

**MATSQUI FIRST NATION**  
**Consolidated Financial Statements**  
**March 31, 2024**

# MATSQUI FIRST NATION

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## Consolidated Financial Statements

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Year Ended March 31, 2024

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# **MATSQUI FIRST NATION**

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

**March 31, 2024**

The accompanying consolidated financial statements of the Matsqui First Nation as at March 31, 2024 and for the year 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 Matsqui First Nation Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

Chief and Council review the financial statements and approves them. Chief and Council meet periodically with management 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 auditors' report. Chief and Council consider their findings when approving the financial statements for issuance to the Members.

The financial statements have been approved by Chief and Council. In addition, these financial statements have been audited by Chan Nowosad Boates Inc. in accordance with Canadian generally accepted auditing standards on behalf of the members. Chan Nowosad Boates Inc. has full access to Chief and Council for the purpose of their audit.



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Chief Alice McKay  
Band Administrator

July 26, 2024



## INDEPENDENT AUDITORS' REPORT

To the Chief and Council and the Members of Matsqui First Nation,

### Opinion

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

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

### 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

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, 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 Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, 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 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.

### Auditors' Responsibilities for the Audit of the 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 auditors' 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.

### **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

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 auditors' 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 auditors' 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.
- 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.

*Chan Nowosad Boates Inc*

Chan Nowosad Boates Inc.  
Campbell River, BC

July 26, 2024

# MATSQUI FIRST NATION

## Consolidated Statement of Financial Position

March 31, 2024

2024

2023

### FINANCIAL ASSETS

Cash and Cash Equivalents (Note 2)	\$ 52,402,970	\$ 6,238,021
Temporary Investments (Note 3)	2,630,570	2,633,895
Accounts Receivable (Note 4)	1,132,347	1,856,041
Investment in Government Business Enterprises (Note 5)	<u>20,917,332</u>	<u>20,810,964</u>
	<u>77,083,219</u>	<u>31,538,921</u>

### LIABILITIES

Accounts Payable and Accrued Liabilities (Note 6)	1,315,802	200,144
Deferred Revenue (Note 7)	676,381	371,729
Minors' Trust Funds (Notes 8 & 9)	7,159,570	2,633,895
Long Term Debt (Note 10)	<u>3,157,410</u>	<u>3,301,803</u>
	<u>12,309,163</u>	<u>6,507,571</u>

### NET FINANCIAL ASSETS

64,774,056 25,031,350

### NON-FINANCIAL ASSETS

Tangible Capital Assets (Note 12)	<u>9,186,816</u>	<u>8,780,652</u>
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### ACCUMULATED SURPLUS

\$ 73,960,872 \$ 33,812,002

### Contingent Liabilities and Commitments (Note 11)

Approved by:

  
Chief

  
Councilor

# MATSQUI FIRST NATION

## Consolidated Statement of Operations and Accumulated Surplus

Year Ended March 31, 2024

	2024		2023
	Actual	Budget (Note 14)	
<b>Revenues</b>			
Indigenous Services Canada	\$ 1,138,186	\$ 697,715	\$ 971,947
Government of Canada	60,916,125	760,553	2,166,872
CMHC	137,207	42,500	41,724
Other First Nation Governments	161,431	215,230	232,693
Province of BC	657,626	378,504	803,692
BC First Nation Gaming	395,821	-	422,327
Income from Government Business Enterprises	3,951	-	38,162
Lease and Rental Revenue	976,695	983,600	774,837
Property Taxation	272,717	219,462	253,484
Other Revenue	2,230,180	3,517,523	2,473,234
Interest Income	402,199	168,900	45,829
	<u>67,292,138</u>	<u>6,983,987</u>	<u>8,224,801</u>
<b>Expenditures (Note 13)</b>			
Administration & Governance	1,323,232	1,380,544	977,171
BC FN Gaming	340,950	476,501	372,971
Capital & Infrastructure Planning	3,376	13,998	24,720
Education, Employment & Training	144,465	157,083	102,800
Emergency Management	246,470	384,538	758,036
Health	272,619	511,238	135,422
Housing	192,948	117,046	124,542
Land & Economic Development	2,614,057	2,863,089	2,090,887
Language, Culture & Community	459,339	544,500	277,228
Specific Claims	20,998,027	20,000	18,876
Taxation	249,023	423,462	227,924
Other	298,762	-	308,270
	<u>27,143,268</u>	<u>6,891,999</u>	<u>5,418,847</u>
<b>Annual Surplus</b>	40,148,870	\$ <u>91,988</u>	2,805,954
<b>Accumulated Surplus, Beginning of Year</b>	<u>33,812,002</u>		<u>31,006,048</u>
<b>Accumulated Surplus, End of Year</b>	<u>\$ 73,960,872</u>		<u>\$ 33,812,002</u>

# MATSQUI FIRST NATION

## Consolidated Statement of Changes in Net Financial Assets

Year Ended March 31, 2024

	<b>2024</b>		<b>2023</b>
	<b>Actual</b>	<b>Budget (Note 14)</b>	
<b>Annual Surplus</b>	\$ 40,148,870	\$ 91,988	\$ 2,805,954
Purchase of Tangible Capital Assets	(704,926)	-	(437,343)
Amortization of Tangible Capital Assets	298,762	-	308,270
Disposal of Tangible Capital Assets	-	-	15,888
	<u>39,742,706</u>	<u>91,988</u>	<u>2,692,769</u>
<b>Increase in Net Financial Assets</b>	39,742,706	<u>\$ 91,988</u>	2,692,769
<b>Net Financial Assets, Beginning of Year</b>	<u>25,031,350</u>		<u>22,338,581</u>
<b>Net Financial Assets, End of Year</b>	<u>\$ 64,774,056</u>		<u>\$ 25,031,350</u>



# MATSQUI FIRST NATION

## Consolidated Statement of Cash Flows

Year Ended March 31, 2024

2024

2023

### Cash Flows From Operating Activities:

Cash Flows from Government and Other Sources	\$ 67,914,961	\$ 7,264,464
Cash Paid to Suppliers and Members	(21,178,169)	(5,178,670)
Interest Received	401,572	45,240
Interest Paid	(25,004)	(21,865)
	<u>47,113,360</u>	<u>2,109,169</u>

### Cash Flows From Investing Activities:

Investment in Government Business Enterprises	(102,417)	(498)
Investment in (Withdrawal of) Temporary Investments	3,325	(37,483)
	<u>(99,092)</u>	<u>(37,981)</u>

### Cash Flows From Financing Activities:

Proceeds from Long Term Debt	66,343	-
Repayment of Long Term Debt	(210,736)	(208,225)
	<u>(144,393)</u>	<u>(208,225)</u>

### Cash Flows From Capital Activities:

Purchase of Tangible Capital Assets	(704,926)	(437,343)
Disposal of Tangible Capital Assets	-	15,888
	<u>(704,926)</u>	<u>(421,455)</u>

### Increase in Cash and Cash Equivalents

46,164,949 1,441,508

### Cash - Beginning of Year

6,238,021 4,796,513

### Cash - End of Year

\$ 52,402,970 \$ 6,238,021

### Cash is Represented by:

Cash on Hand and Held in Banks (Note 2)	\$ 52,278,432	\$ 6,128,408
Restricted Cash (Note 2)	124,538	109,613
	<u>\$ 52,402,970</u>	<u>\$ 6,238,021</u>

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 1. Significant Accounting Policies:

#### a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of CPA Canada.

#### b) Basis of Presentation

The consolidated financial statements include Matsqui First Nation (the "Nation") government and a company wholly owned and controlled by the Nation, 2179 McCallum Nominee Ltd. The controlled entity does not meet the definition of a government business enterprise.

The Nation accounts for their investments in government business enterprises (GBE's) or partnerships using the modified equity method. Under the modified equity method of accounting, only the Nation's investment in the business entities and the entities' net income and other changes in equity are recorded. No adjustment is made for accounting policies that are different from those of the Nation, except that any other comprehensive income of the business entities is accounted for as an adjustment to the accumulated surplus or deficit. Inter-organizational transactions and balances are not eliminated.

Investments in the following entities are accounted for by the modified equity method and, as such, the accounting policies of these entities are not adjusted to conform with those of the Nation:

Matsqui First Nation Development Corporation (100%)  
Matsqui First Nation Development Limited Partnership (99.99%)  
Matsqui Development G.P. Ltd. (100%)  
Matsqui Development Limited Partnership (99.99%)

#### c) 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 provide resources to discharge existing liabilities but are employed to deliver government services and may be consumed in normal operations. Non-financial assets include tangible capital assets, property under development, and prepaid expenses. Intangible assets, and items inherited by right of the Nation, are not recognized in the consolidated financial statements.

#### d) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

Amortization is provided for using the following rates and methods:

Housing & Buildings	35-50 years
Automotive and General Equipment	10 years
Office and Other Equipment	10-25 years
Infrastructure	40-80 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Nation's ability to provide goods and services, or when the value of future economic benefits associated with the assets are less than their net book value. The net writedowns are accounted for as expenses in the statement of operations.

# MATSQUI FIRST NATION

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## Notes to the Financial Statements

March 31, 2024

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### 1. Significant Accounting Policies (continued):

**e) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and balances with banks net of bank overdraft. Cash subject to external restrictions that prevent its use for current purposes is reflected in restricted cash.

**f) Temporary Investments**

Temporary investments include guaranteed investment certificates maturing at various times in subsequent fiscal years. These investments are recorded at cost.

**g) Revenue Recognition**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to any obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability.

Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled. Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Rents, leases, contributions from non-government agreements and interest are recognized as revenues in the period earned, when collection is reasonably assured.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

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

**h) Measurement Uncertainty:**

In preparing the consolidated financial statements for the Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include the allowance for doubtful accounts and the estimated useful lives of tangible capital assets. Actual results could differ from these estimates.

**i) Asset Retirement Obligations**

The Nation recognizes a liability for an asset retirement obligation when there is legal obligation to incur retirement costs in relation to a tangible capital asset; 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 liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date.

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 2. Cash and Cash Equivalents:

	<u>2024</u>	<u>2023</u>
Externally Restricted		
CMHC Replacement Reserve	\$ 63,498	\$ 53,087
CMHC Operating Reserve	<u>61,040</u>	<u>56,526</u>
	<u>124,538</u>	<u>109,613</u>
Internally Restricted		
Taxation Account	<u>431,015</u>	<u>396,255</u>
Unrestricted		
Trust Funds Held by the Federal Government	-	586
Operations	51,544,390	5,351,502
Housing	<u>303,027</u>	<u>380,065</u>
	<u>51,847,417</u>	<u>5,732,153</u>
	<u>\$ 52,402,970</u>	<u>\$ 6,238,021</u>

Under the terms of an agreement with Canada Mortgage and Housing Corporation (CMHC), the Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds, along with accumulated interest, must be held in separate bank accounts, with the agreement with CMHC requiring its own bank account.

The funds are to be invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. Interest earned is to be credited as to the replacement reserve and funds in the account may only be used for CMHC approved expenditures.

The Nation is also required to maintain a separate bank account for the operating surplus resulting from the operation of the program under the agreement, known as the operating reserve.

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 3. Temporary Investments:

	<u>2024</u>	<u>2023</u>
Royal Bank of Canada:		
Term Deposits renewable within one year, interest rates of 1.75% - 2.25% (2023 - 0.25% - 1.75%)		
Minor's Trust Fund & Minor's Reserve (Note 8 & 9)	\$ <u>2,630,570</u>	\$ <u>2,633,895</u>

### 4. Accounts Receivable:

	<u>2024</u>	<u>2023</u>
Accounts Receivable	\$ 872,359	\$ 1,004,804
Accounts Receivable Federal Government	130,329	749,108
Receivable - Members	-	3,650
CMHC Subsidy Receivable	3,482	3,482
GST Rebate Receivable	34,857	-
Homeowner Grant Receivable	48,752	55,621
Property Taxation Receivable	<u>42,568</u>	<u>39,376</u>
	\$ <u>1,132,347</u>	\$ <u>1,856,041</u>

### 5. Investment in Government Business Enterprises:

The Nation's investment in Government Business Enterprises consists of the following:

	<u>2024</u>	<u>2023</u>
Matsqui Development Corporation Ltd.	\$ 6,803	\$ 6,324
Matsqui First Nation Development Limited Partnership	418,840	312,997
Matsqui Development G.P. Ltd.	1	1
Matsqui Development Limited Partnership	<u>20,491,688</u>	<u>20,491,642</u>
	\$ <u>20,917,332</u>	\$ <u>20,810,964</u>

Matsqui First Nation has 100% ownership of Matsqui First Nation Development Corporation Ltd. which owns one unit of and is the general partner of Matsqui First Nation Development Limited Partnership. Matsqui First Nation is the limited partner and owns all outstanding units beyond those identified as owned by the Corporation. The purpose of the business entities is to develop and pursue activities related to forestry operations.

Matsqui First Nation has 100% ownership of Matsqui Development G.P. Ltd. which is the general partner of the Matsqui Development Limited Partnership. Matsqui First Nation is the limited partner and owns all outstanding units of the LP. The purpose of the business entities is to develop land at 2179 McCallum Road.

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 5. Investment in Government Business Enterprises (continued):

	Matsqui First Nation Development Corporation	Matsqui First Nation Development Limited Partnership	Matsqui Development G.P. Ltd.	Matsqui Development Limited Partnership	2024	2023
<b>Assets</b>	\$ <u>3</u>	\$ <u>566,550</u>	\$ <u>100</u>	\$ <u>30,399,482</u>	\$ <u>30,966,135</u>	\$ <u>28,437,539</u>
Liabilities	\$ 7,693	\$ 148,093	\$ 99	\$ 9,907,619	\$ 10,063,504	\$ 7,640,317
Retained Earnings/Partners' Capital	<u>(7,690)</u>	<u>418,457</u>	<u>1</u>	<u>20,491,863</u>	<u>20,902,631</u>	<u>20,797,222</u>
<b>Total Liabilities and Equity</b>	\$ <u>3</u>	\$ <u>566,550</u>	\$ <u>100</u>	\$ <u>30,399,482</u>	\$ <u>30,966,135</u>	\$ <u>28,437,539</u>
Revenue	\$ -	\$ 9,482	\$ -	\$ 21,780	\$ 31,262	\$ 52,097
Expenses	<u>-</u>	<u>5,577</u>	<u>-</u>	<u>21,734</u>	<u>27,311</u>	<u>13,935</u>
<b>Net Income (Loss)</b>	\$ <u>-</u>	\$ <u>3,905</u>	\$ <u>-</u>	\$ <u>46</u>	\$ <u>3,951</u>	\$ <u>38,162</u>

### 6. Accounts Payable and Accrued Liabilities:

	2024	2023
Accounts Payable	\$ 1,255,184	\$ 141,417
Other Accrued Liabilities	57,536	55,645
Accrued Interest Payable	<u>3,082</u>	<u>3,082</u>
	\$ <u>1,315,802</u>	\$ <u>200,144</u>

### 7. Deferred Revenue:

Deferred revenue consists of the following at year end:

	Balance March 31, 2023	Funding Received	Revenue Recognized	Balance March 31, 2024
Sto:lo Nation Health Programs	\$ 139,350	218,824	153,840	\$ 204,334
Indigenous Services Canada	177,712	1,387,021	1,138,186	426,547
Province of BC	30,000	673,126	657,626	45,500
Community Foundations of Canada	<u>24,667</u>	<u>-</u>	<u>24,667</u>	<u>-</u>
	\$ <u>371,729</u>	\$ <u>2,278,971</u>	\$ <u>1,974,319</u>	\$ <u>676,381</u>

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 8. Minors' Trust Fund:

Matsqui First Nation has established a Minor's Trust Fund to account for member distributions to minors. This decision was documented by way of a Band Council Resolution dated December 15, 2009. These funds are held by Matsqui First Nation in an interest bearing account until the member reaches the legal age of 19.

These committed funds are reported in the consolidated financial statements as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 2,622,364	\$ 2,579,147
<b>Additions:</b>		
Summer Distribution - 42 at \$1,000 (2023 - 45 at \$1,500)	42,000	67,500
Summer Distribution Adjustment - 42 at \$500 (2023 - \$0)	21,000	-
Winter Distribution - 46 at \$5,000 (2023 - 44 at \$2,500)	230,000	110,000
Interest Income	30,916	8,415
Specific Claims Settlement - 46 at \$93,000 (2023 - 0)	<u>4,278,000</u>	<u>-</u>
	<u>4,601,916</u>	<u>185,915</u>
<b>Deductions:</b>		
Matured Distribution Held in Trust	-	-
Distribution to Minor Band Members with Interest	<u>73,319</u>	<u>142,698</u>
Balance, end of year (Note 3)	\$ <u>7,150,961</u>	\$ <u>2,622,364</u>

### 9. Minors' Reserve:

In November 2006, Matsqui First Nation and the Ministry of Transportation reached a settlement in the amount of \$500,000 with respect to the Mt Lehman Interchange. At that time, it was decided and documented by way of a Band Council Resolution that Matsqui First Nation would provide a \$2,500 per capita distribution for 58 minor children (\$145,000) as per the Matsqui First Nation's minor Membership list. These funds are held by Matsqui First Nation in an interest bearing account until the member reaches the age of 19. At March 31, 2024 a total of 55 members (2023 - 54) have received the original \$2,500 per capital distribution plus accumulated interest.

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 11,531	\$ 17,265
Distribution, Including Interest	(3,046)	(5,801)
Interest Earned During Year	<u>124</u>	<u>67</u>
Balance, end of year (Note 3)	\$ <u>8,609</u>	\$ <u>11,531</u>
<b>Allocated as:</b>		
Distribution at \$2,500 each - 3 Remaining (2023 - 4)	7,500	10,000
Interest Earned on Undistributed Balance	<u>1,109</u>	<u>1,531</u>
	\$ <u>8,609</u>	\$ <u>11,531</u>

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 10. Long-Term Debt:

	<u>2024</u>	<u>2023</u>
Phase 1 - All Nations Trust Company		
Mortgage bearing interest at 0.98%, repayable in monthly payments of \$1,633, renews April 1, 2025, matures April 1, 2040	\$ 291,586	\$ 308,240
Phase 2 - All Nation Trust Company		
Mortgage bearing interest at 1.13%, repayable in monthly payments of \$1,185, renews June 1, 2026, matures June 1, 2041	222,885	234,519
Phase 3 - All Nation Trust Company		
Mortgage bearing interest at 3.12%, repayable in monthly payments of \$1,535, renews April 1, 2028, matures April 1, 2043	265,258	275,465
Royal Bank of Canada		
Term loan bearing interest at 4.31%, repaid during the year.	-	17,111
Royal Bank of Canada		
Demand Loan bearing interest at 3.46%, repayable in monthly payments of \$19,542, renews July 24, 2025, matures August 1, 2035	2,195,298	2,350,428
Government of Canada - IR 1 Promissory Note:		
Interest-free; maturing the earlier of March 31, 2026 or the date on which the IR 1 Roads Claim is settled	58,030	58,030
Government of Canada - IR 2 Promissory Note:		
Interest-free; maturing the earlier of March 31, 2026 or the date on which the IR 2 Roads Claim is settled	58,010	58,010
Government of Canada - Colonial Promissory Note:		
Interest-free; maturing the earlier of March 31, 2028 or the date on which the Colonial Claim is settled	66,343	-
	<u>\$ 3,157,410</u>	<u>\$ 3,301,803</u>

Interest expense on Long Term Debt for the year ended March 31, 2024 is \$14,160 (2023 - \$13,742). Scheduled principal repayments for the next five years are estimated as follows:

2025	\$ 199,979
2026	322,307
2027	212,768
2028	219,489
2029 and Thereafter	2,202,867

### 11. Contingent Liabilities and Commitments:

Matsqui First Nation guaranteed mortgages for members totaling \$1,986,075 (2023 - \$2,006,839). At March 31, 2024 no liability has been recorded associated with these guarantees.



# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 12. Tangible Capital Assets:

	Cost				Accumulated Amortization				Net Book Value	
	Opening	Additions	Disposals	Closing	Opening	Amort	Disposals	Closing	2024	2023
Band Homes	\$ 2,916,301	\$ 406,590	\$ -	\$ 3,322,891	\$ 2,216,381	\$ 36,374	\$ -	\$ 2,252,755	\$ 1,070,136	\$ 699,920
Tractors & Vehicles	651,984	298,336	-	950,320	231,599	52,886	-	284,485	665,835	420,385
Equipment	329,364	-	-	329,364	135,209	17,476	-	152,685	176,679	194,155
Multi-purpose Building	5,292,199	-	-	5,292,199	776,188	105,844	-	882,032	4,410,167	4,516,011
Infrastructure	2,284,601	-	-	2,284,601	294,892	47,688	-	342,580	1,942,021	1,989,709
NPH Housing	1,218,759	-	-	1,218,759	258,287	38,494	-	296,781	921,978	960,472
<b>Total</b>	<b>\$12,693,208</b>	<b>\$ 704,926</b>	<b>\$ -</b>	<b>\$13,398,134</b>	<b>\$ 3,912,556</b>	<b>\$ 298,762</b>	<b>\$ -</b>	<b>\$ 4,211,318</b>	<b>\$ 9,186,816</b>	<b>\$ 8,780,652</b>

### 13. Expenses by Object:

	2024	2023
Accounting and audit	\$ 50,100	\$ 55,486
Administration	10,707	10,037
Amortization	298,762	308,270
Band meetings	48,110	48,191
Bank charges and interest	10,844	8,123
BC Gaming	340,950	380,171
Consulting contracts	1,174,371	681,634
Cultural activities	11,615	24,492
Donations and funeral costs	3,368	11,198
Equipment lease and repair	4,899	4,274
Grounds maintenance	55,960	49,229
Honoraria	258,159	237,212
Incentives	20,512,019	894,000
Insurance	118,467	90,177
Interest on long-term debt	14,160	13,742
Lawyer fees	1,748,707	24,018
Materials and supplies	22,552	8,106
Office supplies and sundry	19,458	20,039
Other	576,452	938,170
Rent	6,000	19,200
Repair and maintenance	204,806	90,711
Service agreements	232,029	232,786
Telephone and cable	17,772	16,100
Utilities	11,401	10,719
Vehicle and travel	39,727	44,201
Wages and salary	1,344,488	1,184,311
Water testing	7,385	14,250
	<b>\$ 27,143,268</b>	<b>\$ 5,418,847</b>

# MATSQUI FIRST NATION

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## Notes to the Financial Statements

March 31, 2024

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### 14. Budget Figures:

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Nation and have not been audited.

### 15. Comparative Financial Information:

Certain comparative financial information has been reclassified, where necessary, to conform with the financial statement presentation in the current year.

### 16. Subsequent Event:

Subsequent to March 31, 2024, the Nation initiated the consolidation of two loans totaling \$9,520,268 held by Matsqui Development LP, with this process being completed in July 2024. The new consolidated loan was created under the Nation's name; as such, subsequent to year-end, the Nation's liabilities are expected to increase by \$9,520,268, with a corresponding balance receivable from Matsqui Development LP.

### 17. Segment Disclosure:

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by program. Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations. These activities can also be categorized into segments. The following segments have been identified and as such are separately disclosed:

#### **Administration & Governance**

Administration & governance contains all activities that are needed to manage and administer the Nation's organization including corporate administration. Governance is responsible for the support and coordination of all the Nation's departments.

#### **BC FN Gaming**

BC FN Gaming includes revenues from the BC First Nations Gaming Revenue Sharing Limited Partnership, as well as the expenditures made using this income.

#### **Capital & Infrastructure Planning**

Capital & Infrastructure Planning includes planning activities relating to capital expansion both on reserve land and off-reserve properties owned by the Nation.

#### **Education, Employment & Training**

Education, Employment & Training contains activities that provide educational facilitation and assist where necessary with financial support or support by other means to members that is aimed at developing both the individual as well as the community.

# MATSQUI FIRST NATION

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## Notes to the Financial Statements

March 31, 2024

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### 17. Segment Disclosure (continued):

#### **Emergency Management**

Emergency Management includes activities relating to the prevention and mitigation of emergencies, post-incident restoration, and recovery.

#### **Health**

Health contains activities relating to the provision of health and medical services to the community.

#### **Housing**

Housing contains activities that relate to on-reserve housing, including CMHC housing and band-owned housing.

#### **Land & Economic Development**

All self-generated and resource based activities of the Nation are reported in this segment including land leases, contract activities, management of land and related resources as well as all activities involved in the development of the community and economic opportunities.

#### **Language, Culture & Community**

Language, Culture & Community includes activities relating to the promotion of the Nation's language and culture, as well as providing services to the community.

#### **Specific Claims**

Specific Claims contains all activities relating to the Nation's specific claims, negotiations, and settlements.

#### **Taxation**

Taxation contains all activities relating to property taxes collected and expensed during normal operations throughout the fiscal year.

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 17. Segment Disclosure (continued):

	Admin & Governance	BC FN Gaming	Capital & Infrastructure Planning	Education, Employment & Training	Emergency Management	Health	Housing	Land & Economic Development	Language, Culture & Community	Specific Claims	Taxation	Other	Total 2024
<b>Revenue</b>													
Federal Transfers:													
ISC	\$ 487,720	\$ -	\$ 240,000	\$ -	\$ 43,086	\$ -	\$ -	\$ 365,417	\$ -	\$ 1,963	\$ -	\$ -	\$ 1,138,186
Government of Canada	-	-	-	-	-	-	-	1,919,425	-	58,996,700	-	-	60,916,125
CMHC	-	-	-	-	-	-	137,207	-	-	-	-	-	137,207
Sto:lo Health	-	-	-	22,456	-	131,385	-	-	-	-	-	-	153,841
Province of BC	502,275	-	-	-	125,351	30,000	-	-	-	-	-	-	657,626
BC First Nation Gaming	-	395,821	-	-	-	-	-	-	-	-	-	-	395,821
Investment Income	-	-	-	-	-	-	-	3,951	-	-	-	-	3,951
Lease and Rental Income	-	-	-	-	-	-	117,162	859,458	75	-	-	-	976,695
Property Taxation	-	-	-	-	-	-	-	-	-	-	272,717	-	272,717
Other Revenue	1,408,188	-	-	92,341	84,582	51,167	-	562,157	39,335	-	-	-	2,237,770
Interest Income	294,895	-	-	-	-	-	10,079	89,629	-	-	7,596	-	402,199
	<u>2,693,078</u>	<u>395,821</u>	<u>240,000</u>	<u>114,797</u>	<u>253,019</u>	<u>212,552</u>	<u>264,448</u>	<u>3,800,037</u>	<u>39,410</u>	<u>58,998,663</u>	<u>280,313</u>	<u>-</u>	<u>67,292,138</u>
<b>Expenses</b>													
Amortization	-	-	-	-	-	-	-	-	-	-	-	298,762	298,762
Interest	10,439	79,431	-	-	-	-	14,160	305	-	100	-	-	104,435
Program Costs	776,241	261,519	3,096	44,701	102,208	217,684	163,591	2,120,254	459,339	20,997,927	249,023	-	25,395,583
Wages and Salaries	536,552	-	280	99,764	144,262	54,935	15,197	493,498	-	-	-	-	1,344,488
	<u>1,323,232</u>	<u>340,950</u>	<u>3,376</u>	<u>144,465</u>	<u>246,470</u>	<u>272,619</u>	<u>192,948</u>	<u>2,614,057</u>	<u>459,339</u>	<u>20,998,027</u>	<u>249,023</u>	<u>298,762</u>	<u>27,143,268</u>
<b>Annual Surplus (Deficit)</b>													
	<u>\$ 1,369,846</u>	<u>\$ 54,871</u>	<u>\$ 236,624</u>	<u>\$ (29,668)</u>	<u>\$ 6,549</u>	<u>\$ (60,067)</u>	<u>\$ 71,500</u>	<u>\$ 1,185,980</u>	<u>\$ (419,929)</u>	<u>\$38,000,636</u>	<u>\$ 31,290</u>	<u>\$ (298,762)</u>	<u>\$40,148,870</u>

# MATSQUI FIRST NATION

## Notes to the Financial Statements

March 31, 2024

### 17. Segment Disclosure (continued):

	Admin & Governance	BC FN Gaming	Capital & Infrastructure Planning	Education, Employment & Training	Emergency Management	Health	Housing	Land & Economic Development	Language, Culture & Community	Specific Claims	Taxation	Other	Total 2023
<b>Revenue</b>													
Federal Transfers:													
ISC	\$ 408,350	\$ -	\$ -	\$ -	\$ 155,150	\$ 14,250	\$ 94,849	\$ 299,348	\$ -	\$ -	\$ -	\$ -	\$ 971,947
Government of Canada	-	-	-	-	-	-	-	2,127,025	-	39,847	-	-	2,166,872
CMHC	-	-	-	-	-	-	41,724	-	-	-	-	-	41,724
Sto:lo Health	44,000	-	-	18,764	-	102,929	-	-	-	-	-	-	165,693
Province of BC	308,425	-	-	-	430,267	30,000	-	35,000	-	-	-	-	803,692
BC First Nation Gaming	-	422,327	-	-	-	-	-	-	-	-	-	-	422,327
Investment Income	-	-	-	-	-	-	-	38,162	-	-	-	-	38,162
Lease and Rental Income	14,800	-	-	-	-	-	121,512	638,250	275	-	-	-	774,837
Property Taxation	-	-	-	-	-	-	-	-	-	-	253,484	-	253,484
Other Revenue	1,880,615	-	-	77,327	176,654	173,574	-	209,000	23,064	-	-	-	2,540,234
Interest Income	589	-	-	-	-	-	4,069	26,927	10,993	-	3,251	-	45,829
	<u>2,656,779</u>	<u>422,327</u>	<u>-</u>	<u>96,091</u>	<u>762,071</u>	<u>320,753</u>	<u>262,154</u>	<u>3,373,712</u>	<u>34,332</u>	<u>39,847</u>	<u>256,735</u>	<u>-</u>	<u>8,224,801</u>
<b>Expenses</b>													
Amortization	-	-	-	-	-	-	-	-	-	-	-	308,270	308,270
Interest	7,834	84,180	-	-	-	-	13,742	289	-	-	-	-	106,045
Program Costs	498,423	288,791	24,720	13,386	697,624	80,511	90,800	1,601,938	277,228	18,876	227,924	-	3,820,221
Wages and Salaries	470,914	-	-	89,414	60,412	54,911	20,000	488,660	-	-	-	-	1,184,311
	<u>977,171</u>	<u>372,971</u>	<u>24,720</u>	<u>102,800</u>	<u>758,036</u>	<u>135,422</u>	<u>124,542</u>	<u>2,090,887</u>	<u>277,228</u>	<u>18,876</u>	<u>227,924</u>	<u>308,270</u>	<u>5,418,847</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ 1,679,608</u>	<u>\$ 49,356</u>	<u>\$ (24,720)</u>	<u>\$ (6,709)</u>	<u>\$ 4,035</u>	<u>\$ 185,331</u>	<u>\$ 137,612</u>	<u>\$ 1,282,825</u>	<u>\$ (242,896)</u>	<u>\$ 20,971</u>	<u>\$ 28,811</u>	<u>\$ (308,270)</u>	<u>\$ 2,805,954</u>