

**Squiala First Nation**  
**Financial Statements**  
*March 31, 2025*

**Squiala First Nation  
Contents**

*For the year ended March 31, 2025*

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## INDEPENDENT AUDITORS' REPORT

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To the Members of Squiala First Nation

### Opinion

We have audited the financial statements of Squiala First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations and accumulated surplus, remeasurement gains and losses, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2025, 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 First Nation in accordance with ethical requirements that are relevant to our audit of the 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 financial statements in accordance with PSAS, 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.

### Auditors' 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 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 financial statements.

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**INDEPENDENT AUDITORS' REPORT**

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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 auditors' 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 auditors' 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.

*Manning Elliott LLP*

MANNING ELLIOTT LLP  
Chartered Professional Accountants  
Abbotsford, British Columbia  
July 17, 2025

**Squiala First Nation**  
**Statement of Financial Position**  
*As at March 31, 2025*

	2025	2024
<b>Financial assets</b>		
Cash and cash equivalents	10,457,183	10,391,239
Accounts receivable	253,585	123,191
Restricted cash <i>(Note 3)</i>	2,243,512	2,265,071
Portfolio investments <i>(Note 4)</i>	135,165	128,390
Investments in First Nation partnerships and business entities <i>(Note 5)</i>	22,492,552	21,216,840
Funds held in trust	29,512	-
<b>Total of financial assets</b>	<b>35,611,509</b>	34,124,731
<b>Liabilities</b>		
Accounts payable and accruals <i>(Note 6)</i>	2,551,232	2,450,174
Deferred revenue <i>(Note 7)</i>	15,656,831	16,726,244
<b>Total of financial liabilities</b>	<b>18,208,063</b>	19,176,418
<b>Net financial assets</b>	<b>17,403,446</b>	14,948,313
<b>Non-financial assets</b>		
Tangible capital assets <i>(Schedule 1)</i>	12,139,704	10,641,906
Prepaid expenses	70,820	64,897
<b>Total non-financial assets</b>	<b>12,210,524</b>	10,706,803
<b>Accumulated surplus <i>(Note 8)</i></b>	<b>29,613,970</b>	25,655,116
<b>Accumulated surplus is comprised of:</b>		
Accumulated surplus	27,527,187	24,502,864
Accumulated remeasurement gains	2,086,783	1,152,252
	<b>29,613,970</b>	25,655,116

Approved on behalf of the First Nation

\_\_\_\_\_  
Chief

\_\_\_\_\_  
Councilor

**Squiala First Nation**  
**Statement of Operations and Accumulated Surplus**

*For the year ended March 31, 2025*

	<b>2025 Budget</b>	<b>2025</b>	<b>2024</b>
<b>Revenue</b>			
Indigenous Services Canada	1,465,103	2,689,401	2,942,638
Economic activity and other revenue	2,315,589	3,185,944	2,103,907
Earnings (loss) from investment in Nation partnerships and business entities	585,000	175,682	(673,014)
Rental and lease income	220,000	376,168	376,986
First Nation Education Steering Committee	397,000	337,543	279,837
Seabird Island Band	37,000	139,936	126,496
Canada Mortgage and Housing Corporation	2,186,692	1,648,069	5,538
Investment income	751,718	816,474	905,544
Ottawa Trust income	-	29,512	473
	<b>7,958,102</b>	<b>9,398,729</b>	6,068,405
<b>Expenditures</b>			
Band Government	882,165	825,366	633,257
Education & Training	1,857,005	2,561,998	2,022,193
Social Programs	668,500	738,022	440,419
Social Development	419,610	19,425	583,918
Community Infrastructure	782,281	843,302	667,815
Capital Projects	383,000	565,294	431,166
Economic Development	838,544	741,425	903,165
Investments	115,000	79,574	173,188
	<b>5,946,105</b>	<b>6,374,406</b>	5,855,121
<b>Annual surplus</b>	<b>2,011,997</b>	<b>3,024,323</b>	213,284
<b>Accumulated surplus, beginning of year</b>	<b>24,502,864</b>	<b>24,502,864</b>	24,289,580
<b>Accumulated surplus, end of year</b>	<b>26,514,861</b>	<b>27,527,187</b>	24,502,864

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

**Squiala First Nation**  
**Statement of Remeasurement Gains and Losses**  
*For the year ended March 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Accumulated remeasurement losses, beginning of year</b>	<b>1,152,252</b>	(407,898)
<b>Unrealized gains (losses) attributable to:</b>		
Foreign exchange	144,044	228,689
Portfolio investments	457,697	1,420,027
<b>Amounts reclassified to the statement of operations:</b>		
Foreign exchange	53,538	(11,618)
Portfolio investments	279,252	(76,948)
<b>Accumulated remeasurement gains, end of year</b>	<b>2,086,783</b>	1,152,252

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

**Squiala First Nation**  
**Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2025*

	<b>2025</b> <i>Budget</i>	<b>2025</b>	2024
<b>Annual surplus</b>	<b>2,011,997</b>	<b>3,024,323</b>	213,284
Purchases of tangible capital assets	(3,154,230)	(1,925,581)	(235,485)
Amortization of tangible capital assets	375,000	427,783	418,448
	<b>(2,779,230)</b>	<b>(1,497,798)</b>	182,963
Change in remeasurement losses for the year	-	934,531	1,560,150
Acquisition of prepaid expenses	-	(70,820)	(64,897)
Use of prepaid expenses	-	64,897	76,014
	<b>-</b>	<b>928,608</b>	1,571,267
<b>Increase in net financial assets</b>	<b>(767,233)</b>	<b>2,455,133</b>	1,967,514
<b>Net financial assets, beginning of year</b>	<b>14,948,313</b>	<b>14,948,313</b>	12,980,799
<b>Net financial assets, end of year</b>	<b>14,181,080</b>	<b>17,403,446</b>	14,948,313

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

**Squiala First Nation**  
**Statement of Cash Flows**  
*For the year ended March 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts from contributors	7,556,719	7,250,964
Cash paid to suppliers	(3,284,955)	(3,592,581)
Cash paid to employees for salaries, wages and benefits	(2,566,536)	(2,127,133)
Investment income	816,474	905,544
Change in remeasurement losses for the year	760,263	1,560,150
	<b>3,281,965</b>	3,996,944
<b>Capital activities</b>		
Purchases of tangible capital assets	(1,925,581)	(235,485)
<b>Investing activities</b>		
Purchase of portfolio investments	(6,775)	(1,588)
Proceeds on disposal of portfolio investments	-	3,000,000
Net change in investments in Nation partnerships and business entities	(1,275,712)	(1,154,862)
Net change in restricted cash	21,559	(1,231,558)
Net change in funds held in trust	(29,512)	487
	<b>(1,290,440)</b>	612,479
<b>Increase in cash resources</b>	<b>65,944</b>	4,373,938
<b>Cash resources, beginning of year</b>	<b>10,391,239</b>	6,017,301
<b>Cash resources, end of year</b>	<b>10,457,183</b>	10,391,239

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

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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**1. Operations**

Squiala First Nation (the "First Nation") is located in the province of British Columbia, and provides various services to its members. Squiala First Nation includes the First Nation's members, 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 including 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.

Squiala 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:

- Squiala Holdings Limited Partnership
- Squiala Holdings GP Inc.
- Ch-ihl-kway-uhk Tribe Society
- Ts'elxweyeqw Tribe Limited Partnership

***Basis of presentation***

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

***Asset classification***

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

***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 bonds and equities. Changes in fair value are recorded in the statement of remeasurement gains (losses).

***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.

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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

**Cash and cash equivalents**

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

**Tangible capital assets**

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

**Amortization**

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

	<b>Method</b>	<b>Rate</b>
Office and Computer Equipment	straight-line	5 years
Infrastructure Assets	straight-line	40 years
Automotive Equipment	straight-line	10 years
Buildings and Housing	straight-line	40 years

**Funds held in Ottawa Trust Fund**

Funds held in trust on behalf of First Nation 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 moneys consist of:

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

**Revenue recognition**

**Own Source Revenue**

Own source revenue derived from such sources as resource based revenues, interest income and other revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**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.

**Investments in Nation partnerships and business entities**

The First Nation uses the modified equity method to account for its investment listed under the reporting entity accounting policy, whereby the First Nation records its proportionate share of annual earnings or loss as revenue.

**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.

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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

***Long-lived assets and discontinued operations***

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

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

***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.

***Segments***

The First Nation conducts its business through eight reportable segments: Band Government, Education & Training, Social Programs, Social Development, Community Infrastructure, Capital Projects, Economic Development, and Investments. 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 the financial statements.

***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, 2025. 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.

Management has determined that no liability exists as at March 31, 2025.

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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

***Statement of Remeasurement Gains and Losses***

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

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

***Financial instruments***

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

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

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

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

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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**3. Restricted cash**

	<b>2025</b>	<b>2024</b>
Children's Trust Fund	<u>2,243,512</u>	2,265,071

***Notes to restricted cash***

***Children's Trust Fund***

The First Nation maintains an internally restricted trust fund for members of the First Nation who are entitled to a member distribution, but are not yet 18 years of age. These distributions are invested in short-term investments and can be withdrawn by the members when they reach the age of 18. All investment income earned is attributed to the members.

**4. Portfolio investments**

	<b>2025</b>	<b>2024</b>
Measured at cost:		
BC First Nations Gaming Revenue Sharing LP	100	100
BC First Nations Gaming Sharing General Partner Ltd.	10	10
	<u>110</u>	110
Measured at fair value:		
BMO term deposits	<u>135,055</u>	128,280
	<u>135,165</u>	128,390

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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**5. Investments in First Nation partnerships and business entities**

The First Nation has investments in the following business entities:

				2025
	Investment cost	Loans / advances	Cumulative share of earnings	Total investment
<b>Nation Business Entities - Modified Equity</b>				
Squiala Holdings Limited Partnership - 100%	100	8,892,825	9,163,429	18,056,354
Squiala Holdings GP Inc. - 100%	100	-	-	100
	<b>200</b>	<b>8,892,825</b>	<b>9,163,429</b>	<b>18,056,454</b>
<b>Nation Business Partnerships - Modified Equity:</b>				
Ts'elxweyeqw Tribe Limited Partnership - 14.3%	14	78,915	4,224,502	4,303,431
Chi-ihl-kway-uhk Tribe Society - 11.1%	11	-	132,656	132,667
	<b>25</b>	<b>78,915</b>	<b>4,357,158</b>	<b>4,436,098</b>
	<b>225</b>	<b>8,971,740</b>	<b>13,520,587</b>	<b>22,492,552</b>
				2024
	Investment cost	Loans / advances	Cumulative share of earnings	Total investment
<b>Nation Business Entities - Modified Equity</b>				
Squiala Holdings Limited Partnership - 100%	100	8,571,954	8,684,282	17,256,336
Squiala Holdings GP Inc. - 100%	100	-	-	100
	<b>200</b>	<b>8,571,954</b>	<b>8,684,282</b>	<b>17,256,436</b>
<b>Nation Business Partnerships - Modified Equity:</b>				
Ts'elxweyeqw Tribe Limited Partnership - 14.3%	14	234,286	3,610,038	3,844,338
Chi-ihl-kway-uhk Tribe Society - 11.1%	11	-	116,055	116,066
	<b>25</b>	<b>234,286</b>	<b>3,726,093</b>	<b>3,960,404</b>
	<b>225</b>	<b>8,806,240</b>	<b>12,410,375</b>	<b>21,216,840</b>

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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**5. Investment in First Nation partnerships and business entities (Continued from previous page)**

Financial information for the investments in First Nation partnerships and business entities is as follows:

	Chi-ihl-kway- uhk Tribe Society	Squiala Holdings GP Inc.	Squiala Holdings LP	Ts'elxweyeq w Tribe LP	2025	2024
<b>Balance Sheet</b>						
Assets	1,466,301	442	17,961,534	33,359,486	<b>52,787,763</b>	47,202,941
Liabilities	272,302	610	3,002	3,920,616	<b>4,196,530</b>	2,771,875
Equity	1,193,999	(168)	17,958,532	29,438,870	<b>48,591,233</b>	44,431,066
Total Liabilities and Equity	1,466,301	442	17,961,534	33,359,486	<b>52,787,763</b>	47,202,941
<b>Income Statement</b>						
Revenue	194,118	(48)	864,791	5,987,784	<b>7,046,645</b>	6,374,765
Expenses	44,173	-	385,596	1,683,053	<b>2,112,822</b>	1,618,681
Net Income	149,945	(48)	479,195	4,304,731	<b>4,933,823</b>	4,756,084

Squiala First Nation holds investments in Ts'elxweyeqw Tribe Management Ltd. which was established as the general partner corporations of Ts'elxweyeqw Tribe LP. The financial activity of these entities have been included in the consolidated financial information above.

**6. Accounts payable and accruals**

	2025	2024
Accounts payable and accruals	307,720	185,103
Squiala Children's Trust liability	<b>2,243,512</b>	2,265,071
	<b>2,551,232</b>	2,450,174

**7. Deferred revenue**

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	<i>Balance, end of year</i>
Eagle Landing Development LP land lease	<b>14,408,455</b>	-	169,180	14,239,275
CMHC Rapid Housing Initiative Funding	<b>2,059,230</b>	-	1,499,001	560,229
ISC (Q2C3) - Prevention Projects	-	403,532	-	403,532
NRT DAEF Funding	-	260,000	-	260,000
ISC (QA1V-001) - FNCFS Housing Funding 2024/2025	-	149,851	-	149,851
Other deferred income	<b>3,292</b>	<b>43,905</b>	<b>3,253</b>	<b>43,944</b>
CMHC Renovation Funding	<b>127,462</b>	-	<b>127,462</b>	-
ISC (QA1V-001) - FNCFS Housing Funding 2023/2024	<b>127,805</b>	-	<b>127,805</b>	-
	<b>16,726,244</b>	<b>857,288</b>	<b>1,926,701</b>	<b>15,656,831</b>

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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**8. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2025</b>	<b>2024</b>
Operating surplus	1,837,159	1,450,358
Accumulated remeasurement losses	2,086,783	1,152,252
Equity in Tangible Capital Assets	12,139,704	10,641,906
Equity in First Nation partnerships and business entities	13,520,812	12,410,600
Equity in Ottawa Trust Fund	29,512	-
	<b>29,613,970</b>	25,655,116

**9. Segments**

The First Nation receives revenues and incurs expenses from many different projects and sources. For management and reporting purposes, the revenues, expenses and surpluses or deficits are organized by segments. Schedule 3 discloses the First Nation's revenues and expenses in the following segments.

***Band Government***

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

***Education & Training***

Includes revenues and expenses related to various education, employment and training programs maintained by the First Nation.

***Social Programs***

Includes revenues and expenses for a variety of social programs provided to membership which are primarily funded by the First Nation's own sources revenue and centered around community needs.

***Social Development***

Includes services offered to community members in need of assistance for themselves and their dependents. Services include, but are not limited to, income assistance, child and family support, assisted living and early childhood development.

***Community Infrastructure***

Includes revenues and expenses for services related to general community infrastructure maintenance and public works.

***Capital Projects***

Includes large capital projects and contracts funded both internally and externally, and includes the First Nation's tangible capital assets.

***Economic Development***

Includes activities related to the growth of revenue producing projects within the First Nation.

***Investments***

Includes activities related to the growth of revenue producing projects of entities owned by the First Nation.

**Squiala First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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**10. Financial Instruments Risks**

The First Nation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the First Nation's risk exposure and concentration as of March 31, 2025. There has been no significant change to the First Nation's risk exposure from the prior year.

***Credit risk***

Credit risk arises from the potential that a counter party will fail to perform its obligations. The First Nation is exposed to credit risk from its accounts receivable. The First Nation deals with creditworthy counterparties and government agencies to mitigate the risk of financial loss from defaults. Management has determined no allowance for doubtful accounts is necessary as at March 31, 2025.

***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation is exposed to this risk mainly in respect to its accounts payable. The First Nation's ability to meet obligations is dependent on funding received and through managing its working capital and cash flows.

***Market risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

***Currency risk***

Currency risk is the risk to the First Nation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The First Nation is not exposed to currency risk as all operations are conducted in Canadian dollars.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rate may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The First Nation is exposed to interest rate risk with respect to cash and cash equivalents, portfolio investments and restricted cash, all of which are expected to be realized within one year, and which are subject to fixed rates of interest. The First Nation has mitigated this risk by reviewing interest rates and engaging with reputable financial institutions and through its normal operating and financing activities.

***Other price risk***

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The First Nation enters into transactions to purchase and sell portfolio investments for which market price fluctuates. The First Nation has mitigated this risk by engaging with reputable financial institutions.

**Squiala First Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2025*

	<i>Office and Computer Equipment</i>	<i>Infrastructure Assets</i>	<i>Automotive Equipment</i>	<i>Buildings and Housing</i>	<b>2025</b>	<b>2024</b>
<b>Cost</b>						
Balance, beginning of year	660,218	2,844,586	445,723	12,011,684	15,962,211	15,726,726
Acquisition of tangible capital assets	38,895	-	-	156,936	195,831	124,245
Assets under construction	-	-	-	1,729,751	1,729,751	111,240
Balance, end of year	699,113	2,844,586	445,723	13,898,371	17,887,793	15,962,211
<b>Accumulated amortization</b>						
Balance, beginning of year	580,278	1,454,461	252,330	3,033,236	5,320,305	4,901,857
Annual amortization	28,953	71,115	33,256	294,460	427,784	418,448
Balance, end of year	609,231	1,525,576	285,586	3,327,696	5,748,089	5,320,305
<b>Net book value of tangible capital assets</b>	<b>89,882</b>	<b>1,319,010</b>	<b>160,137</b>	<b>10,570,675</b>	<b>12,139,704</b>	<b>10,641,906</b>
Net book value of tangible capital assets 2024	79,940	1,390,125	193,393	8,978,448	10,641,906	

**Squiala First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Consolidated expenses by object</b>		
Administration	11,236	(2,437)
Amortization	427,783	418,448
Bank charges and interest	1,792	1,217
Basic needs, shelter and social assistance	-	365,090
Community events	6,414	6,662
Contracted services	291,698	299,632
Honoraria	65,350	64,600
Insurance	167,547	166,379
Materials, supplies and equipment	517,594	434,496
Member support	614,548	488,346
Office expenses	35,507	50,009
Professional fees	576,818	484,127
Property tax	398,937	449,590
Repairs and maintenance	287,456	129,166
Salaries and benefits	2,566,536	2,127,133
Student expenses	90,414	44,922
Telephone and internet	26,925	27,372
Training	8,396	2,293
Transportation	24,067	23,414
Travel	5,411	1,557
Tuition	144,045	135,149
Utilities	105,932	137,956
	<b>6,374,406</b>	<b>5,855,121</b>

**Squiala First Nation**  
**Schedule 3 - Segmented Information**  
*For the year ended March 31, 2025*

	Band Government	Economic Development	Education & Training	Social Programs	Social Development	Community Infrastructure	Capital Projects	Investments	2025
<b>Revenue</b>									
Indigenous Services Canada	\$ 274,398	\$ 402,660	\$ 1,654,335	\$ 3,180	\$ (91,622)	\$ 446,451	\$ -	\$ -	\$ 2,689,401
Other government	112,232	73,830	1,157,603	97,661	-	1,654,332	295,000	-	3,390,658
Economic activities and other	1,388,227	1,148,085	-	-	241,941	166,043	-	374,374	3,318,670
	1,774,857	1,624,575	2,811,938	100,841	150,319	2,266,825	295,000	374,374	9,398,729
<b>Expenses</b>									
Amortization	-	-	-	-	-	-	427,783	-	427,783
Operating expenses	535,238	625,059	368,245	158,403	19,425	562,964	137,511	79,574	2,486,419
Salaries, wages and benefits	262,483	86,066	1,947,681	-	-	270,306	-	-	2,566,536
Program and services delivery expenses	27,645	30,300	246,072	579,620	-	10,031	-	-	893,668
	825,366	741,425	2,561,998	738,022	19,425	843,302	565,294	79,574	6,374,406
<b>Surplus (deficit) before transfers</b>	<b>949,492</b>	<b>883,150</b>	<b>249,940</b>	<b>(637,182)</b>	<b>130,894</b>	<b>1,423,523</b>	<b>(270,294)</b>	<b>294,800</b>	<b>3,024,323</b>
<b>Transfers between programs</b>	<b>(180,845)</b>	<b>(702,559)</b>	<b>(156,173)</b>	<b>637,181</b>	<b>-</b>	<b>(1,365,697)</b>	<b>1,768,093</b>	<b>-</b>	<b>-</b>
<b>Annual surplus (deficit)</b>	<b>\$ 768,647</b>	<b>\$ 180,590</b>	<b>\$ 93,766</b>	<b>\$ -</b>	<b>\$ 130,894</b>	<b>\$ 57,827</b>	<b>\$ 1,497,799</b>	<b>\$ 294,800</b>	<b>\$ 3,024,323</b>

	Band Government	Economic Development	Education & Training	Social Programs	Social Development	Community Infrastructure	Capital Projects	Investments	2024
<b>Revenue</b>									
Indigenous Services Canada	\$ 307,121	\$ 356,905	\$ 1,236,835	\$ -	\$ 716,896	\$ 324,881	\$ -	\$ -	\$ 2,942,638
Other government	29,711	67,710	949,535	87,403	-	11,191	-	-	1,145,549
Economic activities and other	1,128,740	1,080,722	-	-	-	168,141	-	(397,385)	1,980,218
	1,465,572	1,505,337	2,186,370	87,403	716,896	504,213	-	(397,385)	6,068,405
<b>Expenses</b>									
Amortization	-	-	-	-	-	-	418,448	-	418,448
Operating expenses	406,802	817,962	351,357	33,126	154,457	453,501	12,718	66,254	2,296,177
Salaries, wages and benefits	215,980	84,903	1,466,332	-	42,868	210,117	-	106,934	2,127,133
Program and services delivery expenses	10,475	300	204,504	407,293	386,593	4,198	-	-	1,013,363
	633,257	903,165	2,022,193	440,419	583,918	667,815	431,166	173,188	5,855,121
<b>Surplus (deficit) before transfers</b>	<b>832,315</b>	<b>602,172</b>	<b>164,176</b>	<b>(353,017)</b>	<b>132,978</b>	<b>(163,603)</b>	<b>(431,166)</b>	<b>(570,573)</b>	<b>213,284</b>
<b>Transfers between programs</b>	<b>\$ 161,782</b>	<b>\$ (428,294)</b>	<b>\$ (112,448)</b>	<b>\$ (29,353)</b>	<b>\$ -</b>	<b>\$ 160,110</b>	<b>\$ 248,203</b>	<b>-</b>	<b>-</b>
<b>Annual surplus (deficit)</b>	<b>\$ 994,097</b>	<b>\$ 173,878</b>	<b>\$ 51,728</b>	<b>\$ (382,370)</b>	<b>\$ 132,978</b>	<b>\$ (3,492)</b>	<b>\$ (182,963)</b>	<b>\$ (570,573)</b>	<b>\$ 213,284</b>