

**Skwah First Nation
Financial Statements**
March 31, 2023

Skwah First Nation Contents

For the year ended March 31, 2023

	Page
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations and Accumulated Surplus.....	2
Statement of Changes in Net Financial Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements.....	5
Schedules	
Schedule 1 - Schedule of Tangible Capital Assets.....	15
Schedule 2 - Segment Information.....	17

To the Members of Skwah First Nation:

Qualified Opinion

We have audited the financial statements of Skwah First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2023, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The financial statements do not include completed budgeted information. The exclusion of such information is a departure from Canadian public sector accounting standards as the comparison of budgeted to actual results is a significant measurement of performance.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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.

Chilliwack, British Columbia

October 3, 2024

MNP LLP

Chartered Professional Accountants

Skwah First Nation
Statement of Financial Position
As at March 31, 2023

	2023	2022
Financial assets		
Cash	16,199,503	5,066,069
Accounts receivable (Note 4)	196,543	401,654
Portfolio investments (Note 5)	1,345,920	1,303,119
Investment in First Nation entities (Note 6)	522,069	454,180
Funds held in Ottawa Trust Fund (Note 7)	25,032	22,767
	18,289,067	7,247,789
Liabilities		
Accounts payable and accruals	173,360	460,044
Deferred revenue (Note 8)	205,025	438,823
Asset retirement obligation (Note 9)	810,351	-
	1,188,736	898,867
Net financial assets	17,100,331	6,348,922
Non-financial assets		
Tangible capital assets (Schedule 1)	5,193,348	4,277,059
Prepaid expenses	69,480	47,925
Total non-financial assets	5,262,828	4,324,984
Accumulated surplus (Note 11)	22,363,159	10,673,906

Approved on behalf of the Council

Original signed by Johnathan Prest

Chief

Original signed by Eddie Gardner

Councilor

Skwah First Nation
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	4,053,114	3,288,488
Other revenue	11,656,383	1,486,186
First Nations Health Authority	640,756	600,755
Province of British Columbia	570,067	598,280
BC First Nation Revenue Sharing LP	430,826	242,059
First Nations Education Steering Committee	247,787	169,590
Lease revenue	240,000	125,313
Investment income	115,299	13,397
Earnings from investment in First Nation entities	67,890	92,031
Rental income	97,160	83,428
First Nation Tax Commission	78,427	26,578
	18,197,709	6,726,105
Expenses		
Administration	951,569	543,952
Education, Youth, Elders, Language, Culture and Employment	1,634,775	1,573,723
Health and Social Services	760,752	721,376
Housing, Infrastructure and Community Buildings	1,486,928	805,289
Social Development	788,573	759,481
Emergency Measures	93,116	30,216
Lands	475,758	258,536
Capital	316,985	218,186
	6,508,456	4,910,759
Surplus	11,689,253	1,815,346
Accumulated surplus, beginning of year	10,673,906	8,858,560
Accumulated surplus, end of year (Note 11)	22,363,159	10,673,906

Skwah First Nation
Statement of Changes in Net Financial Assets
For the year ended March 31, 2023

	2023	2022
Surplus	11,689,253	1,815,346
Purchases of tangible capital assets	(1,202,107)	(116,066)
Amortization of tangible capital assets	285,818	218,186
	(916,289)	102,120
Acquisition of prepaid expenses	(69,480)	(47,925)
Use of prepaid expenses	47,925	56,522
	(21,555)	8,597
Increase in net financial assets	10,751,409	1,926,063
Net financial assets, beginning of year	6,348,922	4,422,859
Net financial assets, end of year	17,100,331	6,348,922

Skwah First Nation
Statement of Cash Flows
For the year ended March 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating activities		
Surplus	11,689,253	1,815,346
Non-cash items		
Amortization	285,818	218,186
Asset retirement obligations	779,184	-
Ottawa Trust Fund income	(2,265)	(1,893)
Earnings from investment in First Nation entities	(67,890)	(92,031)
Accretion expense	31,168	-
	12,715,268	1,939,608
Changes in working capital accounts		
Accounts receivable	205,111	214,588
Prepaid expenses	(21,555)	8,597
Accounts payable and accruals	(286,684)	234,590
Deferred revenue	(233,798)	(94,246)
	12,378,342	2,303,137
Capital activities		
Purchases of tangible capital assets	(1,202,107)	(116,066)
Investing activities		
Investment in portfolio investments	(42,801)	(9,196)
Withdrawal of portfolio investments	-	91,806
	(42,801)	82,610
Increase in cash resources	11,133,434	2,269,681
Cash resources, beginning of year	5,066,069	2,796,388
Cash resources, end of year	16,199,503	5,066,069

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

1. Operations

Skwah First Nation (the "First Nation") is located in the province of British Columbia, and provides various services to its members. Skwah First Nation includes the First Nation's government and all related entities that are accountable to the Nation and are either owned or controlled by the First Nation.

2. Significant accounting policies

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

Reporting entity

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

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

- Ch-ihl-kway-uhk Forestry Limited Partnership
- Ch-ihl-kway-uhk Forestry Ltd.
- Ch-ihl-kway-uhk Tribe Society
- Centre Creek Limited Partnership
- Centre Creek Management Limited

Basis of presentation

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Net financial assets

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

Asset classification

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

Cash

Cash includes balances with banks and short-term investments with maturities of three months or less.

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

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

Portfolio investments

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Portfolio investments with prices quoted in an active market include term deposits.

Funds held in Ottawa Trust Fund

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

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

Measurement uncertainty

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

Accounts receivable, loans receivable and amounts due from related First Nation entities and departments, are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites for which the First Nation is responsible.

Revenue recognition

Government Transfers

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

Funds held in Ottawa Trust Fund

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

Earnings from investment in First Nation entities

Earnings from investment in Nation business entities is recognized as revenue when received or receivable based on the First Nation's proportion of the partnership's equity.

Other revenue

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

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

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

Tangible capital assets

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

Amortization

Amortization for tangible capital assets is provided using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Rate
Buildings	40 years
Housing	40 years
Machinery and equipment	10 years
Roads	20 years
Water and Sewer systems	75 years
Bridges	40 years
Office Equipment	5 years
Vehicles	5 years
Land improvements	30 years

Long-lived assets

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

When the First Nation determines that a long-lived asset no longer has any long-term service potential to the First Nation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write downs are not reversed.

Segments

The First Nation conducts its business through nine reportable segments as described in Note 13. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2023.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2023, management has determined no liability is required to be recorded.

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

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

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

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

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

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

3. Change in accounting policy

Asset retirement obligations

Effective April 1, 2022, the First Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 *Asset Retirement Obligations*. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements.

Previously, the First Nation recorded asset retirement costs as expenses in the year of the expense. Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 9.

Pursuant to the recommendations, the change was applied prospectively and prior periods have not been restated. As such, the First Nation recognized asset retirement obligations for those arising on or after April 1, 2022, as well as for those arising prior to April 1, 2021 but for which an obligation was not previously recognized. In addition, previously recognized asset retirement obligations have been adjusted to reflect the requirements in this standard.

The effect in the current year of adopting this new standard is to increase liabilities by \$810,351, increase the associated tangible capital assets by \$726,282, and increase expenses by \$84,068.

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

4. Accounts receivable

	2023	2022
Nation receivables	216,030	330,156
Member loans receivable	49,626	49,626
Rent to own housing loans	21,872	21,872
Less: Allowance for doubtful accounts	90,985	-
	196,543	401,654

Member loans receivable

The First Nation has member loans receivable for members' excess housing costs, insurance and renovations paid by the the First Nation. There were a total of 20 (2022 - 20) loans receivable at March 31, 2023. The loans are non-interest bearing with no fixed terms of repayment. The entire balance has been allowed for in the allowance for doubtful accounts line item (2022 - \$nil).

Rent to own housing loan

The First Nation has agreements with various Members whereby title to the houses in which they reside may be transferred to those individuals upon full payment of the outstanding balance. There were a total of 6 (2022 - 6) housing loans receivable at March 31, 2023. The entire balance has been allowed for in the allowance for doubtful accounts line item (2022 - \$1,639).

5. Portfolio investments

	2023	2022
Measured at cost:		
BC First Nations Gaming Revenue Sharing LP	100	100
BC First Nations Gaming Sharing General Partner Ltd.	10	10
	110	110
Measured at fair value:		
First Nations Finance Authority - Money Market Fund, with interest at prime less 1.75%.	1,345,810	1,303,009
	1,345,920	1,303,119

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

6. Investment in First Nation entities:

The First Nation has investments in the following partnerships and business entities:

			2023
	<i>Investment beginning of year</i>	<i>Earnings</i>	<i>Investment end of year</i>
Ch-ihl-kway-uhk Forestry Limited Partnership (11% share)	191,848	48,889	240,737
Ch-ihl-kway-uhk Forestry Ltd. - share capital	10	-	10
Ch-ihl-kway-uhk Forestry Ltd. (12.5% ownership)	7,759	556	8,315
Ch-ihl-kway-uhk Tribe Society (11% share)	83,969	15,068	99,037
Centre Creek Limited Partnership (11% share)	170,583	3,377	173,960
Centre Creek Management Limited - share capital	10	-	10
	454,180	67,889	522,069

			2022
	<i>Investment beginning of year</i>	<i>Earnings</i>	<i>Investment end of year</i>
Ch-ihl-kway-uhk Forestry Limited Partnership (11% share)	116,149	75,699	191,848
Ch-ihl-kway-uhk Forest Ltd. - share capital	10	-	10
Ch-ihl-kway-uhk Forestry Ltd. (12.5% ownership)	6,899	860	7,759
Ch-ihl-kway-uhk Tribe Society (11% share)	72,419	11,551	83,970
Centre Creek Limited Partnership (11% share)	166,662	3,921	170,583
Centre Creek Management Limited - share capital	10	-	10
	362,149	92,031	454,180

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

6.. Investment in Nation business entities *(Continued from previous page)*

Consolidated financial information for Ch-ihl-kway-uhk Forestry Limited Partnership, Ch-ihl-kway-uhk Forest Ltd., and Ch-ihl-kway-uhk Tribe Society are as follows:

	2023	2022
Current assets	2,936,252	2,363,073
Property and equipment	19	30
<u>Due from related parties</u>	<u>335,010</u>	<u>315,010</u>
	3,271,281	2,678,113
 Current liabilities	 322,466	 264,939
 Common shares	 100	 100
 Equity, beginning of year	 2,413,074	 1,689,781
<u>Net income</u>	<u>535,641</u>	<u>723,293</u>
<u>Equity, end of year</u>	<u>2,948,715</u>	<u>2,413,074</u>
	3,271,281	2,678,113
 Revenue	 1,067,322	 1,514,729
<u>Expenses</u>	<u>531,681</u>	<u>791,436</u>
<u>Net income</u>	<u>535,641</u>	<u>723,293</u>

The First Nation's investment in Ch-ihl-kway-uhk Forestry Limited Partnership was established for the purpose of developing, operating and participating in various forestry operations and activities in and around Chilliwack, B.C.

The First Nation's investment in Ch-ihl-kway-uhk Forest Ltd. was established as the general partner for Ch-ihl-kway-uhk Forestry Limited Partnership.

The First Nation's investment in Ch-ihl-kway-uhk Tribe Society was established for the purpose of property rentals.

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

6.. Investment in Nation business entities *(Continued from previous page)*

Consolidated financial information for Centre Creek Limited Partnership and Centre Creek Management Limited is as follows:

	2023	2022
Current assets	20,552	21,198
Property and equipment	<u>2,295,206</u>	2,314,501
	<u>2,315,758</u>	2,335,699
Current liabilities	21,341	34,689
Long-term liabilities	<u>794,803</u>	832,394
	<u>867,083</u>	867,083
Common shares	1	1
	<u>816,145</u>	867,084
Equity, beginning of year	1,468,615	1,432,524
Net income	<u>30,998</u>	36,091
	<u>1,499,613</u>	1,468,615
	<u>2,315,758</u>	2,335,699

	2023	2022
Revenue	126,310	126,441
Expenses	<u>95,312</u>	90,350
Net income	<u>30,998</u>	36,091

The First Nation's investment in Centre Creek Limited Partnership was established for the purpose of purchasing or acquiring real and personal properties located in Chilliwack River Valley. The partnership is also responsible for managing the acquired properties.

Centre Creek Management Limited was established as the general partner of Centre Creek Limited Partnership.

Long term liabilities are amounts due to related parties, these amounts are not secured and have no specific terms of repayment.

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

7. Funds held in Ottawa Trust Fund

Revenue trust moneys are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2023	2022
Revenue Trust		
Balance, beginning of year	22,767	20,873
Interest	728	416
B.C. Special Distribution	1,537	1,478
	25,032	22,767

8. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each funding source:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada Housing Management and Capacity Funding (Q3XK-001)	-	493,450	301,167	192,283
Indigenous Services Canada Flood Mitigation Funding (CMPS 11886)	438,823	-	426,081	12,742
	438,823	493,450	727,248	205,025

9. Asset retirement obligation

The First Nation has an asset retirement obligation associated with the abatement of asbestos on its housing and community buildings. The First Nation recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of the buildings. The asset retirement cost is amortized on a straight-line basis over the useful life of the asset.

The First Nation estimated the amount of the liability using undiscounted future expenditures estimated to retire the tangible capital asset. The significant assumptions used to determine the best estimate of the liability include the expected cost per square foot for the abatement, the anticipated discount rate, and the estimated number of periods.

	2023	2022
Liabilities incurred	779,184	-
Accretion	31,167	-
Balance, end of year	810,351	-

10. Comparative figures

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

Skwah First Nation
Notes to the Financial Statements
For the year ended March 31, 2023

11. Accumulated surplus

Accumulated surplus consists of the following:

	2023	2022
Equity in Ottawa Trust Fund	25,032	22,767
Equity in tangible capital assets	4,382,997	4,277,059
Equity in First Nation entities	522,069	454,180
Surplus	17,433,061	5,919,900
	22,363,159	10,673,906

12. Economic dependence

The First Nation receives substantially all of its revenue from various federal and provincial government agencies and is therefore, economically dependent on them.

13. Segments

The First Nation, receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surpluses or deficits are organized by segments.

Administration

Includes general operations, support, and financial management of the First Nation.

Education, Youth, Elders, Language, Culture and Employment

Includes revenue and expenses related to primary, secondary and post-secondary education of the members of the First Nation.

Health and Social Services

Includes activities related to provision of health and social services within the First Nation.

Housing, Infrastructure and Community Buildings

Includes rent collection and maintenance related to homes, infrastructure and community buildings owned by the First Nation.

Social Development

Includes revenue and expenses relating to social assistance of the members of the First Nation.

Emergency Measures

Includes revenue and expenditures related to emergency response and preparedness of the First Nation.

Lands

Includes activities related to land management of the First Nation.

Ottawa Trust Fund

Includes funds held in trust by the Government of Canada on behalf of the First Nation.

Capital

Includes revenue and expenditures related to capital projects.

Skwah First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Buildings</i>	<i>Housing</i>	<i>Machinery and Equipment</i>	<i>Roads</i>	<i>Water & Sewer Systems</i>	<i>Bridges</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	4,519,880	2,666,980	162,196	381,709	500,564	807,269	9,038,598
Acquisition of tangible capital assets	156,628	-	214,974	-	-	-	371,602
Additions related to asset retirement obligations (Note 9)	254,184	525,000	-	-	-	-	779,184
Balance, end of year	4,930,692	3,191,980	377,170	381,709	500,564	807,269	10,189,384
Accumulated amortization							
Balance, beginning of year	1,381,548	2,531,641	58,686	271,639	235,242	404,711	4,883,467
Annual amortization	181,727	31,602	25,925	6,381	6,674	12,264	264,573
Balance, end of year	1,563,275	2,563,243	84,611	278,020	241,916	416,975	5,148,040
Net book value of tangible capital assets	3,367,417	628,737	292,559	103,689	258,648	390,294	5,041,344
Net book value of tangible capital assets 2022	3,138,332	135,339	103,510	110,070	265,322	402,558	4,155,131

Skwah First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Office Equipment</i>	<i>Vehicles</i>	<i>Land Improvements</i>	2023	2022
Cost						
Balance, beginning of year	9,038,598	160,343	258,766	42,252	9,499,959	9,383,893
Acquisition of tangible capital assets	371,602	51,321	-	-	422,923	116,066
Additions related to asset retirement obligations (Note 9)	779,184	-	-	-	779,184	-
Balance, end of year	10,189,384	211,664	258,766	42,252	10,702,066	9,499,959
Accumulated amortization						
Balance, beginning of year	4,883,467	129,976	188,346	21,111	5,222,900	5,004,714
Annual amortization	264,573	13,544	6,293	1,408	285,818	218,186
Balance, end of year	5,148,040	143,520	194,639	22,519	5,508,718	5,222,900
Net book value of tangible capital assets	5,041,344	68,144	64,127	19,733	5,193,348	4,277,059
Net book value of tangible capital assets 2022	4,155,131	30,367	70,420	21,141	4,277,059	

Skwah First Nation
Schedule 2 - Segmented Information
For the year ended March 31, 2023

	Administration	Education, Youth, Elders, Language, Culture and Employment	Health and Social Services	Housing, Infrastructure and Community Buildings	Social Development	Emergency Measures	Lands	Ottawa Trust Fund	Capital	2023
Revenue										
Indigenous Services Canada	\$ 313,993	\$ 1,050,405	\$ 354,387	\$ 1,278,018	\$ 945,017	\$ 111,294	\$ -	\$ -	\$ -	\$ 4,053,114
Other government	10,815,348	693,577	818,427	-	30,000	44,999	414,384	2,265	-	12,819,000
Economic activities and other	918,818	39,466	187,182	99,051	-	390	80,688	-	-	1,325,595
	12,048,158	1,783,448	1,359,996	1,377,069	975,017	156,683	495,072	2,265	-	18,197,709
Expenses										
Amortization	-	-	-	-	-	-	-	-	316,985	316,985
Operating expenses	616,267	356,973	307,454	1,296,590	173,291	77,953	386,303	-	-	3,214,831
Salaries, wages and benefits	293,317	722,511	237,853	146,846	98,555	15,163	45,994	-	-	1,560,239
Program and services delivery expense:	41,985	555,291	215,445	43,492	516,727	-	43,461	-	-	1,416,401
	951,569	1,634,775	760,752	1,486,928	788,573	93,116	475,758	-	316,985	6,508,456
Surplus (deficit) before transfers	11,096,589	148,673	599,244	(109,859)	186,444	63,567	19,314	2,265	(316,985)	11,689,253
Transfers between programs	(1,443,989)	42,253	(74,144)	1,362,550	(2,860)	(105,512)	(96,154)	-	317,857	-
Annual surplus (deficit)	\$ 9,652,601	\$ 190,926	\$ 525,100	\$ 1,252,691	\$ 183,584	\$ (41,945)	\$ (76,840)	\$ 2,265	\$ 872	\$ 11,689,253

	Administration	Education, Youth, Elders, Language, Culture and Employment	Health and Social Services	Housing, Infrastructure and Community Buildings	Social Development	Emergency Measures	Lands	Ottawa Trust Fund	Capital	2022
Revenue										
Indigenous Services Canada	\$ 309,631	\$ 1,178,230	\$ 37,090	\$ 552,087	\$ 959,565	\$ 220,504	\$ 31,381	\$ -	\$ -	\$ 3,288,488
Other government	4,700	356,934	661,305	-	20,000	-	63,067	1,895	-	1,107,901
Economic activities and other	923,418	335,664	-	83,428	-	5,000	982,207	-	-	2,329,717
	1,237,749	1,870,828	698,395	635,515	979,565	225,504	1,076,655	1,895	-	6,726,105
Expenses										
Amortization	-	-	-	-	-	-	-	-	218,186	218,186
Operating expenses	214,496	437,104	223,266	668,613	112,656	1,960	110,209	-	-	1,768,304
Salaries, wages and benefits	176,266	631,865	271,774	92,634	101,531	15,673	22,156	-	-	1,311,899
Program and services delivery expense:	153,191	504,754	226,336	44,042	545,294	12,583	126,171	-	-	1,612,371
	543,952	1,573,723	721,376	805,289	759,481	30,216	258,536	-	218,186	4,910,759
Surplus (deficit) before transfers	693,797	297,105	(22,981)	(169,774)	220,084	195,288	818,119	1,895	(218,186)	1,815,346
Transfers between programs	60,842	(22,886)	(23,500)	360,568	-	-	(491,089)	-	116,065	-
Annual surplus (deficit)	\$ 754,639	\$ 274,219	\$ (46,481)	\$ 190,794	\$ 220,084	\$ 195,288	\$ 327,030	\$ 1,895	\$ (102,121)	\$ 1,815,346