

SHXW'OW'HAMEL FIRST NATION
Consolidated Financial Statements
Year Ended March 31, 2023

SHXW'OW'HAMEL FIRST NATION
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Year Ended March 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Shxw'ow'hamel First Nation have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Shxw'ow'hamel First Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Siyam Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility principally by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

The consolidated financial statements have been audited on behalf of the members by Morine Thomas CPA LLP, in accordance with Canadian public sector accounting standards (PSAS).


Councillor


Councillor

Hope, BC
November 13, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of Shxw'ow'hamel First Nation

Report on the Consolidated Financial Statements

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the organization as at March 31, 2023, and the consolidated results of its operations and consolidated 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 *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the organization in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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.

Morine + Thomas

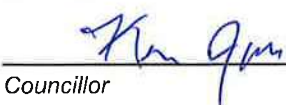
SHXW'OW'HAMEL FIRST NATION
Consolidated Statement of Financial Position
March 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash	\$ 7,118,870	\$ 2,199,972
Marketable securities (Note 5)	19,064,206	17,622,339
Accounts receivable	98,337	902,209
CMHC subsidy receivable	8,861	8,929
Rent receivable	60,131	51,035
Goods and services tax recoverable	40,975	99,491
Restricted cash (Note 3)	85,196	82,477
Funds held in trust (Note 4)	86,782	86,297
Investment in joint venture (Note 5)	13,355,085	5,511,476
	<u>39,918,443</u>	<u>26,564,225</u>
LIABILITIES		
Accounts payable	16	161,655
Interest payable	4,801	4,646
Wages payable	24,788	42,039
Damage deposits	7,480	7,480
Employee deductions payable	12,630	16,438
Long term debt (Note 8)	23,313,937	24,060,810
	<u>23,363,652</u>	<u>24,293,068</u>
NET FINANCIAL ASSETS	<u>16,554,791</u>	<u>2,271,157</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	77,897	75,857
Tangible capital assets (Note 7)	31,177,063	28,751,515
	<u>31,254,960</u>	<u>28,827,372</u>
ACCUMULATED SURPLUS	<u>\$ 47,809,751</u>	<u>\$ 31,098,527</u>
ACCUMULATED SURPLUS CONSISTS OF:		
Accumulated operating surplus	\$ 46,757,503	\$ 31,098,527
Accumulated remeasurement gains (losses)	1,052,248	-
	<u>\$ 47,809,751</u>	<u>\$ 31,098,527</u>

Council



Councillor



Councillor



Councillor



Councillor

SHXW'OW'HAMEL FIRST NATION
Consolidated Statement of Operations
Year Ended March 31, 2023

	Total 2023	Total 2022
REVENUES		
Indigenous Services Canada	\$ 2,284,922	\$ 2,221,158
First Nations Health Authority	236,169	923,684
Province of BC	338,195	344,688
CMHC housing subsidies	107,014	107,150
Rental income	199,878	217,562
Investment income	614,397	1,764,386
Taxation	1,349,653	156,611
Sto:lo Aboriginal Skills and Employment Training	51,667	78,026
Aboriginal Headstart	137,299	6,008
Lease revenue	150,000	43,560
Fundraising	10,388	-
Earnings from equity investments	6,955,745	4,165,235
Government of Canada	93,277	2,215
FNESC	173,069	92,347
BCFN Gaming	-	171,714
Other revenue	762,970	278,186
Trans Mountain	8,310,831	5,597,366
RRF allocation	20,850	20,850
	<u>21,796,324</u>	<u>16,190,746</u>
EXPENSES		
Segment - Administration (<i>Schedule 2</i>)	3,676,147	4,367,234
Segment - Public Works and Maintenance (<i>Schedule 3</i>)	139,734	101,504
Segment - Housing and Infrastructure (<i>Schedule 4</i>)	300,528	395,209
Segment - Social Development (<i>Schedule 5</i>)	501,227	462,395
Segment - Education and Culture (<i>Schedule 6</i>)	834,387	641,792
Segment - Capital Projects (<i>Schedule 7</i>)	16,083	93,337
Segment - Economic Development (<i>Schedule 8</i>)	2,976	1,712
Segment -Siya Council (<i>Schedule 9</i>)	107,041	180,836
Segment -Lands & Resources (<i>Schedule 10</i>)	291,697	452,336
Segment - Own Source Revenue (<i>Schedule 11</i>)	182,792	117,454
Segment - Health & Well Being (<i>Schedule 12</i>)	84,738	111,010
	<u>6,137,350</u>	<u>6,924,819</u>
	<u>15,658,974</u>	<u>9,265,927</u>
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
ANNUAL SURPLUS	<u>\$ 15,658,974</u>	<u>\$ 9,265,927</u>

See notes to financial statements

SHXW'OW'HAMEL FIRST NATION
Consolidated Statement of Changes in Accumulated Surplus
Year Ended March 31, 2023

	2023	2022
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 31,098,529	\$ 21,832,600
ANNUAL SURPLUS	<u>15,658,974</u>	<u>9,265,927</u>
	46,757,503	31,098,527
UNREALISED CHANGE IN MARKET VALUE OF INVESTMENTS	<u>1,052,248</u>	<u>-</u>
ACCUMULATED SURPLUS - END OF YEAR	<u>\$ 47,809,751</u>	<u>\$ 31,098,527</u>

SHXW'OW'HAMEL FIRST NATION
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2023

	2023	2022
ANNUAL SURPLUS	\$ 15,658,974	\$ 9,265,927
Amortization of tangible capital assets	1,187,667	677,039
Purchase of tangible capital assets	(3,613,215)	(3,099,271)
Decrease (increase) in prepaid expenses	(2,040)	76,839
Change in Remeasurement Gains	1,052,248	-
	<u>(1,375,340)</u>	<u>(2,345,393)</u>
INCREASE IN NET FINANCIAL ASSETS	14,283,634	6,920,534
NET FINANCIAL ASSETS (DEBT) - BEGINNING OF YEAR	2,271,157	(4,649,377)
NET FINANCIAL ASSETS - END OF YEAR	\$ 16,554,791	\$ 2,271,157

SHXW'OW'HAMEL FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Annual surplus	\$ 15,658,974	\$ 9,265,927
Items not affecting cash:		
Amortization of tangible capital assets	1,187,669	677,035
Earnings from equity investments	(6,955,745)	(4,165,235)
	<u>9,890,898</u>	<u>5,777,727</u>
Changes in non-cash working capital:		
Accounts receivable	803,872	185,741
CMHC subsidy receivable	68	-
Rent receivable	(9,096)	(27,919)
Accounts payable	(161,639)	(1,178,365)
Prepaid expenses	(2,040)	76,839
Goods and services tax payable	58,516	(14,201)
Restricted cash	(2,719)	(468)
Funds held in trust	(485)	124
Interest payable	155	(172)
Wages payable	(17,251)	(4,443)
Employee deductions payable	(3,808)	(4,156)
	<u>665,573</u>	<u>(967,020)</u>
Cash flow from operating activities	<u>10,556,471</u>	<u>4,810,707</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(3,613,215)	(3,099,271)
Marketable securities	(389,619)	(1,725,352)
Investment in joint venture	(887,864)	189,322
Cash flow used by investing activities	<u>(4,890,698)</u>	<u>(4,635,301)</u>
FINANCING ACTIVITIES		
Proceeds from long term financing	-	1,600,000
Repayment of long term debt	(746,872)	(771,225)
Cash flow from (used by) financing activities	<u>(746,872)</u>	<u>828,775</u>
INCREASE IN CASH FLOW	<u>4,918,901</u>	<u>1,004,181</u>
Cash - beginning of year	<u>2,199,972</u>	<u>1,195,789</u>
CASH - END OF YEAR	<u>\$ 7,118,873</u>	<u>\$ 2,199,970</u>

See notes to financial statements

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

1. OPERATIONS

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards (GAAP).

Basis of consolidation

The consolidated financial statements include the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation Business Entities. As a result, figures as at March 31, 2023 or for the years then ended include the operating fund, social housing fund and the capital fund. All inter-entity balances have been eliminated, however, in the respective schedules transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Shxw'owhamel First Nation business entities owned or controlled by the Nation's Council but not dependent on the Nation for their continuing operations, are included in the consolidated 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 Nation. Thus, the 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:

- Shxw'owhamel Ventures Limited Partnership (SVLP).
- Shxw'owhamel Ventures GP Ltd. (SVGP)

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents include 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.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Funds Held in Trust

Funds held in trust on behalf of Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position and consist of:

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

Asset Classification

Assets are classified as 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.

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 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, 2022.

At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revision required to the amount previously recognized is accounted for in the period revisions are made. The Band 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, 2022, no liability for contaminated site exists.

Net Financial Assets (Net Debt)

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

Segments

The Nation conducts its business through a number of reportable segments as described in Note 11. These operating segments are established by senior management to facilitate the achievement of the 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 consolidated financial statements.

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SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Schedule of remeasurement gains

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 Band'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.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Buildings	25 years	straight-line method
Water and sewer	50 years	straight-line method
Motor vehicles	10 years	straight-line method
Land improvements	20 years	straight-line method
Computer equipment	4 years	straight-line method
Band housing	40 years	straight-line method
Furniture and fixtures	5 years	straight-line method

The organization regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

All intangible assets and items inherited by the right of the Nation, such as reserve lands, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements.

CMHC housing units are amortized at an annual amount equal to the principal reduction in related debt as per the Nation's agreement with CMHC.

The Nation performs impairment testing on tangible capital assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognized when an asset's service potential is reduced and they are charged to surplus in the year.

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SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Revenue recognition

The organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Government transfers

The 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.

First Nation Capital and Revenue Trust Funds

The Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Canada Mortgage and Housing Corporation ("CMHC")

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

Housing rental income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

Own source and other revenue

Own source and other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

Investment income

Investment income is recognized by the Nation when investment income is earned.

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

3. Restricted cash

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited by an amount annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were under funded.

4. Funds held in trust

	2023	2022
Capital		
Balance beginning and end of year	\$ 84,980	\$ 84,980
Subtotal	84,980	84,980
Revenue		
Balance beginning of year	1,317	1,097
Net additions	485	220
Balance end of year	1,802	1,317
	\$ 86,782	\$ 86,297

The Ottawa Trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

5. Investments and loans receivable

	2023	2022
Investment in Shxw'owhamel Ventures Limited Partnership (SVLP) - at modified equity method - 99.9% ownership	\$ 13,355,085	\$ 5,511,476
Investment in Shxw'owhamel Ventures GP Ltd. (SVGP) - at modified equity method - 100% ownership	1	1
Marketable securities - at fair value	19,064,206	17,622,339
	\$ 32,419,292	\$ 23,133,816

6. Summary financial information for Government Business Entities

SVLP and SVGP both as at and for the year ended December 31, 2021.

	2023	2022
<u>Assets</u>		
Cash	\$ 2,921,223	\$ (371,208)
Accounts receivable	7,995,501	4,149,959
Prepaid expenses	10,424	13,882
Capital assets	4,340,361	4,710,811

(continues)

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

6. Summary financial information for Government Business Entities *(continued)*

	2023	2022
<u>Assets</u>		
Investments	3,434,595	3,777,205
GST receivable	(166,641)	200,806
Total assets	<u>\$ 18,535,463</u>	<u>\$ 12,481,455</u>
<u>Liabilities</u>		
Accounts payable	\$ 4,978,764	\$ 5,163,590
Loans and long-term debt	1,261,838	1,617,251
Lease liabilities	281,483	442,981
Total liabilities	<u>\$ 6,522,085</u>	<u>\$ 7,223,822</u>
<u>Equity</u>		
Partner equity	<u>\$ 12,013,378</u>	<u>\$ 5,257,633</u>
<u>Operations</u>		
Total revenues	\$ 17,540,951	\$ 11,106,971
Total expenses	<u>(10,785,206)</u>	<u>(6,941,736)</u>
Net income (loss)	<u>\$ 6,755,745</u>	<u>\$ 4,165,235</u>

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

7. TANGIBLE CAPITAL ASSETS

<u>Cost</u>	<u>2022</u> <u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>2023</u> <u>Balance</u>
Land and improvements	\$ 2,128,915	\$ -	\$ -	\$ 2,128,915
Buildings	16,592,696	8,783,891	-	25,376,587
Vehicles	354,480	-	-	354,480
Computer equipment	176,860	-	-	176,860
Water & Sewer	1,663,270	-	-	1,663,270
Band housing	2,001,726	-	-	2,001,726
CMHC units	3,555,195	-	-	3,555,195
Construction in progress	5,170,675	(5,170,675)	-	-
Furniture	400	-	-	400
	\$ 31,644,217	\$ 3,613,216	\$ -	\$ 35,257,433

<u>Accumulated Amortization</u>	<u>2022</u> <u>Balance</u>	<u>Amortization</u>	<u>Accumulated</u> <u>Amortization</u> <u>on Disposals</u>	<u>2023</u> <u>Balance</u>
Land and improvements	\$ 218,111	\$ 106,446	\$ -	\$ 324,557
Buildings	400,600	839,386	-	1,239,986
Vehicles	207,708	35,448	-	243,156
Computer equipment	131,072	30,800	-	161,872
Water & Sewer	428,288	33,265	-	461,553
Band housing	771,071	50,043	-	821,114
CMHC units	735,652	92,080	-	827,732
Construction in progress	-	-	-	-
Furniture	200	200	-	400
	\$ 2,892,702	\$ 1,187,668	\$ -	\$ 4,080,370

<u>Net book value</u>	<u>2023</u>	<u>2022</u>
Land and improvements	\$ 1,804,358	\$ 1,910,804
Buildings	24,136,601	16,192,096
Vehicles	111,324	146,772
Computer equipment	14,988	45,788
Water & Sewer	1,201,717	1,234,982
Band housing	1,180,612	1,230,655
CMHC units	2,727,463	2,819,543
Construction in progress	-	5,170,675
Furniture	-	200
	\$ 31,177,063	\$ 28,751,515

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

8. LONG TERM DEBT

	2023	2022
All Nations Trust loan bearing interest at 2.68% , repayable in monthly blended payments of \$4,919. The loan matures on October 1, 2043 and is secured by real property and a ministerial guarantee.	\$ 894,502	\$ 929,178
All Nations Trust loan bearing interest at 3.09% , repayable in monthly blended payments of \$4,383. The loan matures on February 1, 2043 and is secured by real property and a ministerial guarantee.	782,700	816,572
All Nations Trust loan bearing interest at 1.69% repayable in monthly blended payments of \$2,613. The loan matures on September 1, 2024 and is secured by real property and a ministerial guarantee.	451,337	474,871
Toyota Financial Services loan bearing interest at 4.49% per annum, repayable in monthly blended payments of \$1,279. The loan matured on February 17, 2022 and was secured by equipment.	-	1,267
RBC - 905-001 loan bearing interest at prime plus .5% , repayable on demand . The loan is secured by equipment.	-	3,378
BMO - 142 loan bearing interest at prime plus .5% , repayable on demand. The loan is secured by an assignment of insurance.	12,249,105	12,267,601
BMO - 134 loan bearing interest at 5.2% , repayable on demand.	3,701,576	3,725,022
BMO -003 (Omahil Camp Clearing) loan bearing interest at prime plus .5% , repayable on demand. The loan is secured by an assignment of insurance.	2,264,316	2,862,893
BMO - 645 (Settlement Dist) loan bearing interest at prime plus .5% , repayable on demand The loan is secured by an assignment of insurance.	2,970,401	2,980,028
	<u>\$ 23,313,937</u>	<u>\$ 24,060,810</u>

Principal repayment terms are approximately:

2024	\$ 21,272,842
2025	492,746
2026	67,230
2027	69,172
2028	71,170
Thereafter	<u>1,340,777</u>
	<u>\$ 23,313,937</u>

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

9. CONTINGENT LIABILITY

The organization has a housing program with CMHC. The financial results of that program are subject to review by CMHC and it is possible that adjustments could be made based on the results of their review.

10. ECONOMIC DEPENDENCE

The organization receives a significant portion of its revenue from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

SHXW'OW'HAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

11. Segments

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

Administration:

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

Education and Culture:

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

Public Works and Maintenance:

Includes revenue and expenditures related to public utilities and services.

Social Development:

Includes revenue and expenditures related to the social assistance and health services to the members of the Nation.

Housing and Infrastructure:

Includes revenue and expenses related to band owned and social housing of the members of the Nation.

Lands and Resources:

Includes revenue and expenses related to conservation and stewardship of the Nation's land and resources.

Economic Development:

Includes revenue and expenses related to economic opportunities of the Nation.

Health and Wellbeing:

Includes revenue and expenses related to health services of the Nation.

Capital Projects:

Includes revenue and expenses related to capital projects.

Siyam Council:

Includes revenue and expenses related to council.

Own Source Revenue:

Includes revenue and expenses related to other projects of the Nation.

12. Budget information

The Nation did not prepare a budget for 2023 fiscal year.

SHXW'OW'HAMEL FIRST NATION

Consolidated Expenses

(Schedule 1)

Year Ended March 31, 2023

	Total 2023	Total 2022
Student costs	\$ 120,760	\$ 95,896
Advertising and promotion	-	1,067
Amortization	1,187,669	677,035
Bad debts	1,154	-
Consulting	167,852	272,147
Business taxes, licenses and memberships	804	350
Honoraria	90,135	174,050
Delivery, freight and express	1,714	641
Community events	142,202	93,357
Donations	773	-
Community distributions	280,611	1,547,087
Insurance	140,034	130,357
Interest and bank charges	15,247	27,273
Interest on long term debt	1,199,822	655,641
Social development	291,803	363,435
Tuition	542,858	320,687
Catering	10,141	400
Meetings and conventions	22,146	26,284
Miscellaneous	81,465	141,570
Office	28,042	19,776
Allocation to RRF	20,850	20,850
Professional fees	36,683	337,668
Repairs and maintenance	230,942	156,547
Salaries and wages	1,194,839	1,641,767
Security	23,404	6,622
Service contracts	-	345
Supplies	93,808	59,698
Telephone	35,289	36,473
Training	15,165	18,264
Travel	52,458	12,333
Utilities	54,651	52,623
Vehicle	54,031	34,574
	<u>\$ 6,137,352</u>	<u>\$ 6,924,817</u>