to deferred capital contribution	864,293	27,919,429
	6,836,912	24,608,018
Increase in cash and cash equivalents during the year	51,734,659	50,424,661
Cash and cash equivalents – Beginning of year	177,916,086	127,491,425
Cash and cash equivalents – End of year	229,650,745	177,916,086
Supplementary cash flow information		
Interest paid	467,188	996,748

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

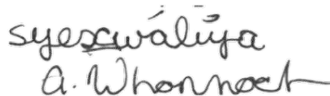
Squamish Nation

Approval of the Consolidated Financial Statements

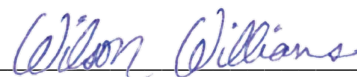
For the year ended March 31, 2023



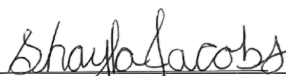
Sxwchalten iy Xelsilem
Dustin Rivers



Syexwáliya
Ann Whonnock



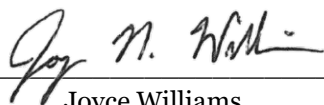
Sxwixwtn
Wilson Williams



Sunkwaht
Shayla Jacobs



Tiyaltelut
Kristen Rivers



Joyce Williams



Xwélxwelacha
Richard Williams

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

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

1 Nature of organization

Skwxwú7mesh Úxwumixw, operating as the Squamish Nation (the Nation) is a government under the laws of the Province of British Columbia and is exempt from income taxes.

2 Summary of significant accounting policies

Basis of presentation

These consolidated financial statements, which represent the operations of the Nation as represented by its Council, have been prepared in accordance with Canadian public sector accounting standards.

Principles of consolidation

The consolidated financial statements include the accounts of the Nation and organizations controlled by the Nation. All controlled entities, except for the commercial enterprises which meet the definition of a government business enterprise or a government business partnership, are consolidated on a line-by-line basis. Government partnerships, other than government business partnerships, are accounted for using the proportionate consolidation method. Under this method, the Nation includes its pro rata share of the assets, liabilities, revenues and expenses that are subject to shared control on a line-by-line basis with similar items in its consolidated financial statements. For fully or proportionately consolidated entities, inter-organizational balances and transactions are eliminated upon consolidation. Organizations consolidated in the Nation's financial statements include:

- Nch'Kay Development Limited Partnership (Nch'Kay)
- Hiyam Ta Skwxwú7mesh Housing Society (Hiyam)
- Nchu'7mut Contracting Limited Partnership
- Squamish Nation Youth Centre
- Spo7ez Cultural Centre and Community Society (government partnership, 50% share, proportionately consolidated) (Spo7ez)
- MST Development Corporation (government partnership, 33% share, proportionately consolidated)
- Various other inactive entities

As at March 31, 2023, the Nation shared control (50%) of Spo7ez Cultural Centre and Community Society (Spo7ez) with Lil'wat Nation, and shared control (33%) of MST Development Corporation with Musqueam Indian Band and Tsleil-Waututh Nation.

- The budget figures presented in the consolidated statement of operations and accumulated surplus and consolidated statement of changes in net financial assets present the original budget of the Nation, which was approved by Squamish Nation Council (the Council) on April 3, 2022.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

Investments in government business partnerships, government business enterprises and business partnerships are accounted for using the modified equity method and, as such, the accounting policies of such partnerships are not adjusted to conform with those of the Nation. For the year ended March 31, 2023, the Nation had equity interest in the following entities:

- Nch'Kay West (Senakw) GC Limited Liability Partnership
- Senakw (Head Lease) Limited Partnership
- Senakw (Building 1) Limited Partnership
- Senakw (Building 2) Limited Partnership
- Senakw (Building 3) Limited Partnership
- Northwest Squamish Forestry Limited Partnership
- LDB Developments (AQ/MIB/SN/TWN) Limited Partnership (25% share)
- MST (Jericho) Limited Partnership (33% share)
- MST (Fairmont) Limited Partnership (33% share)
- MST (West Vancouver) Limited Partnership (33% share)
- MST (Jericho 2016) Limited Partnership (33% share)

For the year ended March 31, 2022, the Nation had equity interest in the following entities:

- Mosquito Creek Marina Limited Partnership
- Lynnwood Industrial Estates Ltd. and Lynnwood Marina Limited Partnership
- Northwest Squamish Forestry Limited Partnership
- Squamish Valley Gas Limited Partnership
- LDB Developments (AQ/MIB/SN/TWN) Limited Partnership (25% share)
- MST (Jericho) Limited Partnership, MST (Fairmont) Limited Partnership and MST (West Vancouver) Limited Partnership (33% share (The MST limited partnerships)
- MST (Jericho 2016) Limited Partnership (33% share)
- Capilano River R.V. Limited Partnership
- Nch'kay NV Gas Bar Limited Partnership

The purpose of most government business partnerships is to own and develop properties for the purpose of generating income.

Corporate reorganization

On February 27, 2020, the Nation's Council approved a mandate to transfer certain of the Nation's commercial operating entities (the commercial entities) to Nch'kay, the Nation's operating and economic development arm. The purpose of Nch'kay is to develop, manage and own the commercial entities of the Nation, and separate its commercial activities.

On June 1, 2021, legal steps concluded the transfer of the Nation's limited partner units of the following commercial entities to Nch'Kay:

- Squamish Valley Gas Limited Partnership
- Lynnwood Marina Limited Partnership

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

- Mosquito Creek Marina Limited Partnership
- Capilano River R.V. Limited Partnership
- Lynnwood Industrial Estates Ltd. and Lynnwood Marina Limited Partnership

Effective immediately following the above reorganizations, Nch'Kay accounts for the above entities using the modified equity method. Nch'Kay continues to be consolidated in the Nation's financial statements.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or represent a contractual claim to receive payment from another party. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services and may be consumed in normal operations. Non-financial assets include the following:

- tangible capital assets
- property under development
- prepaid expenses
- deferred lease costs

Intangible assets, and items inherited by right of the Crown, are not recognized in the consolidated financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits and are measured at cost.

In May 2022, Council approved the 2022-2026 Strategic Plan, which includes the objective for the Nation to establish an investment fund consisting of advances from non-recurring sources of revenue. The objective of the investment fund is to utilize the Nation's cash reserves to maximize its financial returns at an appropriate level of risk. During the year ended March 31, 2023, the Nation internally restricted \$91,689,386 (2022 – \$nil) pursuant to the investment fund initiative.

Inventory held for resale

Inventory consists of goods purchased and held for the purpose of resale in the ordinary course of business and is recorded at the lower of cost and net realizable value. Cost includes all expenses directly incurred to acquire and bring the inventory to its present location and condition. Cost is determined on a first-in-first-out basis.

Net realizable value represents the estimated selling price of the inventory less the estimated costs required to make the sale.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

Non-financial assets

a) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the assets. The cost, less residual value of the capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

Office buildings, prefabricated structures, and other buildings	3 – 35 years
Infrastructure	30 years
Computer hardware and software	5 – 15 years
Vehicles	5 years
Squamish Lil'wat Cultural Centre	3 – 60 years

Amortization expense is recorded over the useful life of the asset, including the year of acquisition and the year of disposal.

When conditions indicate that a tangible capital asset no longer contributes to the ability to provide goods or services, or that the value of future economic benefits is less than its carrying value, the carrying value of the asset is reduced to reflect the decline in value.

b) Property under development

Property under development is recorded at cost and is not amortized until the asset is brought into use. Once development is completed and the asset is ready for its intended use, it is then transferred from the property under development category to the appropriate tangible capital asset category.

c) Deferred lease costs

Deferred lease costs include initial direct costs incurred to secure operating leases, which are deferred and amortized over the term of the leases, ranging from 20 to 30 years.

Revenue recognition

Government transfers from the federal and provincial governments that do not include stipulations are recognized as revenue when the transfers have been authorized, eligibility criteria have been met and a reasonable estimate of the amount can be made. Government transfers with stipulations are recognized as revenue in the period the transfers are authorized and eligibility criteria and stipulations are met.

Restricted contributions received under terms of agreements are recognized as revenue in the year in which the related expenses are incurred. Unexpended restricted contributions for programs are deferred as committed program funds. Unrestricted contributions are recognized as revenue when received or receivable.

Revenue from leases is recognized on a straight-line basis as it is earned based on the lease agreements and when collectability is reasonably assured.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

Revenues from lands and resource accommodation, and interest and other income, are recognized as they are earned, and collectability is reasonably assured.

Revenues from retail operations are recognized upon delivery of the products. Amounts received but not yet earned are recorded as deferred revenue.

Taxation revenues are recognized when authorized by the Council, the taxable event has occurred, and the definition of an asset is met.

Interest and other income

The Nation receives various streams of revenue categorized as other income, which are both recurring and non-recurring. Other income sources can be categorized into:

- administration fees from related businesses
- grants from local institutions
- donations
- various other streams of funding

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 the disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Liability for contaminated sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material, or live organism that exceeds an environmental standard being introduced into soil, water or sediment. The Nation recognizes a liability for remediation of contaminated sites when all of the following criteria are met:

- a) an environmental standard exists;
- b) there is evidence that contaminated levels exceed the environmental standards;
- c) the Nation is directly responsible or accepts responsibility for the contamination;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

A liability for a contaminated site may arise from operations that are either considered in productive use or no longer in productive use when environmental standards are exceeded. It will also arise when an unexpected

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

event occurs resulting in contamination that exceeds an environmental standard. The liability is based on the present value of the estimated costs directly attributable to the remediation and post-remediation activities.

As at March 31, 2023 and 2022, no contaminated sites had been identified that meet the criteria outlined in the standard.

Asset Retirement Obligation

Effective April 1, 2022, the Nation adopted PS 3280, Asset Retirement Obligations (PS 3280). PS 3280 defines and establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets. The Nation has elected to use the prospective method in transitioning to PS 3280 and as a result, comparative figures have not been restated.

The asset retirement obligation at the financial statement date is measured based on the Nation's estimate of the amount required to retire its tangible capital asset at the balance sheet date. Asset retirement obligations are a result of contamination of asbestos and other hazardous substances. The Nation recognizes a liability for remediation of contaminated sites when all of the following criteria are met:

- a) a legal obligation exists to incur retirement costs in relation to a tangible capital asset;
- b) the past transaction or event giving rise to the liability has occurred;
- c) it is expected that future economic benefits will be given up; and
- d) a reasonable estimate of the amount can be made.

As at March 31, 2023, the Nation recognized an asset retirement obligation for the future decommissioning of commercial buildings which has been included in accounts payable and accrued liabilities and tangible capital assets and further outlined in schedule 1.

3 Lands and resources accommodation

During the year ended March 31, 2019, the Nation entered into several agreements with various government entities related to rights-of-way and permits. Under these agreements, the Nation granted land use and access rights for an indefinite period in exchange for consideration of \$19.5 million. During the year ended March 31, 2023, \$390,823 (2022 – \$390,823) was recognized in revenue and \$17,763,415 (2022 - \$18,154,238) in deferred revenue as at March 31, 2023, based on an initial estimated period of 50 years.

4 Nation amenity contribution

During the year ended March 31, 2020, the Nation entered into a series of agreements with the City of Vancouver and a development partner to develop a parcel of land on the Nation's Kitsilano IR6 reserve in Vancouver, BC. The development will consist of four phases and will serve as a mixed-use property. The development partner for each phase is required to pay the Nation a community amenity contribution based on the gross floor area in square feet of that phase adjusted for square footage of below-market housing. As

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

construction of the first phase commenced during the year ended March 31, 2023, the Nation earned a community amenity contribution of \$57,782,416 (2022 – \$nil).

5 Restricted cash

Restricted cash consists of the Nation's 50% share of the cash held by Spo7ez, a replacement reserve which has been internally restricted by Hiyam's Board of Directors to facilitate the repair or replacement of major building components as well as externally restricted by CMHC and security deposits collected from tenants. Restricted cash for the replacement reserve is kept in a separate bank account.

6 Investments and advances

a) Investments and advances consist of the following:

	2023 \$	2022 \$
Nch'Kay West (Senakw) GC LLP		
Contributions	1	-
Units – at cost	(1)	-
	<hr/>	<hr/>
	-	-
Senakw (Building 1) Limited Partnership		
Contributions	1	-
Units – at cost	(1)	-
	<hr/>	<hr/>
	-	-
Senakw (Building 2) Limited Partnership		
Contributions	1	-
Units – at cost	(1)	-
	<hr/>	<hr/>
	-	-
Senakw (Building 3) Limited Partnership		
Contributions	1	-
Units – at cost	(1)	-
	<hr/>	<hr/>
	-	-
Senakw (Head Lease) Limited Partnership		
Contributions	1	-
Units – at cost	(1)	-
	<hr/>	<hr/>
	-	-

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

	2023 \$	2022 \$
Mosquito Creek Marina Limited Partnership – 100% enterprise investment		
Units – at cost	999	999
Cumulative share of earnings	10,993,769	9,147,794
Cumulative drawings	(2,381,157)	-
	<u>8,613,611</u>	<u>9,148,793</u>
Lynnwood Industrial Estates Ltd. and Lynnwood Marina Limited Partnership – 100% enterprise investment		
Units – at cost	1,999	1,999
Cumulative share of earnings	6,679,071	4,914,519
Cumulative drawings	(4,615,039)	-
	<u>2,066,031</u>	<u>4,916,518</u>
Northwest Squamish Forestry Limited Partnership – 100% enterprise investment		
Units – at cost	100	100
Advances	5,893,009	5,893,009
Cumulative share of earnings	1,939,888	2,750,023
	<u>7,832,997</u>	<u>8,643,132</u>
Cheekeye River Developments Limited Partnership – 50% enterprise investment		
Units – at cost	100	100
Squamish Valley Gas Limited Partnership – 100% enterprise investment		
Units – at cost	999	999
Drawings	(965,901)	-
Cumulative share of earnings	3,773,136	3,413,533
	<u>2,808,234</u>	<u>3,414,532</u>
Capilano River R.V. Limited Partnership – 100% enterprise investment		
Drawings	(3,364,562)	-
Cumulative share of earnings	5,023,848	3,348,578
	<u>1,659,286</u>	<u>3,348,578</u>
Nch'Kay NV Gas Bar Limited Partnership – 100% enterprise investment		
Units – at cost	1,998	9,999
Cumulative share of loss	(662,655)	(258,828)
	<u>(660,657)</u>	<u>(248,829)</u>

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

	2023 \$	2022 \$
LDB Developments (AQ/MIB/SN/TWN) Limited Partnership		
– 25% enterprise investment		
Investment	5,062,627	5,062,627
Cumulative share of earnings	359,831	521,576
	<u>5,422,458</u>	<u>5,584,203</u>
MST limited partnerships – 33% enterprise investment		
Investment	30,648,193	30,398,431
Advances	21,000	21,000
Promissory notes	4,399,303	4,399,303
Cumulative share of loss	(10,025,001)	(8,473,000)
	<u>25,043,495</u>	<u>26,345,734</u>
MST (Jericho 2016) Limited Partnership –		
33% enterprise investment		
Units – at cost	1	1
Investment	3,333	3,333
Advances	33,957,129	32,294,619
Cumulative share of loss	(10,354,040)	(6,939,958)
	<u>23,606,423</u>	<u>25,357,995</u>
	<u>76,391,978</u>	<u>86,510,756</u>

The promissory notes with MST (Jericho 2016) Limited Partnership, MST (Jericho) Limited Partnership, and MST (West Vancouver) Limited Partnership are payable on demand, bear interest at prime rate per annum and are unsecured. Other advances are unsecured, have no fixed terms of repayment and do not bear interest.

Interest was incurred by the Nation on corresponding bank loans and was charged to the following limited partnerships:

	2023 \$	2022 \$
Northwest Squamish Forestry Limited Partnership	-	6,768

Land purchased by the MST limited partnerships and MST (Jericho 2016) Limited Partnership was partially funded by either non-interest or low-interest bearing loans. The accounting framework for the MST limited partnerships and MST (Jericho 2016) Limited Partnership, International Financial Reporting Standards, requires the loans to be recorded at fair value rather than face value. Gains or losses resulting from fair value adjustments to the loans are non-cash items, and have resulted in significant changes in equity losses and earnings during the years ended March 31, 2023 and 2022. The loans are ultimately repayable at their face value.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

- b) The following table presents the financial information concerning government business enterprises and government business partnerships in which the Nation holds equity interest:

	2023					
	Assets \$	Liabilities \$	Net assets \$	Revenue \$	Expenses \$	Net income \$
Nch'Kay West (Senakw) GC LLP	11,539,139	11,328,895	210,244	66,287	-	66,287
Senakw (Head Lease) LP	3,879,135	3,879,132	3	-	-	-
Senakw (Building 1) Limited Partnership	28,050,230	28,133,971	(83,741)	-	83,744	(83,744)
Senakw (Building 2) Limited Partnership	41,234,860	41,364,936	(130,076)	-	130,079	(130,079)
Senakw (Building 3) Limited Partnership	50,215,324	50,379,461	(164,137)	-	164,140	(164,140)
Northwest Squamish Forestry Limited Partnership	11,674,411	11,262,861	411,550	4,931,695	6,428,337	(1,496,642)
MST (West Vancouver) Limited Partnership	20,757,000	18,548,000	2,209,000	-	264,000	(264,000)
MST (Fairmont) Limited Partnership	28,537,000	27,449,000	1,088,000	1,244,000	3,828,000	(2,584,000)
MST (Jericho) Limited Partnership	106,175,000	49,721,000	56,454,000	917,000	2,731,000	(1,814,000)
MST (Jericho 2016) Limited Partnership	519,646,000	550,698,000	(31,052,000)	1,080,000	11,322,000	(10,242,000)
LDB Developments (AQ/MIB/SN/TW N) Limited Partnership	43,627,638	21,937,670	21,689,968	3,144,959	3,791,939	(646,980)
Mosquito Creek Marina Limited Partnership	10,973,578	3,179,376	7,794,202	8,150,591	6,302,616	1,847,975
Lynnwood Marina Limited Partnership	17,207,904	16,558,110	649,794	5,252,202	3,562,639	1,689,563
Squamish Valley Gas Limited Partnership	6,323,645	3,711,673	2,611,972	18,104,485	17,743,882	360,603
Capilano River R.V. Park Limited Partnership	2,371,917	252,288	2,119,629	3,367,922	1,692,652	1,675,270
Nch'Kay NV Gas Bar LP	1,435,171	2,097,852	(662,681)	567,932	969,761	(401,829)
	903,647,952	840,502,225	63,145,727	46,827,073	59,014,789	(12,187,716)

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

	2022					
	Assets \$	Liabilities \$	Net assets \$	Revenue \$	Expenses \$	Net income \$
Mosquito Creek Marina Limited Partnership	11,532,997	3,057,243	8,475,754	7,277,805	5,162,881	2,114,924
Lynnwood Industrial Estates Ltd. and Lynnwood Marina Limited Partnership	26,870,780	18,681,031	8,189,749	5,070,552	3,843,788	1,226,764
Squamish Valley Gas Limited Partnership	5,085,638	1,868,369	3,217,269	13,268,817	12,491,135	777,682
Capilano River R.V. Park Limited Partnership	3,969,867	160,946	3,808,921	2,582,188	1,271,600	1,310,588
Nch'Kay NV Gas Bar LP	323,388	584,238	(260,850)	288,596	549,448	(260,852)
Northwest Squamish Forestry Limited Partnership	13,115,258	10,904,088	2,211,170	4,578,052	4,337,921	240,131
MST (West Vancouver) Limited Partnership	19,098,000	16,625,000	2,473,000	-	261,000	(261,000)
MST (Fairmont) Limited Partnership	29,284,000	25,612,000	3,672,000	711,000	3,531,000	(2,820,000)
MST (Jericho) Limited Partnership	104,310,000	46,042,000	58,268,000	763,000	5,552,000	(4,789,000)
MST (Jericho 2016) Limited Partnership	505,223,000	526,033,000	(20,810,000)	9,363,000	1,167,000	8,196,000
LDB Developments (AQ/MIB/SN/TWN) Limited Partnership (25%)	44,349,565	22,012,617	22,336,948	4,011,646	3,256,089	755,557
	<u>763,162,493</u>	<u>671,580,532</u>	<u>91,581,961</u>	<u>47,914,656</u>	<u>41,423,862</u>	<u>6,490,794</u>

c) The Nation's share of commitments and contingencies of its government business enterprises and government business partnerships are as follows:

- Due to the nature of the operations of Mosquito Creek Marina Limited Partnership, Lynnwood Marina Limited Partnership and Lynnwood Industrial Estates Ltd., these entities may be exposed to costs in the future as a result of environmental remediation. The extent of such losses, and any related government funding, is not determinable and any such losses would ultimately be payable by the Nation via Nch'Kay.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

- d) For the year ended March 31, 2022, the Nation recognized net equity income comprising the following government business enterprises:

	2023 \$	2022 \$
Equity earning (loss) from:		
Mosquito Creek Marina Limited Partnership	1,847,975	2,003,970
Lynnwood Marina Limited Partnership	1,766,552	1,338,361
Squamish Valley Gas Limited Partnership	360,603	766,800
Capilano River R.V. Limited Partnership	1,675,270	1,310,457
Nch'Kay NV Gas Bar Limited Partnership	(401,829)	(260,825)
Northwest Squamish Forestry Limited Partnership	(810,136)	240,131
	<u>4,438,435</u>	<u>5,398,894</u>

The Nation recognized net equity income (loss) comprising the following government business partnerships:

	2023 \$	2022 \$
Equity earnings (loss) from:		
LDB Developments (AQ/MIB/SN/TWN)	(161,745)	188,889
MST (Jericho 2016) Limited Partnership	(3,414,000)	2,732,000
MST Limited Partnerships	(1,552,000)	(2,623,000)
	<u>(5,127,745)</u>	<u>297,889</u>

7 Government partnerships

- a) The Nation's 50% share of assets, liabilities, revenues and expenses of Spo7ez, prior to the elimination of any inter-entity transactions, are as follows:

	2023 \$	2022 \$
Assets		
Restricted cash	1,756,153	1,335,394
Accounts receivable	74,909	102,353
Prepaid expenses	385,974	56,051
Inventory	103,397	94,943
	<u>2,320,433</u>	<u>1,588,741</u>
Tangible capital assets	<u>10,338,643</u>	<u>10,503,725</u>
	<u>12,659,076</u>	<u>12,092,466</u>

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

	2023 \$	2022 \$
Liabilities		
Accounts payable and accrued liabilities	121,789	54,586
Deposits	130,587	82,044
Long-term debt	-	4,364
	<u>252,376</u>	<u>140,994</u>
Accumulated surplus	<u>12,406,700</u>	<u>11,951,472</u>
Revenue	2,921,490	2,382,181
Expenses	<u>2,409,693</u>	<u>1,710,969</u>
Excess of revenue over expenses	<u>511,797</u>	<u>671,212</u>

The Nation's 33% share of assets, liabilities, revenues and expenses of MST Development Corporation, prior to the elimination of any inter-entity transactions, are as follows:

	2023 \$	2022 \$
Assets		
Cash	117,836	52,472
Interest receivable	19,740	-
Prepaid expense	3,821	-
Due from related parties	<u>1,785,837</u>	<u>1,353,775</u>
	<u>1,927,234</u>	<u>1,406,247</u>
Liabilities		
Accounts payable and accrued liabilities	420,472	145,654
Promissory notes payable	<u>1,541,377</u>	<u>1,101,581</u>
	<u>1,961,849</u>	<u>1,247,235</u>
Accumulated (deficit) surplus	<u>(34,615)</u>	<u>159,012</u>
Revenue	718,845	553,816
Expenses	<u>730,042</u>	<u>556,212</u>
Deficiency of revenue over expenses	<u>(11,197)</u>	<u>(2,396)</u>

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

8 Deferred lease costs

	2023		2022
	Cost \$	Accumulated amortization \$	Net book value \$
Deferred lease costs	3,141,701	1,510,275	1,631,426
			1,745,837

9 Operating line of credit

The Nation has an operating line of credit with a maximum authorized limit of \$4,000,000 (2022 – \$4,000,000), bearing interest at the bank prime rate. A total of \$285,000 was drawn on this line as at March 31, 2023 and March 31, 2022.

10 Loans payable

	2023 \$	2022 \$
Canadian Imperial Bank of Commerce, payable at \$88,297 per month, interest at 3% per annum secured by property lease income, maturing in April 2031	8,000,000	9,000,000
BC Housing (Hiyam) promissory note, interest bearing, repayable at earlier of (i) the first mortgage loan advance or (ii) May 26, 2024, due on demand and forgiven if the respective housing project does not proceed	8,451,179	1,709,683
CMHC (Hiyam), no interest payable until maturity date (Canada prime rate plus 2%), maturity date is earlier of (i) date project proceeds to a commitment for capital financing, (ii) date project discontinued, (iii) date of notice of termination or, (iv) date CMHC notifies failure to meet project objectives	36,000	36,000
CMHC, interest at 4.04% per annum, repayable at \$4,286 per month principal including interest, secured by personal property, maturing on March 1, 2047	978,514	-
Bank of Montreal, interest at prime plus 1% per annum, repayable at \$8,045 per month principal plus interest, secured by an assignment of rents, payable on demand	707,949	804,488
Royal Bank of Canada (Spo7ez), interest at prime rate plus 0.72% per annum, repayable at \$5,830 per month, due on August 21, 2022, secured by all personal property of Spo7ez	-	4,364
Promissory note without interest payable on demand to Sqomish Sea to Sky Developments Limited Partnership (Cheekeye Fan Lands), unsecured	3,414,917	3,414,917
Royal Bank of Canada, non-revolving term loan facility, repayable in monthly principal payments of \$20,721, plus interest at prime plus 2% per annum, secured by personal property and assignment of leases, maturing on January 31, 2024	1,316,805	1,513,924

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

	2023 \$	2022 \$
Royal Bank of Canada, non-revolving term loan facility, repayable in monthly principal payments of \$26,134 plus interest at 3.75% per annum, secured by all personal property and assignment of leases, maturing on November 30, 2022	-	2,088
MST	33,000	33,000
Capital lease obligation, interest at 2.99% per annum, repayable at \$485 per month, final payment due on July 14, 2022, secured by the related vehicle	-	11,781
Bank of Montreal, repayable on demand and secured against equipment purchased. Borrowing maximum \$3,000,000	1,970,884	2,406,384
	<u>24,909,248</u>	<u>18,936,629</u>

The total amount of the loans due on demand is \$14,544,926 (2022 – \$5,821,302). Principal instalments on loans payable based on repayment terms specified in the individual loan agreements in each of the next five years and thereafter are as follows. Loans due on demand have been included in the estimated repayments for fiscal 2024.

	Scheduled principal payments \$	Principal maturities \$	Total repayments \$
2024	15,802,665	-	15,802,665
2025	1,258,475	-	1,258,475
2026	1,259,096	-	1,259,096
2027	1,259,773	-	1,259,773
2028 and thereafter	219,460	5,109,779	5,329,239
	<u>19,799,469</u>	<u>5,109,779</u>	<u>24,909,248</u>

11 Deferred capital contributions

In November 2021, the Nation and CMHC entered into the Rapid Housing Initiative Agreement (the RHI Agreement), whereby the Nation, through Hiyam will build temporary modular residential units for Nation members who risk homelessness. The projects include two modular housing developments consisting of 80 units of affordable housing for Nation members with a specified capacity intended for women and children.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

Pursuant to the RHI Agreement, CMHC advanced a sum of \$32,376,796 to Hiyam during the year ended March 31, 2022. The total contribution from the Nation to Hiyam as at March 31, 2022 was \$6,075,251. Deferred capital contribution after the elimination of the intercompany contribution for March 31, 2022 and 2021 is as follows:

	2023 \$	2022 \$
Balance – Beginning of year	28,729,515	810,086
Amounts received during the year	866,222	31,478,730
Amounts incurred on capital and amortized into revenue	(29,595,737)	(3,559,301)
Balance – End of year	-	28,729,515

12 Commitments and contingent liabilities

- a) The Nation has commitments of \$3,666,232 (2022 – \$452,787) related to the completion of housing under construction.
- b) Under the terms of the purchase agreement for the Provincial Jericho lands and the MST (Jericho 2016) Limited Partnership agreement, the Nation may be required to make the following principal payments towards the purchase of the Provincial Jericho lands:

November 2023	\$18,630,000
November 2024	the balance of \$105,570,000 plus any accrued interest

- c) The Nation has outstanding letters of credit for \$100,000 (2022 – \$100,000) relating to a guarantee for a petroleum products supply and purchase agreement by Squamish Valley Gas Limited Partnership, \$150,000 (2022 – \$150,000) relating to a guarantee in connection with the operation of a gas station, and \$35,000 (2022 – \$35,000) relating to a guarantee with the operation of Westfair Foods Ltd.
- d) The Nation has provided an unlimited guarantee to International Forest Products Limited (IFPL) for any damages IFPL may suffer as a result of the operation of Tree Farm Licence #38 by Northwest Squamish Forestry Limited Partnership.
- e) The Nation has indemnified the Nation member Trustees of the Trust against any claims or liabilities made against the Trustees arising from their activities as a Nation Trustee of the Trust.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

- f) The Nation has, in conjunction with Lil'wat Nation, guaranteed a bank loan undertaken by Spo7ez for the purpose of financing the construction of the Squamish Lil'wat Cultural Centre. As at March 31, 2023, Lil'wat Nation's share of the loan amount was \$nil (2022 – \$4,364). The Nation has also guaranteed all present and future liabilities of Spo7ez to a commercial bank, up to \$2,500,000 together with interest thereon, and also assigned to the bank present and future indebtedness of Spo7ez to the Nation as collateral security for a letter of credit.
- a) The Nation collects lease revenue from certain tenants where the title to the land under lease is held by the Government of Canada (Canada). The Nation has indemnified certain lessees against any losses claimed by Canada in respect of rent and fee payments made to the Nation rather than to Canada.
- g) Certain legal actions have been commenced against the Nation in connection with various matters arising during the normal course of business activities. Management is of the opinion that the cost of settling and defending such actions will not be significant and, accordingly, no provision for losses has been reflected in these consolidated financial statements.

In management's view, no provision for loss was required in respect of the above-noted guarantees and indemnities as at March 31, 2023 and 2022.

13 Related party transactions

During the year, the Nation had the following transactions with related parties:

- Received \$1,701,876 (2022 – \$1,917,289) from the Trust being the allocation of net income paid by the Trust. In accordance with the Trust agreement, this amount was loaned back to the Trust (note 12).
- Received administrative fee income of \$28,000 (2022 – \$64,000) from the Trust.
- Included in accounts receivable is \$857,895 (2022 – \$10,747) due from band members.
- Received \$362,583 (2022 – \$380,000) in rents, and \$175,377 (2022 – \$285,066) in property taxes, from Lynnwood Marina Limited Partnership.
- Received \$nil (2022 – \$85,000) in management fees from Lynnwood Industrial Estates Ltd.
- Earned interest of \$1,662,509 (2022 – \$954,342) on the promissory note with MST (Jericho 2016) Limited Partnership.
- All employees who work at the Mosquito Creek Marina Limited Partnership (Mosquito) and Squamish Valley Gas Limited Partnership were transferred to Nch'Kay during the reorganization. During the year, the Nation charged \$nil (2022 – \$542,345) to Mosquito and \$nil (2022 – \$209,830) to Squamish Valley Gas Limited Partnership, respectively, in respect of salaries, wages and benefits.

14 Squamish Nation Trust

On May 11, 2000, the Government of Canada (Canada) signed a Settlement Agreement (the Agreement) with members ratifying the terms of the Agreement. As compensation for this settlement, Canada paid the sum of \$92,500,000 into a trust account governed by a Trust Agreement.

Under the terms of the Agreement, the Trust has been established to hold the compensation and any income from the settlement for the benefit of current and future generations of members of the Nation. Trustees

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

appointed serve minimum two-year terms, and up to four-year terms. No members of the Council are eligible to serve as a Trustee. The Trustees have appointed an independent Trust Corporation as a fifth Trustee which, in addition to its Trustee duties, administers the Trust and maintains the records. Trustees are to administer the Trust in accordance with the Trust Agreement and the Comprehensive Plan which has been approved by membership, and an established Investment Policy.

To assist with the administration of the Trust, the Nation receives advances from the Trust to pay certain expenses on the Trust's behalf. As at March 31, 2023, the Nation had an amount payable to the Trust of \$95,857 (2022 – \$97,369), representing the excess of advances received over the amount of such expenses.

From time to time, the Nation may receive amounts to be applied to designated programs as determined by the Trustees in accordance with the approved Comprehensive Plan. These amounts are included in the operations of the Nation. Revenue received for housing programs from the Trust during the year was \$864,109 (2022 – \$984,487).

The Nation does not include the assets, liabilities, income or expenses of the Trust in its consolidated financial statements. Under the terms of the Trust Agreement, the annual net income (investment income less administrative expenses) of the Trust is to be paid to the Nation and immediately loaned back in full to the Trust. This results in separate annual loans receivable, without interest, payable to the Nation no sooner than 10 years from issuance, with any future repayment not to exceed 50% of the income of the Trust in that year. As at March 31, 2023, cumulative loans receivable of \$1,701,876 (2022 – \$1,917,289) was provided for in full.

The Nation is contingently liable under the Agreement to indemnify Canada from any loss or damage resulting from any proceedings against Canada by any parties in respect of the subject matter of the Agreement. As at March 31, 2023, management was not aware of any such proceedings, and considers any such contingent loss to be unlikely to occur.

15 Defined contribution plans

The Nation participates in individual defined contribution pension plans (the Plans) for its permanent employees. Permanent employees who elect to participate in a plan are required to contribute 5% of their earnings. An additional voluntary contribution of 3% of earnings is permitted. The Nation contributes amounts equal to the employees' contributions. The Nation contributed \$1,663,344 to the Plans during the year (2022 – \$1,482,185).

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

16 Supplemental cash flow information and prior year restatement

The consolidated statement of cash flows for the year ended March 31, 2022 has been restated. Equity earnings from government business enterprises (within cash provided by operating activities) was overstated by \$11,393,566 and was decreased by this amount, and decrease (increase) in investments and advances (within investing activities) was understated by \$11,393,566 and was increased by this amount. There were no adjustments to the consolidated statement of financial position, the consolidated statement of operations and accumulated surplus or the consolidated statement of changes in financial assets. There were also no adjustments to increase in cash and cash equivalents for the year, cash and cash equivalents – beginning of year and cash and cash equivalents – end of year within the consolidated statement of cash flows.

	2023 \$	2022 \$
Accounts receivable	(1,641,464)	(1,338,168)
Prepaid expenses	(743,336)	345,169
Inventory held for resale	100,913	72,678
Accounts payable and accrued liabilities	5,045,236	(205,514)
Deferred revenue	(435,903)	248,086
Committed program funds	2,228,805	(3,142,683)
Restricted funds	27,735	273,697
	<u>4,581,986</u>	<u>(3,746,735)</u>

17 Expenses by object

	2023 \$	2022 \$
Salaries and benefits	41,862,828	30,085,379
Interest and other	2,026,794	2,508,403
Amortization	4,605,294	4,410,819
Program costs	61,032,056	44,970,969
Taxation and commercial ventures	12,119,707	5,743,253
	<u>121,646,679</u>	<u>87,718,823</u>

18 Remuneration of elected officials and senior staff

Senior staff compensation

The Squamish Nation Salary Index and Performance Management Plan (Salary Plan) is a compensation plan which applies to all Nation employees, and is designed to attract, retain and motivate the caliber of employee needed to support the achievement of the Nation's goals of providing the best service to the Nation members. The Salary Plan has been approved by the Council.

All employees, including the Nation's Chief Administrative Officer and directors, are paid in accordance with the Salary Plan. For the year ended March 31, 2023, regular base pay for senior staff ranged from \$117,753

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

(2022 – \$54,000) to \$218,896 (2022 – \$147,496). These pay rates are annual and may differ based on number of months of employment.

Elected official compensation

For the year ended March 31, 2023, all members of the Council and the Band Manager were paid in accordance with remuneration provisions included in the Squamish Nation Council Governance Policy, ranging from \$83,082 (2022 – \$64,800) to \$103,495 (2022 – \$140,045) annually. Council members may also serve as a director for companies controlled by the Nation. They receive no additional compensation for these services.

Travel

Local travel – Nation employees, including senior staff and Councillors, who use their personal vehicles for work-related purposes are eligible to claim mileage.

Out of town – all business-related out-of-town travel by Councillors, the Band Manager and senior employees is pre-approved, either by the Council or by an Executive Operating Officer. Like many other governments, Nation employees and Councillors receive a daily stipend to cover meals, lodging and incidental costs when travelling on Nation business. When necessary, transportation costs are also paid. Daily stipend amounts are determined by policy.

Pension and benefits

The Nation contributes to pension plans and employment benefits (medical, dental and extended health, for example) for all employees and Councillors who meet eligibility requirements as defined by policy.

Other

The Nation provides an annual distribution to each member as well as a wide range of services to members and their families, such as education, health, housing and recreation services. Councillors and senior employees and their families may receive such services under the same conditions and eligibility requirements as other members.

19 Accounts receivable and accounts payable and accrued liabilities

Accounts receivable includes an amount of \$320,342 (2022 – \$3,257,744) due from Indigenous Services Canada.

20 Contractual rights

The Nation has entered in confidential agreements with various parties, whereby the Nation will receive future funding and other economic resources. These annual revenues include lease revenues and proceeds from impact and benefit agreements and revenue sharing arrangements. Revenues range from \$10,000 to \$11.05 million (2022 – \$10,000 to \$11.05 million) per agreement and the terms of the agreements range from one year to fifty years.

Squamish Nation

Notes to Consolidated Financial Statements

March 31, 2023

In addition, the Nation has entered into funding agreements with the Government of Canada, Province of British Columbia and other funding agencies, to provide programs and service to the Nation members. The terms of these agreements range from one year to ten years, and the funding ranges from \$1,000 to \$11.11 million (2022 – \$1,000 to \$11.11 million) per agreement.

21 Accumulated surplus

Pursuant to the Target Fund Policy approved during the year ended March 31, 2018, the Nation has allocated net additions and reductions to and from its Targeted Funds based on the surplus for the year ended March 31, 2023. Cash and cash equivalents have been designated for the following additions and reductions regarding the Nation's funds:

	2022 \$	Additions \$	Reductions \$	2023 \$
Special Projects Fund	4,200,000	5,200,000	-	9,400,000
Housing Development Fund	6,540,000	1,120,000	(5,110,000)	2,550,000
Major Capital Asset Replacement Fund	28,440,000	25,500,000	(490,000)	53,450,000
Strategic Investment Fund	1,070,000	14,240,000	-	15,310,000
	<u>40,250,000</u>	<u>46,060,000</u>	<u>(5,600,000)</u>	<u>80,710,000</u>

22 Reclassification of prior year presentation

Certain prior year amounts have been reclassified to conform with the current year presentation. These reclassifications had no effect on the reported results of operations.

Squamish Nation

Schedule 1

Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2023

	Balance – Beginning of year \$	Additions during the year \$	Disposals during the year \$	Balance – End of year \$
Cost				
Land	25,368,715	-	-	25,368,715
Residential housing	77,577,378	2,408,713	-	79,986,091
Commercial buildings	2,603,120	-	-	2,603,120
Community buildings	10,864,702	-	-	10,864,702
Office buildings	6,805,668	704,372	-	7,510,040
Lil'wat Cultural Centre	13,825,533	23,847	-	13,849,380
Public infrastructure	39,541,756	5,991	-	39,547,747
Vehicles	2,598,948	868,568	-	3,467,516
IT	5,703,676	339,172	-	6,042,848
Machinery and equipment	12,012	25,227	-	37,239
Office furniture	15,871	39,631	-	55,502
Construction in progress	7,296,777	33,235,741	-	40,532,518
	192,214,156	37,651,262	-	229,865,418
Accumulated amortization				
Residential housing	53,230,328	1,520,763	-	54,751,091
Community buildings	7,369,151	366,827	-	7,735,978
Lil'wat Cultural Centre	3,549,538	-	-	3,549,538
Commercial buildings	2,603,120	-	-	2,603,120
Office buildings	4,363,928	248,811	-	4,612,739
Public infrastructure	16,688,768	1,242,951	-	17,931,719
Vehicles	1,957,352	278,884	-	2,236,236
IT	4,631,069	291,656	-	4,922,725
Machinery and equipment	1,727	1,538	-	3,265
Office furniture	7,925	2,410	-	10,335
	94,402,906	3,953,840	-	98,356,746
Net book value				
Land	25,368,715	-	-	25,368,715
Residential housing	24,347,050	887,950	-	25,235,000
Community buildings	3,495,551	(366,827)	-	3,128,724
Lil'wat Cultural Centre	10,275,995	23,847	-	10,299,842
Office buildings	2,441,740	455,561	-	2,897,301
Public infrastructure	22,852,988	(1,236,960)	-	21,616,028
Vehicles	641,596	589,684	-	1,231,280
IT	1,072,607	47,516	-	1,120,123
Machinery and equipment	10,285	23,689	-	33,974
Office furniture	7,946	37,221	-	45,167
Construction in progress	7,296,777	33,235,741	-	40,532,518
	97,811,250	33,697,422	-	131,508,672

Squamish Nation

Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2022

Schedule 1

	Balance – Beginning of year \$	Additions during the year \$	Reclassification during the year \$	Balance – End of year \$
Cost				
Housing	72,071,671	3,945,711	-	76,017,382
Land*	25,082,644	-	-	25,082,644
Townhouses	780,000	-	-	780,000
Recreation facilities	5,391,341	-	-	5,391,341
Driving range facilities	2,603,120	-	-	2,603,120
Other building and lot	5,606,408	-	-	5,606,408
Prefab structures	2,406,065	-	-	2,406,065
Infrastructure	39,476,469	62,626	-	39,539,095
Office building and school	5,136,749	-	-	5,136,749
Computer hardware and software	5,347,567	338,601	-	5,686,168
Vehicles	2,102,048	496,900	-	2,598,948
Construction in progress	1,949,663	6,995,715	-	8,945,378
Squamish Lil'wat Cultural Centre	12,920,192	-	(1,317,193)	11,602,999
	180,873,937	11,839,553	(1,317,193)	191,396,297
Accumulated amortization				
Housing	49,457,037	2,213,290	-	51,670,327
Townhouses	780,000	-	-	780,000
Recreation facilities	3,904,093	154,038	-	4,058,131
Driving range facilities	2,603,120	-	-	2,603,120
Other building and lot	3,924,045	227,020	-	4,151,065
Prefab structures	2,269,570	-	-	2,269,570
Infrastructure	15,411,219	1,249,477	-	16,660,696
Office building and school	1,156,484	141,201	-	1,297,685
Computer hardware and software	4,371,999	244,054	-	4,616,053
Vehicles	1,747,124	181,738	-	1,928,862
Squamish Lil'wat Cultural Centre	3,549,538	-	-	3,549,538
	89,174,229	4,410,818	-	93,585,047
Net book value				
Housing	22,614,634	1,732,421	-	24,347,055
Land	25,082,644	-	-	25,082,644
Recreation facilities	1,487,248	(154,038)	-	1,333,210
Other building and lot	1,682,363	(227,020)	-	1,455,343
Prefab structures	136,495	-	-	136,495
Infrastructure	24,065,250	(1,186,851)	-	22,878,399
Office building and school	3,980,265	(141,201)	-	3,839,064
Computer hardware and software	975,568	94,547	-	1,070,115
Vehicles	354,924	315,162	-	670,086
Construction in progress	1,949,663	6,995,715	-	8,945,378
Squamish Lil'wat Cultural Centre	9,370,654	-	(1,317,193)	8,053,461
	91,699,708	7,428,735	(1,317,193)	97,811,250

Squamish Nation

Schedule 2

Consolidated Schedules of Segment Disclosure

For the year ended March 31, 2023

	Council and administration \$	Community services \$	Corporate services \$	People services \$	Territory and culture \$	Hiyam, Nch'kay and other \$	2023 consolidated \$
Revenue							
Leases	-	36,469,720	-	-	-	-	36,469,720
Government transfer	2,679,732	2,693,299	2,919,932	34,465,680	1,860,457	812,063	45,431,163
Lands and resources accommodation	-	270,571	72,742	-	3,051,440	-	3,394,753
Taxation	-	10,769,598	-	-	-	-	10,769,598
Retail	-	749,431	-	-	-	-	749,431
Nation amenity contribution	-	-	57,782,416	-	-	-	57,782,416
Capital contribution released as revenue	-	-	-	-	-	29,593,808	29,593,808
Interest and other	-	7,189,816	12,450,422	2,470,398	1,762,552	4,910,034	28,783,222
Committed funds from prior year	10,000	50,000	93,646	7,812,612	1,858,252	411,157	10,235,667
Equity earnings from government business enterprises	-	-	-	-	-	4,438,435	4,438,435
Committed funds to next year	-	(1,458,000)	(78,213)	(9,063,659)	(1,021,750)	(411,157)	(12,032,779)
	2,689,732	56,734,435	73,240,945	35,685,031	7,510,951	39,754,340	215,615,434
Expenses							
Program costs	5,257,932	13,165,559	27,364,364	48,757,169	5,548,443	7,406,711	107,500,178
Taxation	-	4,137,811	-	-	-	-	4,137,811
Retail	-	505,186	-	-	-	-	505,186
Leases	-	776,539	-	-	-	-	776,539
Interest and other expense	-	5,902	318,033	-	-	1,702,859	2,026,794
Lands and resources accommodation	-	-	567,529	-	670,827	-	1,238,356
Project negotiation expenses	-	334,070	-	-	-	-	334,070
Equity loss from government business partnerships	-	-	5,127,745	-	-	-	5,127,745
	5,257,932	18,925,067	33,377,671	48,757,169	6,219,270	9,109,570	121,646,679
Excess of revenue over expenditures of the year	(2,568,200)	37,809,368	39,863,274	(13,072,138)	1,291,681	30,644,770	93,968,755

Squamish Nation

Consolidated Schedules of Segment Disclosure

For the year ended March 31, 2023

Schedule 2

		Revenue				Expenditures	Deficiency for the year \$
		Government transfers \$	Interest and other income \$	Committed funds from prior year \$	Committed funds to next year \$	Total \$	
						Program cost \$	
Council & Nation Administration	Council advisory and support	2,679,732	855,000	-	-	3,534,732	(2,410,262)
	Strategic operations and the Office of CAO	-	500	10,000	-	10,500	(1,164,226)
Community Services	Community operations	818,760	2,937,942	-	-	3,756,702	(4,630,465)
	Planning & capital projects	1,649,575	144,352	50,000	(1,458,000)	385,927	(637,438)
	Property management & taxation	187,650	4,086,814	-	-	4,274,464	2,952,833
Corporate Services	Squamish Valley operations	37,314	20,708	-	-	58,022	(2,375,374)
	Communications	-	-	-	-	-	(975,546)
	Distribution	-	-	-	-	-	(4,082,794)
	Finance, accounting and IT	2,723,086	11,324,656	-	-	14,047,742	(1,761,330)
	Human resources	69,642	-	86,146	-	155,788	(2,931,887)
	Legal	-	-	-	-	-	(562,957)
	Public safety and emergency management	127,203	-	7,500	(78,213)	56,490	(818,948)
People Services	Senakw	-	270,266	-	-	270,266	160,294
	Ayas Menmen	13,856,840	634,073	3,612,989	(4,614,475)	13,489,427	(780,640)
	Education, employment & training	14,012,692	1,498,156	1,546,666	(2,132,446)	14,925,068	(4,456,329)
	Membership services	119,255	46,501	74,547	-	240,303	(5,699,957)
	Squamish Valley operations	547,223	116,872	54,053	(93,830)	624,318	(1,900,976)
Territory and Culture	Yuustway health & wellness	5,929,670	174,796	2,524,357	(2,222,908)	6,405,915	(233,392)
	Language & cultural affairs	85,000	111,306	356,241	(293,844)	258,703	(1,993,354)
	Rights & title	1,775,457	1,651,246	1,502,011	(727,906)	4,200,808	3,296,351
Hiyam, Nch'kay & other		812,063	4,910,034	411,157	(411,157)	5,722,097	(1,684,615)
		45,431,162	28,783,222	10,235,667	(12,032,779)	72,417,272	(35,082,906)

Squamish Nation

Schedule 2

Consolidated Schedules of Segment of Disclosure For the year ended March 31, 2022

	Commercial operations \$	Community services \$	Government business enterprises and partnerships \$	2022 consolidated \$
Revenue				
Leases	35,101,728	-	-	35,101,728
Other income	-	24,930,063	-	24,930,063
Indigenous Services Canada	-	33,014,099	-	33,014,099
Lands and resources accommodation	5,931,408	-	-	5,931,408
Taxation	11,349,093	-	-	11,349,093
Cigarettes, gasoline and retail	670,490	-	-	670,490
Committed funds from prior year	-	11,574,793	-	11,574,793
Interest and other	5,238,728	-	-	5,238,728
Equity earnings from government business enterprises	-	-	5,398,894	5,398,894
Equity earnings from government business partnerships	-	-	297,889	297,889
Interest and timber dues on funds held by the Government of Canada	74,693	-	-	74,693
Committed funds to next year	-	(8,468,352)	-	(8,468,352)
	58,366,140	61,050,603	5,696,783	125,113,526
Expenses				
Program costs	-	79,467,167	-	79,467,167
Taxation	3,457,145	-	-	3,457,145
Cigarettes, gasoline and retail	549,410	-	-	549,410
Leases	718,426	-	-	718,426
Interest and other expense	2,508,403	-	-	2,508,403
Lands and resources accommodation	804,882	-	-	804,882
Project negotiation expenses	213,390	-	-	213,390
	8,251,656	79,467,167	-	87,718,823
Excess of revenue over expenses of the year	50,114,484	(18,416,564)	5,696,783	37,394,703

Squamish Nation

Schedule 2

Consolidated Schedules of Segment Disclosure

For the year ended March 31, 2022

	Revenue				Expenditures		
	Indigenous Services Canada \$	Other income \$	Committed funds from prior year \$	Committed funds to next year \$	Total \$	Program costs \$	Deficiency of revenue over expenditures for the year \$
Community Programs							
Child and family services	7,928,783	4,437,770	2,100,634	(3,371,681)	11,095,506	10,747,967	347,539
Human resources	241,175	-	66,800	(86,146)	221,829	2,149,126	(1,927,297)
Finance & IT	4,405,498	1,235,508	1,223,405	(153,651)	6,710,760	12,474,688	(5,763,928)
Community operations	1,149,738	1,034,549	501,786	(413,041)	2,273,032	6,708,451	(4,435,419)
Education, employment and training	10,955,078	958,499	734,326	(721,189)	11,926,714	13,971,751	(2,045,037)
Squamish Valley operations	218,212	654,609	208,808	9,772	1,091,401	4,127,950	(3,036,549)
Language & cultural affairs	153,234	284,845	435,431	(373,844)	499,666	2,645,018	(2,145,352)
Planning & capital projects	996,264	150	-	-	996,414	(954,809)	1,951,223
Rights & title	2,428,220	3,519,867	2,873,394	(142,924)	8,678,557	4,997,881	3,680,676
Member support services	429,213	192,038	229,545	5,858	856,654	3,357,695	(2,501,041)
Health & wellness	753,764	3,327,822	1,778,121	(2,265,919)	3,593,788	4,926,025	(1,332,237)
Band council	87,628	330,280	-	250,000	667,908	4,399,035	(3,731,127)
Distribution	-	-	-	-	-	4,086,397	(4,086,397)
Hiyam, Nch'Kay & other	3,267,292	8,954,126	1,422,543	(1,205,587)	12,438,374	5,829,992	6,608,382
	33,014,099	24,930,063	11,574,793	(8,468,352)	61,050,603	79,467,167	(18,416,564)