

**Peters First Nation  
Financial Statements**

*For the year ended March 31, 2024*

# **Peters First Nation**

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*For the year ended March 31, 2024*

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To the Members of Peters First Nation:

## Opinion

We have audited the financial statements of Peters First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and accumulated surplus, remeasurement gains, 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, 2024, and the results of its operations, its remeasurement gains, 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 Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the 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 and those charged with Governance are 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

May 14, 2025

*MNP LLP*

Chartered Professional Accountants

**Peters First Nation**  
**Statement of Financial Position**  
*As at March 31, 2024*

	<b>2024</b>	2023
<b>Financial assets</b>		
Cash	1,928,989	8,000,671
Accounts receivable	2,627,731	1,125,809
Portfolio investments (Note 4)	5,021,760	3,851,108
Advances to related parties (Note 5)	3,113,013	3,109,871
Investments in Nation business enterprises (Note 6)	37,837,270	16,308,404
Funds held in trust (Note 7)	1,356,413	949,487
<b>Total of financial assets</b>	<b>51,885,176</b>	33,345,350
<b>Liabilities</b>		
Accounts payable and accruals	756,633	1,331,535
Deferred revenue (Note 8)	3,066,347	358,772
<b>Total of financial liabilities</b>	<b>3,822,980</b>	1,690,307
<b>Net financial assets</b>	<b>48,062,196</b>	31,655,043
<b>Contingencies (Note 9)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	2,008,975	984,793
Prepaid expenses	42,123	47,726
<b>Total non-financial assets</b>	<b>2,051,098</b>	1,032,519
<b>Accumulated surplus (Note 10)</b>	<b>50,113,294</b>	32,687,562
<b>Accumulated surplus is comprised of:</b>		
Surplus	50,060,894	32,687,562
Accumulated Remeasurement Gains	52,400	-
	<b>50,113,294</b>	32,687,562

Approved on behalf of the Chief and Council

Signed by Norma Webb

Chief

Signed by Victoria Peters

Councillor

**Peters First Nation**  
**Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2024*

	<b>2024 Budget</b>	<b>2024</b>	2023
<b>Revenue</b>			
Other funding and revenue	1,580,351	<b>3,111,791</b>	6,363,582
Indigenous Services Canada	2,632,712	<b>1,519,179</b>	1,564,521
First Nation Health Authority	236,927	<b>253,143</b>	288,027
First Nations Education Steering Committee	-	<b>115,887</b>	97,233
Earnings from investment in Nation business entities	14,300,000	<b>23,591,957</b>	13,266,773
Province of British Columbia	2,505,835	<b>633,441</b>	3,540,159
Investment income	467,751	<b>521,309</b>	399,548
Ottawa trust distributions	26,000	<b>203,018</b>	73,527
	<b>21,749,576</b>	<b>29,949,725</b>	25,593,370
<b>Expenses</b>			
Administration (Note 11)	7,901,937	<b>10,052,276</b>	3,017,574
Social Assistance	127,871	<b>99,756</b>	63,310
Health	263,339	<b>239,302</b>	201,418
Education	437,324	<b>519,170</b>	337,212
Maintenance and Capital	2,780,934	<b>1,619,746</b>	4,089,940
Other	50,000	<b>46,143</b>	47,106
	11,561,405	12,576,393	7,756,560
<b>Annual surplus</b>	<b>10,188,171</b>	<b>17,373,332</b>	17,836,810
<b>Accumulated surplus, beginning of year</b>	<b>32,687,562</b>	<b>32,687,562</b>	14,850,752
<b>Accumulated surplus, end of year (Note 10)</b>	<b>42,875,733</b>	<b>50,060,894</b>	32,687,562

**Peters First Nation**  
**Statement of Remeasurement Gains**  
*For the year ended March 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Accumulated remeasurement gains, beginning of year</b>	-	-
<b>Unrealized gains attributable to:</b>		
Portfolio investments	<b>52,400</b>	-
<b>Accumulated remeasurement gains, end of year</b>	<b>52,400</b>	-

**Peters First Nation**  
**Statement of Changes in Net Financial Assets**  
*For the year ended March 31, 2024*

	<b>2024</b> <i>Budget</i>	<b>2024</b>	2023
<b>Annual surplus</b>	10,188,170	<b>17,373,332</b>	17,836,810
Purchases of tangible capital assets	-	(1,150,325)	(68,584)
Amortization of tangible capital assets	-	44,962	47,106
Loss on sale of tangible capital asset	-	1,181	-
Proceeds of disposal of tangible capital assets	-	80,000	-
	-	(1,024,182)	(21,478)
Acquisition of prepaid expenses	-	(42,123)	(47,726)
Use of prepaid expenses	-	47,726	42,370
Change in remeasurement gains for the year	-	52,400	-
	-	58,003	(5,356)
<b>Increase in net financial assets</b>	<b>10,188,170</b>	<b>16,407,153</b>	17,809,976
<b>Net financial assets, beginning of year</b>	<b>31,655,043</b>	<b>31,655,043</b>	13,845,067
<b>Net financial assets, end of year</b>	<b>41,843,213</b>	<b>48,062,196</b>	31,655,043

**Peters First Nation**  
**Statement of Cash Flows**  
*For the year ended March 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	17,373,332	17,836,810
Non-cash items		
Amortization	44,962	47,106
Income from investments in Nation business enterprises	(23,591,957)	(13,266,773)
Loss on sale of tangible capital asset	1,181	-
	<hr/>	<hr/>
Changes in working capital accounts	(6,172,482)	4,617,143
Accounts receivable	(1,501,922)	620,440
Prepaid expenses	5,603	(5,356)
Accounts payable and accruals	(574,901)	(5,436,272)
Deferred revenue	2,707,575	(565,078)
Funds held in trust	(406,926)	6,517
	<hr/>	<hr/>
	(5,943,053)	(762,606)
<b>Capital activities</b>		
Purchases of tangible capital assets	(1,150,325)	(68,584)
Proceeds of disposal of tangible capital assets	80,000	-
	<hr/>	<hr/>
	(1,070,325)	(68,584)
<b>Investing activities</b>		
Purchase of portfolio investments	(1,118,252)	-
Proceeds on disposal of portfolio investments	-	4,328,174
Advances to related parties	(3,142)	(1,586)
Advances from Nation business enterprises	2,063,090	929,041
	<hr/>	<hr/>
	941,696	5,255,629
<b>Increase (decrease) in cash resources</b>	<b>(6,071,682)</b>	<b>4,424,439</b>
<b>Cash resources, beginning of year</b>	<b>8,000,671</b>	<b>3,576,232</b>
<b>Cash resources, end of year</b>	<b>1,928,989</b>	<b>8,000,671</b>

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**1. Operations**

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

***Basis of presentation***

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

***Asset classification***

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

***Net financial assets***

The First Nation's 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.

***Cash***

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

***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.

***Tangible capital assets***

Tangible capital assets are initially recorded at cost based on historical cost accounting records for all tangible capital assets. 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><i>Method</i></b>	<b><i>Rate</i></b>
Buildings	declining balance	5 %
Equipment	declining balance	10 %
Infrastructure	straight-line	36-70 years
Computer equipment	declining balance	55 %

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**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 cash bonds and equities.

***Reporting entity***

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

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

Peters First Nation government 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 government 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:

- PFN 3 Feathers Development Limited Partnership
- PFN 3 Feathers Development Corporation
- 1247835 B.C. Ltd

Investments in government business entities are accounted for using the proportionate consolidation method. The First Nation's pro-rata share of the assets, liabilities, revenue, and expenses of the businesses have been combined on a line-by-line basis with similar items of the First Nation.

***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 operating surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the 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***

***Funding***

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

***Government Transfers***

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

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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

**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.

**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.

**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 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.

**Liability for contaminated site**

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

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

**Segments**

The First Nation conducts its business through six reportable segments: Administration, Social Assistance, Health, Education, Maintenance and Other. 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, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

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

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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

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.

***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. 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 annual surplus (deficit). 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.

***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.

**3. Change in accounting policy**

***Financial instruments***

Effective April 1, 2023, the First Nation adopted the recommendations relating to the following accounting policies, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 3400 Revenue

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. The adoption of PS 3400 Revenue did not have a material impact on the financial statements.

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**4. Portfolio investments**

	<b>2024</b>	2023
Measured at cost:		
1100568 B.C. Ltd.	40,000	40,000
BC First Nations Gaming Revenue Sharing LP - Partnership Unit	100	100
BC First Nations Gaming Sharing General Partner Ltd. - Common Share	10	10
Bank of Montreal GIC, bearing interest at 4.5%, maturing on November 15, 2024	1,000,000	-
	<b>1,040,110</b>	40,110
Measured at fair value:		
RBC Dominion Portfolio Investments	3,981,650	3,810,998
	<b>5,021,760</b>	3,851,108

**5. Advances to related parties**

	<b>2024</b>	2023
1247835 Real Estate Limited Partnership	3,082,395	3,082,395
PFN 3 Feathers Recycling Limited Partnership	27,476	27,476
Peters First nation (2021) Minors Trust	3,142	-
	<b>3,113,013</b>	3,109,871

During the year, loans were advanced to 1247835 Real Estate Limited Partnership, PFN 3 Feathers Recycling Limited Partnership, and Peters First Nation (2021) Minors Trust, related entities through the First Nation's investment in PFN 3 Feathers Development Limited Partnership, which is the limited partner in both limited partnerships. The trust is related as the trustees are also Chief and Council. The advances bear no interest and have no fixed terms of repayment.

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**6. Investments in Nation business enterprises**

The First Nation has investments in the following business enterprises:

				<b>2024</b>
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
<b>First Nation Business Entities - Modified Equity</b>				
PFN 3 Feathers Development Limited Partnership - 99%	100	(3,051,633)	40,902,368	37,850,835
PFN 3 Feathers Development Corporation - 100%	1	-	(10,304)	(10,303)
1247835 B.C. Ltd. - 100%	1	-	(3,263)	(3,262)
	<b>102</b>	<b>(3,051,633)</b>	<b>40,888,801</b>	<b>37,837,270</b>

				<b>2023</b>
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
<b>First Nation Business Entities - Modified Equity</b>				
PFN 3 Feathers Development Limited Partnership - 99%	100	(988,544)	17,307,179	16,318,735
PFN 3 Feathers Development Corporation - 100%	1	-	(12,663)	(12,662)
1247835 B.C. Ltd - 100%	1	-	2,330	2,331
	<b>102</b>	<b>(988,544)</b>	<b>17,296,846</b>	<b>16,308,404</b>

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**6. Investments in Nation business enterprises** *(Continued from previous page)*

The First Nation's investment in the following investment was established for the purpose of development and management of own source revenue contracts and economic development opportunities with third parties.

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

	<i>PFN 3 Feathers</i> <i>Development</i> <i>Limited</i> <i>Partnership</i> <i>As at December</i> <i>31, 2023</i>	<i>PFN 3 Feathers</i> <i>Development</i> <i>Corporation</i> <i>As at December</i> <i>31, 2023</i>	<i>1247835 B.C.</i> <i>Ltd.</i> <i>As at December</i> <i>31, 2023</i>
<b>Assets</b>			
Cash	11,496,232	1	1
Accounts receivable	12,993,811	-	-
Prepaid expenses and deposits	87,502	-	-
Notes receivable	202,704	-	-
Advances to related parties	4,641	-	-
Investment in partnerships	1,234,649	(10,304)	66
Portfolio Investments	15,460,342	-	-
<b>Total assets</b>	<b>41,479,881</b>	<b>(10,303)</b>	<b>67</b>
<b>Liabilities</b>			
Accounts payable and accruals	2,359,213	-	700
Advances from related parties	797,881	-	2,629
<b>Total liabilities</b>	<b>3,157,094</b>	<b>-</b>	<b>3,329</b>
<b>Equity (deficiency)</b>	<b>38,322,787</b>	<b>(10,303)</b>	<b>(3,262)</b>
<b>Total revenue</b>	<b>26,011,977</b>	<b>2,360</b>	<b>44</b>
<b>Total expenses</b>	<b>2,414,428</b>	<b>-</b>	<b>975</b>
<b>Net income (loss)</b>	<b>23,597,549</b>	<b>2,360</b>	<b>(931)</b>

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**7. Funds held in trust**

Capital and revenue trust monies 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.

Funds held in legal trust are retainer funds held with the Nation's legal counsel at year-end.

	<b>2024</b>	2023
<b>Capital Trust</b>		
Balance, beginning of year	217,827	169,807
Band capital transfer	171,159	48,020
<hr/>		
Balance, end of year	<b>388,986</b>	217,827
<b>Revenue Trust</b>		
Balance, beginning of year	641,098	615,591
Interest	31,483	25,128
BC Special Distribution	376	379
<hr/>		
Balance, end of year	<b>672,957</b>	641,098
<b>Funds held in Legal Trust</b>		
Balance, beginning of year	90,562	170,606
Net deposits	203,908	-
Net withdrawals	-	(80,044)
<hr/>		
Balance, end of year	<b>294,470</b>	90,562
<hr/>		
	<b>1,356,413</b>	949,487

**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>
First Nations' Emergency Services Society	40,000	-	40,000	-
Province of British Columbia	30,000	-	30,000	-
Indigenous Services Canada - Q3HP-001	288,772	161,394	432,330	17,836
Indigenous Services Canada - Q3UP-001	-	1,208,639	-	1,208,639
Indigenous Services Canada - Q3CD - 001	-	324,557	162,038	162,519
Indigenous Services Canada - Q3AV-001	-	284,755	-	284,755
Union of BC Municipalities	-	1,998,900	996,302	1,002,598
Province of British Columbia - REDIP	-	100,000	-	100,000
New Relationship Trust - Solar Project	-	290,000	-	290,000
<hr/>				
	<b>358,772</b>	<b>4,368,245</b>	<b>1,660,670</b>	<b>3,066,347</b>

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**9. Contingencies**

The First Nation's financial statements are subject to review by the First Nation's funding agents and it is possible that adjustments could be made based on the results of their reviews. Any liabilities resulting from these reviews will be accounted for as an expense at the time of resolution.

Indigenous Services Canada issued a management review letter for fiscal year 2020, indicating that the First Nation may be liable to repay funding in relation to their review. The review is under appeal by the First Nation with the outcome uncertain. As such, no liability has been recorded as at March 31, 2024. Any liability resulting from the review will be accounted for as an expense at the time of resolution.

The First Nation is also the defendant in lawsuits related to membership and claims to compensation in relation to past member distributions that may result in damages payable to the plaintiffs if the lawsuits are successful. The outcome of these lawsuits are unknown.

**10. Accumulated operating surplus**

Accumulated operating surplus consists of the following:

	<b>2024</b>	2023
Operating surplus	<b>9,152,706</b>	14,535,440
Equity in Nation business entities	<b>37,837,270</b>	16,308,404
Equity in Ottawa Trust Funds	<b>1,061,943</b>	858,925
Equity in tangible capital assets	<b>2,008,975</b>	984,793
Accumulated Remeasurement Gains	<b>52,400</b>	-
	<b>50,113,294</b>	32,687,562

**11. Administration expenditures**

Included in Administration expenditures are member distributions totalling \$7,371,041 (2023 - \$965,000).

**12. Budget information**

The disclosed budget information has been approved by the Chief and Council of Peters First Nation at the meeting held on May 2, 2023. The budget information is unaudited and is projected based on operating expenses to be incurred during the year on a program by program basis.

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**13. Segments**

The First Nation receives revenue and incurs expenses from various projects and sources. For management and reporting purposes, the revenue, expenses and surpluses or deficits are organized by segments. Schedule 2 discloses the First Nation's revenue and expenses in the following segments:

*Administration*

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

*Social Assistance*

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

*Health*

Includes revenue and expenses relating to maintaining the health of the members of the First Nation.

*Education*

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

*Maintenance and Capital*

Includes revenue and expenditures related to ongoing community maintenance.

*Other*

Includes revenue and expenses related to the Ottawa Trust fund and equity in capital assets.

**14. First Nations Financial Transparency Act**

The First Nation is required to publish its financial statements on a website and submit the financial statements to Indigenous Services Canada by July 31, 2024. As the audit report is dated after this date, the First Nation is in violation of this requirement. The possible effect of this violation has not yet been determined.

**Peters First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

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**15. Financial Instruments**

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

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates 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 the guaranteed income certificates (GIC) held in the Bank of Montreal Portfolio.

***Fair Value of Financial Instruments***

Financial instruments measured at fair value on the statement of financial position include portfolio investments quoted in active markets.

***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 the market price fluctuates.

**16. Comparative figures**

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

**Peters First Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2024*

	<i>Buildings</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Computer Equipment</i>	2024	2023
<b>Cost</b>						
Balance, beginning of year	644,268	299,211	952,512	36,227	1,932,218	1,863,634
Acquisition of tangible capital assets	-	189,949	-	-	189,949	68,584
Construction-in-progress	960,376	-	-	-	960,376	-
Disposal of tangible capital assets	-	(98,401)	-	-	(98,401)	-
Balance, end of year	1,604,644	390,759	952,512	36,227	2,984,142	1,932,218
<b>Accumulated amortization</b>						
Balance, beginning of year	283,558	109,975	517,665	36,227	947,425	900,319
Annual amortization	17,726	16,555	10,681	-	44,962	47,106
Accumulated amortization on disposals	-	(17,220)	-	-	(17,220)	-
Balance, end of year	301,284	109,310	528,346	36,227	975,167	947,425
<b>Net book value of tangible capital assets</b>	<b>1,303,360</b>	<b>281,449</b>	<b>424,166</b>	<b>-</b>	<b>2,008,975</b>	<b>984,793</b>
Net book value of tangible capital assets (2023)	360,710	189,236	434,847	-	984,793	

**Peters First Nation**  
**Schedule 2 - Segmented Information**  
*For the year ended March 31, 2024*

	Administration	Social Assistance	Health	Education	Maintenance and Capital	Other	2024
<b>Revenue</b>							
Indigenous Services Canada	\$ 200,672	\$ 226,836	\$ 90,623	\$ 143,689	\$ 857,359	-	\$ 1,519,179
Other government	724,706	-	279,627	551,192	-	-	1,555,525
Economic activities and other	25,575,710	-	50,000	49,991	996,301	203,018	26,875,020
	<b>26,501,088</b>	<b>226,836</b>	<b>420,250</b>	<b>744,872</b>	<b>1,853,661</b>	<b>203,018</b>	<b>29,949,725</b>
<b>Expenses</b>							
Amortization	-	-	-	-	-	44,962	44,962
Operating expenses	1,641,431	4,304	23,595	23,269	83,809	1,181	1,777,588
Salaries, wages and benefits	457,706	-	-	-	-	-	457,706
Program and services delivery expenses	582,099	95,452	215,706	495,902	1,535,937	-	2,925,096
Member distributions	7,371,041	-	-	-	-	-	7,371,041
	<b>10,052,276</b>	<b>99,756</b>	<b>239,302</b>	<b>519,170</b>	<b>1,619,746</b>	<b>46,143</b>	<b>12,576,393</b>
<b>Surplus (deficit) before transfers</b>	<b>16,448,812</b>	<b>127,080</b>	<b>180,948</b>	<b>225,701</b>	<b>233,915</b>	<b>156,876</b>	<b>17,373,332</b>
<b>Transfer between programs</b>	<b>(1,035,431)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,035,431</b>	<b>-</b>
<b>Annual surplus (deficit)</b>	<b>\$ 15,413,381</b>	<b>\$ 127,080</b>	<b>\$ 180,948</b>	<b>\$ 225,701</b>	<b>\$ 233,915</b>	<b>\$ 1,192,306</b>	<b>\$ 17,373,332</b>

	Administration	Social Assistance	Health	Education	Maintenance and Capital	Other	2023
<b>Revenue</b>							
Indigenous Services Canada	\$ 580,687	\$ 145,060	\$ -	\$ 107,330	\$ 731,444	-	\$ 1,564,521
Other government	345,132	-	388,827	252,403	3,218,729	-	4,205,091
Economic activities and other	19,750,231	-	-	-	-	73,527	19,823,758
	<b>20,676,051</b>	<b>145,060</b>	<b>388,827</b>	<b>359,733</b>	<b>3,950,173</b>	<b>73,527</b>	<b>25,593,370</b>
<b>Expenses</b>							
Amortization	-	-	-	-	-	47,106	47,106
Operating expenses	940,514	4,628	294	15,852	134,855	-	1,096,143
Salaries, wages and benefits	484,634	-	6,912	-	-	-	491,546
Program and services delivery expenses	627,426	58,683	194,211	321,359	3,955,085	-	5,156,764
Member distributions	965,000	-	-	-	-	-	965,000
	<b>3,017,574</b>	<b>63,310</b>	<b>201,418</b>	<b>337,212</b>	<b>4,089,940</b>	<b>47,106</b>	<b>7,756,560</b>
<b>Surplus (deficit) before transfers</b>	<b>17,658,476</b>	<b>81,750</b>	<b>187,409</b>	<b>22,521</b>	<b>(139,767)</b>	<b>26,420</b>	<b>17,836,810</b>
<b>Transfer between programs</b>	<b>(46,084)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22,500)</b>	<b>68,584</b>	<b>-</b>
<b>Annual surplus (deficit)</b>	<b>\$ 17,612,392</b>	<b>\$ 81,750</b>	<b>\$ 187,409</b>	<b>\$ 22,521</b>	<b>\$ (162,267)</b>	<b>\$ 95,005</b>	<b>\$ 17,836,810</b>