

**Yale First Nation
Consolidated Financial Statements
*March 31, 2022***

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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Management's Responsibility

To the Members of Yale First Nation:

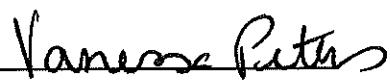
The accompanying consolidated financial statements of Yale First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Yale First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfills these responsibilities 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.

MNP LLP is appointed by the Members 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 Council and management to discuss their audit findings.



Administrator

To the Members of Yale First Nation:

Opinion

We have audited the consolidated financial statements of Yale First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2022, and the statements of consolidated operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2022, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for 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 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 Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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
January 6, 2023

MNP LLP
Chartered Professional Accountants

Yale First Nation
Statement of Financial Position
As at March 31, 2022

	2022	2021
Financial assets		
Cash and cash equivalents	10,883,872	8,496,070
Restricted cash (Note 4)	35,085	23,738
Portfolio investments (Note 5)	110	110
Accounts receivable	802,628	404,203
Investments in Nation partnerships and business entities (Note 6)	1,609,513	1,425,152
Funds held in trust (Note 7)	111,168	108,680
Total of financial assets	13,442,376	10,457,953
Liabilities		
Accounts payable and accruals	3,737,987	4,626,569
Deferred revenue (Note 8)	397,453	30,375
Long-term debt (Note 9)	6,662,567	4,243,500
Total of financial liabilities	10,798,007	8,900,444
Net financial assets	2,644,369	1,557,509
Contingencies (Note 10)		
Non-financial assets		
Tangible capital assets (Schedule 1)	14,090,267	13,820,878
Prepaid expenses	74,444	61,653
Total non-financial assets	14,164,711	13,882,531
Accumulated surplus (Note 11)	16,809,080	15,440,040

Approved on behalf of the Council



Chief



Councillor

Yale First Nation
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2022

	2022 Budget	2022	2021
Revenue			
Indigenous Services Canada	1,476,899	1,746,678	1,163,065
First Nation Health Authority	326,088	401,880	559,239
Other funding and contracts	262,069	208,386	287,069
Canada Mortgage and Housing Corporation	44,266	94,266	44,266
Province of BC	385,099	289,120	465,098
Department of Fisheries and Oceans	199,310	439,264	405,121
Investment income	374,263	242,484	374,265
Other revenue	81,225	268,105	180,225
Rental income	182,087	291,880	182,087
Earnings from investment in Nation business entities	158,077	218,131	158,077
Pacific Salmon Commission	38,301	75,585	38,301
New Relationship Trust	5,000	14,400	5,000
Ottawa Trust Income	1,649	2,489	1,649
	3,534,333	4,292,668	3,863,462
Expenditures			
Administration & Education	762,191	765,144	698,810
Health & Social Development	1,077,850	795,449	987,057
Housing	834,997	243,180	309,527
Capital Projects & Maintenance	84,625	157,772	86,594
Special Projects	334,197	91,709	131,507
Economic Development & Employment	602,261	663,967	477,657
Other Programs	172,805	206,407	172,805
	3,868,926	2,923,628	2,863,957
Annual surplus (deficit)	(334,593)	1,369,040	999,505
Accumulated surplus, beginning of year	15,440,040	15,440,040	14,440,535
Accumulated surplus, end of year (Note 11)	15,105,447	16,809,080	15,440,040

Yale First Nation
Statement of Change in Net Financial Assets
For the year ended March 31, 2022

	2022 Budget	2022	2021
Annual surplus (deficit)	(334,593)	1,369,040	999,505
Purchases of tangible capital assets	-	(609,906)	(6,149,035)
Amortization of tangible capital assets	172,805	213,188	197,776
Proceeds of disposal of tangible capital assets	-	160,000	-
Gain on disposal of tangible capital assets	-	(32,670)	-
	172,805	(269,388)	(5,951,259)
Acquisition of prepaid expenses	-	(74,445)	(61,653)
Use of prepaid expenses	-	61,653	85,899
	-	(12,792)	24,246
Increase (decrease) in net financial assets	(161,788)	1,086,860	(4,927,508)
Net financial assets, beginning of year	1,557,509	1,557,509	6,485,017
Net financial assets, end of year	1,395,721	2,644,369	1,557,509

Yale First Nation
Statement of Cash Flows
For the year ended March 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	1,369,040	999,505
Non-cash items		
Amortization	213,188	197,776
Ottawa trust transactions	(2,489)	(1,649)
Earnings from Investment in Nation partnerships and business entities	(218,131)	(158,077)
Gain on disposal of assets	(32,670)	-
	1,328,938	1,037,555
Changes in working capital accounts		
Restricted cash	(11,347)	55,007
Accounts receivable	(398,425)	(85,512)
Accounts payable and accruals	(888,580)	455,883
Deferred revenue	367,078	30,375
Prepaid expenses	(12,792)	24,246
	384,872	1,517,554
Financing activities		
Advances of long-term debt	2,700,375	2,340,000
Repayment of long-term debt	(281,308)	(112,377)
	2,419,067	2,227,623
Capital activities		
Purchases of tangible capital assets	(609,906)	(6,149,035)
Proceeds of disposal of tangible capital assets	160,000	-
	(449,906)	(6,149,035)
Investing activities		
Advances to Nation partnerships and business entities	(116,231)	(262,150)
Distributions from investments in Nation partnerships and business entities	150,000	-
	33,769	(262,150)
Increase (decrease) in cash resources	2,387,802	(2,666,008)
Cash resources, beginning of year	8,496,070	11,162,078
Cash resources, end of year	10,883,872	8,496,070
Supplementary cash flow information		
Interest paid	98,470	85,173

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

1. Operations

Yale First Nation (the "First Nation") is located in the province of British Columbia, and provides various services to its members. Yale 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 First Nation.

Impact of COVID-19 on operations

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on communities through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Nation's operations were not materially impacted by COVID-19.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation's operations as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/ isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the First Nation's operations.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including 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.

Reporting entity - consolidated

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

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entity:

- Y.F.N. Developments Inc.

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.

Yale First Nation business entities, owned or controlled by the Nation's Council but not dependent on the First 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 principals are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at the acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by the post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Cascade Lower Canyon Community Forest Limited Partnership
- Stelmexw Enterprises Limited Partnership
- Smemela:Ih Group Management Ltd.

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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

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 consolidated 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.

Cash and cash equivalents

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

Tangible capital assets

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

Amortization

Tangible capital assets are amortized using the straight-line method at terms intended to amortize the cost of the assets over their estimated useful lives:

	Method	Years
Band Housing and Buildings	straight-line	40 years
Machinery and Equipment	straight-line	10 years
Roads, Streets and Bridges	straight-line	50,75 years
Water and Sewer	straight-line	50,75 years

Revenue recognition

Government transfers

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

Funds held in Ottawa Trust Fund

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

Own source revenue

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

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 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.

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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

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.

Funds held in Ottawa Trust Fund

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

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

Liability for contaminated sites

A liability for remediation of contaminated sites is recognized at the best estimate of the amount required to remediate the contaminated sites 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, 2022.

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, 2022.

Segments

The First Nation conducts its business through seven reportable segments: Administration & Education; Health & Social Development; Housing; Capital Projects & Maintenance; Special Projects; Economic Development & Employment; and Other Programs. 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 consolidated financial statements.

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

3. Recent accounting pronouncement

PS 3280 Asset Retirement Obligations (New)

In August 2018, new PS 3280 Asset Retirement Obligations was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new PS 3280 establishes standards on how to account for and report a liability for asset retirement obligations (ARO). As asset retirement obligations associated with landfills are included in the scope of the new PS 3280, PS 3270 *Solid Waste Landfill Closure and Post-Closure Liability* will be withdrawn.

The main features of this standard are as follows:

- An ARO represents a legal obligation associated with the retirement of a tangible capital asset.
- Asset retirement costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic matter.
- When an asset is no longer in productive use, the associated asset retirement costs are expensed.
- Measurement of the ARO liability should result in either a change in the carrying amount of the related tangible capital asset or an expense. The accounting treatment depends on the nature of the remeasurement and whether the asset remains in productive use.
- The best method to estimate the liability is often a present value technique.

This standard was to be effective for fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section is now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted.

4. Restricted cash

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the First Nation established a replacement reserve, funded by an annual allocation of \$11,100 (2021 - \$11,100), to ensure maintenance and replacement of buildings financed by CMHC. At March 31, 2022, \$35,085 has been set aside to fund this reserve (2021 - \$23,738). The reserve was underfunded by \$56,601 as at March 31, 2022 (2021 - underfunded by \$10,586).

During the year a supplemental assistance subsidy was provided by CMHC for \$50,000. At March 31, 2022, \$50,000 of the supplemental assistance subsidy has been set aside to fund the replacement reserve.

In accordance with terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

5. Portfolio investments

	2022	2021
Measured at cost:		
BC First Nations Gaming Revenue Sharing LP	100	100
BC First Nations Gaming Sharing General Partner Ltd.	10	10
	<hr/> 110	<hr/> 110

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

6. Investments in First Nation partnerships and business entities

The First Nation has investments in the following business entities:

	2022		
	Loans / advances	Cumulative share of earnings (loss)	Total investment
First Nation Business Entities - Modified Equity (2022)			
Cascade Lower Canyon Community Forest Limited Partnership - 33%	-	652,831	652,831
Smemela:lh Group Management Ltd. - 100%	3,402	-	3,402
Stelmexw Enterprises LP - 99%	<u>782,506</u>	<u>170,774</u>	<u>953,280</u>
	785,908	823,605	1,609,513
	2021		
	Loans / advances	Cumulative share of earnings (loss)	Total investment
First Nation Business Entities - Modified Equity (2021)			
Cascade Lower Canyon Community Forest Limited Partnership - 33%	-	787,361	787,361
Smemela:lh Group management Ltd. - 100%	3,002	-	3,002
Stelmexw Enterprises LP - 99%	<u>666,675</u>	<u>(31,886)</u>	<u>634,789</u>
	669,677	755,475	1,425,152

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

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

6. Investments in First Nation partnerships and business entities *(Continued from previous page)*

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

	<i>Smemela:h Group Management Ltd.</i>	<i>Stelmexw Enterprises LP</i>	
	<i>CLCCF LP As at March 31, 2022</i>	<i>As at December 31, 2021</i>	<i>As at December 31, 2021</i>
Assets			
Current assets	2,192,010	2	327,257
Long term assets	-	-	609,429
Property, plant and equipment	248,609	-	-
Total assets	2,440,619	2	936,686
Liabilities			
Current liabilities	479,354	10	14,912
Long term liabilities	-	-	751,010
Accumulated surplus (deficit)	1,961,265	(8)	170,764
Total liabilities and equity	2,440,619	2	936,686
Total revenue	328,963	18	346,869
Total expenses	282,547	-	144,189
Net income (loss)	46,416	18	202,680

7. Funds held in trust

Capital and revenue trust moneys are transferred to the First Nation on the authorization of the Department of Indigenous Services Canada, with the consent of the First Nation's Council.

	2022	2021
Capital Trust		
Balance, beginning of year	48,802	48,802
Revenue Trust		
Balance, beginning of year	59,878	58,229
Interest	2,094	1,252
BC Special Income	394	397
Balance, end of year	62,366	59,878
	111,168	108,680

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

8. Deferred revenue

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

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada (Q3XJ-002)	-	500,000	102,547	397,453
Province of British Columbia	30,375	-	30,375	-
	30,375	500,000	132,922	397,453

9. Long-term debt

	2022	2021
Housing Project I - All Nations Trust Co. (interest rate of 2.52%, due September 1, 2028, monthly payments of \$1,569).	112,837	128,624
Housing Project II - All Nations Trust Co. (interest rate of 1.84%, due September 1, 2042, monthly payments of \$3,620).	741,905	771,454
BMO Fixed Rate Term Loan (interest rate of 3.90%, due October 31, 2026, monthly payments of \$14,105, secured by a general security agreement).	2,673,558	-
BMO Real Estate Loan (interest rate of 2.58%, due October 30, 2045, monthly payments of \$10,592, secured by a general security agreement).	2,243,817	2,312,074
Tiny Homes - BMO Fixed Rate Term Loan (interest rate of 3.68% per annum, due February 28, 2025, monthly payments of \$4,858, secured by a general security agreement).	860,696	886,792
BMO Truck Loan (interest rate of 5.49%, due October 15, 2025, monthly payments of \$739, secured by a vehicle with a net book value of \$38,481).	29,754	36,175
Band Administration Building	-	108,381
	6,662,567	4,243,500

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment, are estimated as follows:

2023	216,910
2024	223,766
2025	230,859
2026	235,666
2027	236,541

Yale First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

10. Contingent liabilities

The First Nation may also be contingently liable in respect of guaranteed housing mortgages which total \$647,970 (2021 - \$290,380).

11. Accumulated surplus

Accumulated surplus is comprised of the following:

	2022	2021
Operating surplus	9,178,525	5,719,658
Capital surplus	7,427,701	9,577,378
Ottawa trust surplus	111,168	108,680
Replacement reserve surplus	91,686	34,324
	16,809,080	15,440,040

12. Budget information

The disclosed budget information has been approved by the Chief and Council of Yale First Nation. The budget information is unaudited and is projected based on operating expenses incurred during the year on a program by program basis.

13. Financial Instruments

Yale First Nation's consolidated financial instruments consist of cash, receivables, accounts payable, accrued liabilities and long-term debt. It is management's opinion that Yale First Nation is not exposed to significant currency, credit or interest rate risk arising from these financial instruments.

Yale First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2022

	<i>Machinery and Equipment</i>	<i>Roads, Streets and Bridges</i>	<i>Water and Sewer</i>	<i>Band Housing and Buildings</i>	<i>Land</i>	<i>Subtotal</i>
Cost						
Balance, beginning of year	696,752	610,542	3,649,762	3,978,555	4,569,390	13,505,001
Acquisition of tangible capital assets	6,539	-	128,994	402,022	-	537,555
Disposal of tangible capital assets	(181,900)	-	-	-	-	(181,900)
Reallocation of assets under construction, in use in the current year	-	-	-	-	1,604,052	1,604,052
Balance, end of year	521,391	610,542	3,778,756	4,380,577	6,173,442	15,464,708
Accumulated amortization						
Balance, beginning of year	219,791	82,843	464,642	448,548	-	1,215,824
Annual amortization	45,816	8,201	54,031	105,139	-	213,187
Accumulated amortization on disposals	(54,570)	-	-	-	-	(54,570)
Balance, end of year	211,037	91,044	518,673	553,687	-	1,374,441
Net book value of tangible capital assets	310,354	519,498	3,260,083	3,826,890	6,173,442	14,090,267
Net book value of tangible capital assets 2021	476,961	527,699	3,185,120	3,530,007	4,569,390	12,289,177

Yale First Nation
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2022

	<i>Subtotal</i>	<i>Assets Under Construction</i>	2022	2021
Cost				
Balance, beginning of year	13,505,001	1,531,701	15,036,702	8,887,667
Acquisition of tangible capital assets	537,555	72,351	609,906	6,149,035
Disposal of tangible capital assets	(181,900)	-	(181,900)	-
Reallocation of assets under construction, in use in the current year	1,604,052	(1,604,052)	-	-
Balance, end of year	15,464,708	-	15,464,708	15,036,702
Accumulated amortization				
Balance, beginning of year	1,215,824	-	1,215,824	1,018,048
Annual amortization	213,187	-	213,187	197,776
Accumulated amortization on disposals	(54,570)	-	(54,570)	-
Balance, end of year	1,374,441	-	1,374,441	1,215,824
Net book value of tangible capital assets	14,090,267	-	14,090,267	13,820,878
Net book value of tangible capital assets 2021	12,289,177	1,531,701	13,820,878	

Yale First Nation
Schedule 2 - Segmented Information
For the year ended March 31, 2022

	Administration and Education	Health and Social Development	Housing	Capital Projects and Maintenance	Special Projects	Economic Development and Employment	Other	2022
Revenue								
Indigenous Services Canada	\$ 342,972	\$ 486,714	\$ 291,888	\$ 197,344	\$ 192,069	\$ 235,691	- \$	1,746,678
Other government	16,290	613,300	94,266	51,530	228,194	673,052	-	1,676,632
Economic activities and other	478,475	-	166,127	19,500	81,900	120,867	2,489	869,358
	837,737	1,100,014	552,281	268,374	502,163	1,029,610	2,489	4,292,668
Expenses								
Amortization	6,780	-	-	-	-	-	206,407	213,187
Operating expenses	289,400	124,998	157,047	62,549	23,853	71,308	-	729,155
Salaries, wages and benefits	276,730	264,304	51,210	33,488	-	278,770	-	904,502
Program and services delivery expenses	192,234	406,147	34,923	61,735	67,856	313,889	-	1,076,784
	765,144	795,449	243,180	157,772	91,709	663,967	206,407	2,923,628
Surplus (deficit) before transfers	72,593	304,565	309,101	110,602	410,454	365,643	(203,918)	1,369,040
Transfers between programs	23,071	2,554,502	(192,312)	-	(106,341)	(187,142)	(2,091,778)	-
Annual surplus (deficit)	\$ 95,664	\$ 2,859,067	\$ 116,789	\$ 110,602	\$ 304,113	\$ 178,501	\$ (2,295,696)	\$ 1,369,040

	Administration and Education	Health and Social Development	Housing	Capital Projects and Maintenance	Special Projects	Economic Development and Employment	Other	2021
Revenue								
Indigenous Services Canada	\$ 290,933	\$ 367,253	\$ 64,246	\$ 154,918	\$ 243,715	\$ 42,000	- \$	1,163,065
Other government	10,187	919,981	45,266	149,999	326,626	534,093	1,649	1,987,801
Economic activities and other	268,389	18,000	142,768	10,500	221,747	51,192	-	712,595
	569,509	1,305,234	252,280	315,417	792,087	627,285	1,649	3,863,462
Expenses								
Amortization	24,970	-	-	-	-	-	172,805	197,775
Operating expenses	245,850	36,289	165,714	26,599	26,660	14,676	-	515,788
Salaries, wages and benefits	249,286	557,408	62,813	-	-	204,563	-	1,074,070
Program and services delivery expenses	178,704	393,360	81,000	59,995	104,847	258,418	-	1,076,324
	698,810	987,057	309,527	86,594	131,507	477,657	172,805	2,863,957
Surplus (deficit) before transfers	(129,301)	318,177	(57,247)	228,823	660,580	149,628	(171,156)	999,505
Transfers between programs	(211,761)	(2,935,232)	52,250	321,534	(838,503)	(222,756)	3,834,468	-
Annual surplus (deficit)	\$ (341,062)	\$ (2,617,055)	\$ (4,997)	\$ 550,357	\$ (177,923)	\$ (73,128)	\$ 3,663,312	\$ 999,505