

UNION BAR FIRST NATIONS

Consolidated Financial Statements

Year Ended

March 31, 2023

UNION BAR FIRST NATIONS

CONTENTS

Year ended March 31, 2023

	Page
Management's Responsibility	3
Independent Auditors' Report	4-5
Financial Statements	
Consolidated Statement of financial Position	6
Consolidated Statement of Operations and Accumulated Surplus	7
Schedule of General Administrative Expenses	8
Consolidated Statement of Change in Net Financial Assets	9
Consolidated Statement of Cash Flows	10
Combined Segmented Information Union Bar Real Estate LP	11
Combined Segmented Information Union Bar GP	12
Reconciliation ISC Revenue	13
Statement of Consolidated expenses by Object	14
Notes to the Financial Statements	15-20
Reconciliation ISC Revenue to Financial Statement Amounts	18

UNION BAR FIRST NATIONS

March 31, 2023

Management's Responsibility

To the members of Union Bar First Nations

The accompanying Consolidated financial statements of Union Bar First Nations are the responsibility of management and have been approved by the Chief.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles. This responsibility includes selecting appropriate accounting principles and methods and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that the transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Union Bar First Nations Chief is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Chief fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief is also responsible for recommending the appointment of the Band's external auditors.

Joe Martin, CPA, an independent Chartered Professional Accountant, is appointed by the chief to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and management to discuss the audit findings.

July 31, 2023

Chief



UNION BAR FIRST NATIONS

March 31, 2023

Independent Auditor's Report

To the Members of the Union Bar First Nations:

I have audited the consolidated financial statements of the Union Bar First Nations, which comprise the statement of financial position as at March 31, 2023, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information and schedules.

Opinion

In my opinion the financial statements present fairly in all material respects the consolidated financial position of the Union Bar First Nations as of March 31, 2023, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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

Management is responsible for the preparation and fair presentation of these 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 Nations ability to continue as a going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nations or to cease operations or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the First Nations financial reporting process.

Auditors Responsibility

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit.

I 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, I am 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 my opinion. My 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 Entity to cease to continue as a going concern.

Contingent Liability

The Nation is responding to litigation commenced by or on behalf of 16 individuals that are claiming that they are members of Union bar First Nations and that they are entitled to a share of the benefits from Kinder Morgan (Transmountain) and Seabird Island Specific Claim Settlements, Union Bar First Nation is defending the claim on the basis that the Respondents are not or ever where members of Union Bar First Nation. The outcome of the litigation is unknown and any amount that the claimants might ultimately receive is unable to be estimated. No provision in the current financial statements has been made for any potential settlement of the litigation

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Joseph W Martin, CPA

July 31, 2023

Unit D, 46010 Princess Ave., Chilliwack, B.C.

Union Bar First Nations
Consolidated Statement of Financial Position
March 31, 2023

	2023	2022
Financial assets		
Cash -current	\$1,052,631	\$700,154
Investments	717,524	2,729,992
Loan receivable	----	114,784
Funds held in trust by Crown (Note 2-c)	143,986	139,357
Term deposits held for Minor Children	262,867	393,432
Accounts receivable	48,603	62,017
	2,225,611	4,139,736
Liabilities		
Accounts payable and accruals	95,865	170,989
Security deposits	18,100	18,100
Government remittances payable	75,065	48,063
Government temporary loan (note 2-h)	126,100	126,100
Funds Held in trust Minors	262,867	393,432
Deferred revenue	----	102,000
	577,997	858,684
Net Financial Assets	1,647,614	3,281,052
Non-financial assets		
Tangible capital assets (Note 2-b)	19,032,204	18,556,453
Prepaid expenses-current	510,892	----
	19,543,096	18,556,453
Accumulated surplus	<u>\$21,190,710</u>	<u>\$21,837,505</u>

 Approved Chief

Union Bar First Nations

Consolidated Statement of Operations and Accumulated Surplus March 31, 2023

	Budget 2024	2023	2022
Revenue			
Indigenous Services Canada	\$450,000	\$454,042	\$484,638
Interest Income	120,000	19,524	163,432
Ottawa Trust Interest and royalties	2,000	4,629	2,961
BCFN Gaming	150,000	381,235	161,857
Forestry income- timber rights	120,000	146,773	121,893
Real Estate Group Limited Partnerships	900,000	932,478	964,289
Reals Estate Group General Partners	50	23	31
Trans Mountain	5,000	----	5,000
Rental Income UBFN		8,000	----
Health Authority	----	60,000	45,000
	1,747,050	2,006,704	1,949,101
Expenses			
ISC Expenses Administration	450,000	454,042	484,638
General Administration	800,000	1,492,999	1,186,013
Real Estate Group Limited Partnerships	600,000	700,791	652,779
Real Estate Group General Partners	6,000	5,667	5,202
	1,856,000	2,653,499	2,328,632
Surplus (deficit)	(108,950)	(646,795)	(379,531)
Accumulated surplus, beginning of year	<u>21,190,710</u>	21,837,505	<u>22,217,036</u>
Accumulated surplus, end of year	<u>\$21,081,760</u>	<u>\$21,190,710</u>	<u>\$21,837,505</u>

Union Bar First Nations

Schedule of General Administrative Expenses
Year Ending March 31, 2023

	2023	2022
Expenses		
Amortization	139,397	125,484
Bank charges and interest	3,271	5,637
Christmas distributions	17,750	14,000
Family Assistance	5,519	----
Insurance	9,379	9,013
Investment fees	9,621	28,747
Member distributions	35,500	147,108
Office supplies	54,926	46,704
Professional development	10,605	12,274
Professional fees	133,350	243,609
Repairs and maintenance	459,907	277,385
Salaries and benefits	865,258	691,333
Student expenses	2,700	3,200
Travel	54,294	25,698
Utilities	55,973	40,459
Loss disposal investments	89,591	----
	<u>1,947,041</u>	<u>1,670,651</u>
Allocated as:		
ISC Expenses	454,042	484,638
General and Administration expenses	<u>1,492,999</u>	<u>1,186,013</u>
	1,947,041	1,670,651

Union Bar First Nations

Consolidated Statement of Change in Net Financial Assets
March 31, 2023

	2023	2022
Annual Surplus (deficit)	\$(646,795)	\$(379,531)
Purchases of tangible capital assets	(819,026)	(1,494,655)
Amortization	343,275	324,317
Prepaid expenses	(510,892)	----
Proceeds of disposal of tangible capital assets	----	----
Loss (gain) on sale of tangible capital assets	----	----
Increase (decrease) in net financial assets	(1,633,438)	(1,549,869)
Net financial assets, beginning of year	3,281,052	4,830,921
Net financial assets, end of year	<u>\$1,647,614</u>	<u>\$3,281,052</u>

Union Bar First Nations

Consolidated Statement of Cash Flows

For the Year Ended March 31, 2023

	2023	2022
Annual operating surplus (deficit)	\$(646,795)	\$(379,531)
Financial Statement Items Not Involving Cash		
Amortization	343,275	324,317
Net Change in Non-Cash Working Capital Balances:		
Accounts receivable	13,414	(61,999)
Prepaid	(510,892)	----
Accounts payable	(44,080)	88,265
Security deposit	----	----
Government remittances payable	(4,042)	14,295
Funds withheld minors	(130,565)	(129,216)
Deferred revenue	(102,000)	62,000
Government loan	----	----
Cash Flows from (Used) In Operating Activities	(1,081,685)	(81,869)
Cash flows from Investing Activities:		
Loan receivable	114,784	(114,784)
Purchase of tangible Assets	(819,026)	(1,494,655)
	(704,242)	(1,609,439)
Increase (Decrease) In Cash for The Period	(1,785,927)	(1,691,308)
Cash and Equivalents, Beginning of the Year	<u>3,962,935</u>	<u>5,654,243</u>
Cash and Equivalents, End of the Year	<u>\$2,177,008</u>	<u>\$3,962,935</u>
Cash	\$1,052,631	\$700,154
Term deposits	717,524	2,729,992
Term deposits held in trust for minors	262,867	393,432
Funds held in trust	<u>143,986</u>	<u>139,357</u>
	<u>\$2,177,008</u>	<u>\$3,962,935</u>
Supplementary information		

Union Bar Real Estate Group
Combined Segmented Information
Year Ended March 31, 2023

	Lake of the Woods				Texas Lake Property		Tree Lane		Union Bar Place		Totals	
	LP		LP		LP		LP		LP			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue												
Rental Income	---	---	---	---	---	---	380,282	358,401	549,753	471,895	930,035	830,296
Tenant Reimbursement	---	---	---	---	---	---	---	---	---	133,635	---	133,635
Interest Income	<u>75</u>	<u>65</u>	---	---	---	---	<u>1,100</u>	<u>131</u>	<u>1,268</u>	<u>162</u>	<u>2,443</u>	<u>358</u>
Expenses	<u>75</u>	<u>65</u>	---	---	---	---	<u>381,382</u>	<u>358,532</u>	<u>551,021</u>	<u>605,692</u>	<u>932,478</u>	<u>964,289</u>
Amortization	29,370	26,150	18,334	16,509	46,149	46,149	46,149	46,149	108,858	108,858	202,711	197,666
Insurance	9,379	10,411	4,690	1,350	23,207	18,955	23,207	18,955	28,827	25,284	66,103	56,000
Other expenses	10,217	22,673	6,783	7,908	7,941	6,920	7,941	6,920	7,382	8,168	32,323	45,669
Property tax	12,740	9,872	10,816	5,659	73,588	74,272	73,588	74,272	99,708	112,740	196,852	202,543
Repairs and maintenance	5,194	14,461	64,039	48,514	2,509	4,071	2,509	4,071	75,523	21,708	147,625	88,754
Utilities	<u>23,301</u>	<u>26,501</u>	<u>10,113</u>	<u>7,154</u>	<u>14,151</u>	<u>20,502</u>	<u>14,151</u>	<u>20,502</u>	<u>7,972</u>	<u>7,990</u>	<u>55,537</u>	<u>62,147</u>
	<u>90,201</u>	<u>110,068</u>	<u>114,775</u>	<u>87,094</u>	<u>167,545</u>	<u>170,869</u>	<u>167,545</u>	<u>170,869</u>	<u>328,270</u>	<u>284,748</u>	<u>700,791</u>	<u>652,779</u>
Annual surplus (deficit)	(90,126)	(110,003)	(114,775)	(87,094)	213,837	187,663	213,837	187,663	222,751	320,944	231,687	311,510
Surplus (deficit) beginning of year	<u>(188,499)</u>	<u>(78,495)</u>	<u>(114,772)</u>	<u>(27,678)</u>	<u>341,991</u>	<u>154,328</u>	<u>341,991</u>	<u>154,328</u>	<u>498,653</u>	<u>177,708</u>	<u>537,373</u>	<u>225,863</u>
Surplus(deficit) end of	<u>(278,625)</u>	<u>(188,498)</u>	<u>(229,547)</u>	<u>(114,772)</u>	<u>555,828</u>	<u>341,991</u>	<u>555,828</u>	<u>341,991</u>	<u>721,404</u>	<u>498,652</u>	<u>769,060</u>	<u>537,373</u>

Union Bar Real Estate Group- General Partnerships

Combined Segmented Information

Year Ended March 31, 2023

	1200512 B.C Ltd		12040517 B.C Ltd		1216749 BC Ltd		UBFN Development		UBFN Land	Total	Total
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2022
Revenue	22	32	21	19	-9	-11	---	---	-11	-9	31
Expenses											
Amortization	---	---	---	---	1,167	1,167	---	---	---	---	1,167
Bank charges	---	---	---	---	---	---	---	---	---	---	---
Office	---	---	---	---	---	---	---	---	---	---	---
Professional fees	<u>900</u>	<u>840</u>	<u>900</u>	<u>595</u>	<u>900</u>	<u>840</u>	<u>900</u>	<u>880</u>	<u>900</u>	<u>880</u>	<u>4,035</u>
	900	840	900	595	2,067	2,007	900	880	900	880	5,202
Surplus (deficit)	(878)	(808)	(879)	(576)	(2,076)	(2,018)	(900)	(880)	(911)	(889)	(5,171)
Surplus (deficit) Bgn year	<u>(1,721)</u>	<u>(913)</u>	<u>(1,391)</u>	<u>(815)</u>	<u>(4,240)</u>	<u>(2,018)</u>	<u>(1,680)</u>	<u>((800)</u>	<u>(1,692)</u>	<u>(803)</u>	<u>(5,553)</u>
Deficit end	<u>(2,599)</u>	<u>(1,721)</u>	<u>(2,270)</u>	<u>(1,391)</u>	<u>(6,316)</u>	<u>(4,240)</u>	<u>(2,580)</u>	<u>(1,680)</u>	<u>(2,603)</u>	<u>(1,692)</u>	<u>(10,724)</u>

Union Bar First Nations

Reconciliation of ISC Revenue

Year Ending March 31, 2023

	Financial Statement	Beginning deferred revenue	Ending deferred revenue	ISC
FIXED FUNDING				
Admin and supple	5,100	----	----	5,100
Community based initiative	40,000	40,000	----	----
Community initiative retroactive	25,000	----	----	25,000
ICFS needs based off-res	4,105	----	----	4,105
Water systems	10,603	----	----	10,603
Water systems top up	20,863	----	----	20,683
Water Systems	2,000	----	----	2,000
Roads and bridges	22,041	----	----	22,041
Municipal services	1,225	----	----	1,225
Training fire protection	240	----	----	240
Service Agreement	8,811	----	----	8,811
Non-Blockcore LEDSP	<u>15,000</u>	----	----	<u>15,000</u>
	154,988	40,000	----	114,988
FLEXIBLE FUNDING				
Homecare	1,065	----	----	1,065
Representative Service Agreement	2,547	----	----	2,547
Community based initiative	40,000	----	----	40,000
Major Reno	20,000	----	----	20,000
ICFS needs based EMAP	88,217	62,000	----	88,217
Project Admin	<u>45,000</u>	----	----	<u>45,000</u>
	196,819	102,000	----	134,829
GRANTS	<u>102,225</u>	----	----	<u>102,225</u>
TOTALS	<u>\$454,042</u>	<u>\$102,000</u>	----	<u>\$352,042</u>

Union Bar First Nations
Statement of Consolidated Expenses by Object
For the Year Ended March 31, 2023

	2023	2022
Accounting/Legal	165,463	282,457
Advertising	----	----
Amortization and building write off	343,275	324,317
Bank Charges and Interest	3,271	5,637
Christmas Distributions	17,750	14,000
Insurance	75,482	65,013
Family Assistance	5,519	----
Investor Fees	9,621	28,747
Office Expenses	59,636	55,831
Repairs and Maintenance	607,172	366,139
Salaries and Benefits	865,258	691,333
Student Expenses	2,700	3,200
Telephone and Utilities	111,509	104,336
Travel	54,294	25,697
Professional Development	10,605	12,274
Property taxes	196,853	202,543
Member disbursements	35,500	147,108
Loss disposal investments	89,591	----
Totals:	2,653,499	2,328,632

Union Bar First Nations

Notes to Consolidated Financial Statements
Year Ending March 31, 2023

1. Operations

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

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian generally accepted accounting principles for public sector entities and include the following significant accounting policies:

Basis of presentation

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

The consolidated financial statements reflect activities of Union Bar First Nations and its wholly owned subsidiaries and its partnerships

(a) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of Union Bar First Nations and organizations that are controlled by Union Bar First Nations. Controlled organizations are consolidated. All inter-fund and inter-organization transactions and balances have been eliminated upon consolidation.

Union Bar First Nations

Notes to Consolidated Financial Statements

Year Ending March 31, 2023

The following organizations are other government organizations (OGO's) controlled by Union bar First Nations and are fully consolidated in these financial statements

Lake of the Woods Limited Partnership
Texas Lake Property Limited Partnership
Tree Lane Limited Partnership
Union bar Place Limited Partnership
1240517 B.C. Ltd (GP of Tree Lane Limited Partnership)
1240512 B.C. Ltd. (GP of Union Bar Place Limited Partnership)
1216749 B.C. Ltd (GP of Lake of the Woods Limited Partnership)
UBFN Land Corp. (GP of Texas Lake Property Limited Partnership)
Union Bar First Nation Development Corporation

(b) Tangible capital assets

Prior to April 1, 1996, acquired tangible capital assets were recognized as operating expenditures and not reported in the capital fund.

	Rate
Automotive equipment	5 years
Building and bridge-other	20 years
Building Real Estate Group	40 years
Computer equipment	2 years
Tools and office equipment	3 years
Contracting equipment	5 years
Signs	5 years
Paving	10 years
Sawmill	10 years

Union Bar First Nations
Notes to Consolidated Financial Statements
Year Ending March 31, 2023
Capital Asset Schedule Consolidated

	Begin Cost 2022	Additions 2023	Disposals 2023	Ending Cost 2023	Beginning Acc amort 2022	Amortization 2023	Ending Acc amort 2023	Net Book Value 2023	Net Book Value 2022
Automotive	17,658	---	---	17,658	13,558	820	14,378	3,280	4,100
Buildings	7,906,653	190,773	---	8,097,426	430,864	211,553	642,417	7,455,009	7,475,789
Bridge	7,200	---	---	7,200	5,613	79	5,692	1,508	1,587
Equipment	827,462	19,116	---	846,578	425,242	90,329	515,571	331,007	402,220
Computers	18,659	---	---	18,659	11,385	3,637	15,022	3,637	7,274
Housing & Infrastructure	---	489,919	---	489,919	---	24,496	24,496	465,423	---
Office	47,610	30,132	---	77,742	37,183	12,159	49,342	28,400	10,427
Land	10,653,479	89,086	---	10,742,565	---	---	---	10,742,565	10,653,479
Paving	3,160	---	---	3,160	2,921	24	2,945	215	239
Signs	17,929	---	---	17,929	17,486	89	17,575	354	443
Sawmill	<u>18,650</u>	---	---	<u>18,650</u>	<u>17,755</u>	<u>89</u>	<u>17,844</u>	<u>806</u>	<u>895</u>
	19,518,460	819,026	---	20,337,486	962,007	343,275	1,305,282	19,032,204	18,556,453

Union Bar First Nations

Notes to Consolidated Financial Statements
Year Ending March 31, 2023

(c) Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Band members by the Government of Canada in the Ottawa Trust Fund are reported on the balance sheet with an offsetting amount in accumulated surplus. Trust monies consist of:

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

Accumulated surplus consists of the following:

	2023	2022
Equity in Ottawa Trust Funds	\$143,986	\$139,357
Surplus	21,046,724	21,698,148
	<u>\$2,190,710</u>	<u>\$21,837,505</u>

(d) Revenue recognition

Funding

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

Other revenues

Forestry and land use revenues are recognized in the period in which the external party accessed the Band's land.

Rental Income is recorded when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. At the end of each year, management evaluates whether rental revenue is collectible, and records as bad debt and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

Interest and investment income are recorded in the period when it is earned.

ISC Grants, ISC income and gaming income are recorded in the period the expenses associated with the grant are incurred.

(e) Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the

Union Bar First Nations

Notes Consolidated to the Financial Statements
Year Ending March 31, 2023

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 revenues and expenditures during the reporting period.

(f) Financial Instruments

The Band's financial instruments consist of cash, term deposits, and accounts payable. It is management's position that the Nation is not exposed to significant interest, liquidity, currency, market, other price, or credit risks arising from the financial instruments. The fair values of the financial instruments approximate the carrying value due to the immediate or short-term maturity of these instruments.

Financial Instruments are recorded at cost. The Nation has elected not to record any financial instruments at fair value.

Management has determined that the Nation is not exposed to any credit, interest rate, currency or solvency risk arising from these financial instruments

(g) Liability for Contaminated Sites

Contaminated sites are the result of contamination being introduced into air, soil, water or sediment that exceeds any environmental standard.

Liability exists when all the following criteria are met:

- i) an environmental standard exists
- ii) Contamination exceeds the environmental standard
- iii) The Nation is directly responsible or accepts responsibility; and
- iv) A reasonable estimate of the amount can be made

Management has determined that no such liability exists on March 31, 2023

(h) Long Term Debt

During the year the government of Canada advanced the Nation \$126,100 to fund a land settlement dispute Specific Claim against Canadian Pacific Railway. The loan is without interest and is secured by a promissory note. Loan is due March 31, 2025 and is without interest accruing. The loan may be paid in full at any time prior to maturity date.

Union Bar First Nations

Notes to Consolidated Financial Statements

Year Ending March 31, 2023

(i) Net financial assets (net debt)

The Nations combined 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).

(j) Segments

The Nation conducts its operations through various segments of real estate properties. These operating segments are established by management to facilitate the achievement of the Nations 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

(k) Long-lived assets and discontinued operations

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

The 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 any group of assets may not be recoverable. The carrying amount of long-lived assets is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flow from its use and disposal impairment. Impairment is measured as the amount by which the assets carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in surplus (deficit) for the year