

**Yale First Nation**  
**Consolidated Financial Statements**  
*March 31, 2024*

# Yale First Nation Contents

For the year ended March 31, 2024

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To the Members of Yale First Nation:

### Qualified Opinion

We have audited the consolidated financial statements of Yale First Nation and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated operations and accumulated surplus, remeasurement gains, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2024, and the results of its consolidated operations, its consolidated remeasurement gains and losses, changes in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

The financial statements do not include completed budgeted information. The exclusion of such information is a departure from Canadian public sector accounting standards as the comparison of budgeted to actual results is a significant measurement of performance.

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 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 qualified 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the 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 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 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 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 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 First Nation 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.

Chilliwack, British Columbia

March 26, 2025

*MNP LLP*

Chartered Professional Accountants

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

	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents	6,722,933	2,972,241
Portfolio investments (Note 4)	6,883,433	6,179,255
Accounts receivable (Note 5)	953,850	772,579
Restricted cash (Note 6)	92,870	88,004
Inventory for resale	-	14,826
Funds held in trust (Note 7)	119,361	115,014
Investments in Nation business entities (Note 8)	3,100,060	2,580,005
<b>Total of financial assets</b>	<b>17,872,507</b>	<b>12,721,924</b>
<b>Liabilities</b>		
Accounts payable and accruals	524,154	340,752
Deferred revenue (Note 9)	1,631,689	767,070
Long-term debt (Note 10)	6,217,952	6,441,666
<b>Total of financial liabilities</b>	<b>8,373,795</b>	<b>7,549,488</b>
<b>Net financial assets</b>	<b>9,498,712</b>	<b>5,172,436</b>
<b>Contingencies (Note 11)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	16,349,267	15,431,023
Prepaid expenses	123,197	51,168
<b>Total non-financial assets</b>	<b>16,472,464</b>	<b>15,482,191</b>
<b>Accumulated surplus (Note 12)</b>	<b>25,971,176</b>	<b>20,654,627</b>
<b>Accumulated surplus is comprised of:</b>		
Annual surplus	25,270,696	20,518,374
Accumulated remeasurement gains	700,480	136,253
	<b>25,971,176</b>	<b>20,654,627</b>

Approved on behalf of the Council

Original signed by Janita Peters

Councillor

Original signed by Judith Moreno

Councillor

# Yale First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada	1,724,580	1,373,441
First Nation Health Authority	409,151	455,046
Canada Mortgage and Housing Corporation	351,057	47,832
Other government funding	493,797	27,529
Other revenue	3,844,931	3,552,491
Earnings from investment in Nation business entities	453,409	901,902
Investment income	752,795	575,540
Department of Fisheries and Oceans	368,764	299,264
Rental income	331,682	267,560
Province of BC	180,961	228,619
Pacific Salmon Commission	97,931	57,656
Ottawa Trust Income	4,347	3,846
New Relationship Trust	-	3,600
	<b>9,013,405</b>	<b>7,794,326</b>
<b>Expenditures</b>		
Administration & Education	991,985	1,048,021
Health & Social Development	857,483	977,551
Housing	314,848	313,513
Capital Projects & Maintenance	422,939	213,926
Economic Development & Employment	1,210,945	1,205,757
Special Projects	203,413	110,395
Other Programs	259,470	215,869
	<b>4,261,083</b>	<b>4,085,032</b>
<b>Annual surplus</b>	<b>4,752,322</b>	<b>3,709,294</b>
<b>Accumulated surplus, beginning of year</b>	<b>20,518,374</b>	<b>16,809,080</b>
<b>Accumulated surplus</b>	<b>25,270,696</b>	<b>20,518,374</b>

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

**Yale First Nation**  
**Consolidated Statement of Remeasurement Gains and Losses**  
*For the year ended March 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Accumulated remeasurement gains, beginning of year</b>	<b>136,253</b>	<b>-</b>
<b>Unrealized gains attributable to:</b>		
Portfolio investments	<b>566,925</b>	138,301
<b>Amounts reclassified to the statement of operations:</b>		
Portfolio investments	<b>(2,698)</b>	(2,048)
<b>Change in remeasurement gains, for the year</b>	<b>564,227</b>	136,253
<b>Accumulated remeasurement gains, end of year</b>	<b>700,480</b>	136,253

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

**Yale First Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2024*

	2024	2023
<b>Annual surplus</b>	<b>4,752,322</b>	3,709,294
Purchases of tangible capital assets	<b>(1,205,167)</b>	(1,609,192)
Amortization of tangible capital assets	<b>266,711</b>	223,109
Proceeds of disposal of tangible capital assets	<b>17,500</b>	24,000
Loss (gain) on disposal of tangible capital assets	<b>2,712</b>	21,327
	<b>(918,244)</b>	(1,340,756)
Acquisition of prepaid expenses	<b>(123,197)</b>	(51,168)
Use of prepaid expenses	<b>51,168</b>	74,444
Change in remeasurement gains for the year	<b>564,227</b>	136,253
	<b>492,198</b>	159,529
<b>Increase in net financial assets</b>	<b>4,326,276</b>	2,528,067
<b>Net financial assets, beginning of year</b>	<b>5,172,436</b>	2,644,369
<b>Net financial assets, end of year</b>	<b>9,498,712</b>	5,172,436

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



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

	2024	2023
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	4,752,322	3,709,294
Non-cash items		
Amortization	266,711	223,109
Earnings from Investment in Nation business entities	(453,409)	(901,902)
Loss (gain) on disposal of assets	2,712	21,327
Change in remeasurement gains	564,227	136,253
	5,132,563	3,188,081
Changes in working capital accounts		
Restricted cash	(4,866)	(52,919)
Accounts receivable	(181,271)	30,049
Prepaid expenses	(72,029)	23,276
Accounts payable and accruals	183,400	(3,397,235)
Deferred revenue	864,619	369,617
Inventory for resale	14,826	(14,826)
Funds held in trust	(4,347)	(3,846)
	5,932,895	142,197
<b>Financing activities</b>		
Repayment of long-term debt	(223,714)	(220,901)
<b>Capital activities</b>		
Purchases of tangible capital assets	(1,205,167)	(1,609,192)
Proceeds of disposal of tangible capital assets	17,500	24,000
	(1,187,667)	(1,585,192)
<b>Investing activities</b>		
Purchase of portfolio investments	(3,741,238)	(6,179,145)
Proceeds on disposal of portfolio investments	3,037,061	-
Advances to Nation business entities	(66,645)	(68,590)
	(770,822)	(6,247,735)
<b>Increase (decrease) in cash resources</b>	3,750,692	(7,911,631)
<b>Cash resources, beginning of year</b>	2,972,241	10,883,872
<b>Cash resources, end of year</b>	6,722,933	2,972,241

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

**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 Nation.

**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:

***Reporting entity consolidated***

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

- Y.F.N. Developments Inc.
- Yale First Nation Community Trust

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.

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

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

***Basis of presentation***

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

***Asset classification***

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

***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. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated annual surplus.

***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.

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

**Portfolio investments**

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment.

**Inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Cost of inventories of items that are segregated for specific projects is assigned by using specific identification of their individual costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

**Funds held in Ottawa Trust Fund**

Funds held in trust on behalf of First Nation members by Indigenous Services Canada in the Ottawa Trust Fund are reported on the consolidated 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.

**Tangible capital assets**

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

When conditions indicate that a tangible capital asset no longer contributes to the First Nation's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the First Nation reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

**Amortization**

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

	<b>Method</b>	<b>Rate</b>
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

**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.

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

**Revenue recognition**

**Funding**

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

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

**Revenue recognition** *(Continued from previous page)*

**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.

**Rental revenue**

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.

**Investments**

The First Nation uses the modified equity investment to account for its investments in business entities as listed under reported entity. Investment income earned from portfolio investments is recognized in the period the income is earned.

**Other 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.

**Measurement uncertainty**

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

**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.

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

**Asset retirement obligation**

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

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

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Statement of Remeasurement Gains**

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

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

**Financial instruments**

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

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

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

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

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

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

**Financial instruments** *(Continued from previous page)*

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

**3. Change in accounting policy**

Effective April 1, 2023, the First Nation adopted the recommendation related to the following accounting policy, as set out in the Canadian public sector accounting standards.

- PS 3400 Revenue

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

**4. Portfolio investments**

	<b>2024</b>	2023
<b>Measured at cost:</b>		
BC First Nations Gaming Revenue Sharing LP	<b>100</b>	100
BC First Nations Gaming Sharing General Partner Ltd.	<b>10</b>	10
	<b>110</b>	110
<b>Measured at fair value:</b>		
BMO Securities Portfolio - Yale First Nation Community Trust	<b>6,883,323</b>	6,179,145
	<b>6,883,433</b>	6,179,255

**5. Accounts receivable**

	<b>2024</b>	2023
Funding and trade receivables	<b>1,085,050</b>	772,579
Member loans receivable	<b>101,016</b>	101,016
Allowance for doubtful accounts	<b>(232,216)</b>	(101,016)
	<b>953,850</b>	772,579

**6. 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 (2023 - \$11,100), to ensure maintenance and replacement of buildings financed by CMHC. At March 31, 2024, \$92,870 has been set aside to fund this reserve (2023 - \$88,004). The reserve was fully funded as at March 31, 2024 (2023 - under-funded).

In accordance with terms of the agreements, CMHC reserve monies 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.

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

**7. Funds held in trust**

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

	2024	2023
<b>Capital Trust</b>		
Balance, beginning and end of year	48,802	48,802
<b>Revenue Trust</b>		
Balance, beginning of year	66,212	62,366
Interest	3,931	3,441
BC Special distribution	416	405
Balance, end of year	70,559	66,212
	119,361	115,014

**8. Investments in Nation business entities**

The First Nation has investments in the following entities:

				2024
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
<b>First Nation Government Business Enterprises</b>				
Cascade Lower Canyon Community Forest LP - 33%	33	-	1,441,443	1,441,476
Smemela:lh Group Management Ltd. - 100%	1	7,733	(1,585)	6,149
Stelmexw Enterprises LP - 99%	999	913,409	738,027	1,652,435
	1,033	921,142	2,177,885	3,100,060
				2023
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
<b>First Nation Government Business Enterprises</b>				
Cascade Lower Canyon Community Forest LP - 33%	33	-	1,394,108	1,394,141
Smemela:lh Group Management Ltd. - 100%	1	5,446	6	5,453
Stelmexw Enterprises LP - 99%	999	849,049	330,363	1,180,411
	1,033	854,495	1,724,477	2,580,005

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

**8. Investments in Nation business entities** *(Continued from previous page)*

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

	<i>Cascade Lower Canyon Community Forest LP As at March 31, 2024</i>	<i>Smemela:lh Group Management Ltd. As at December 31, 2023</i>	<i>Stelmexw Enterprises LP As at December 31, 2023</i>
<b>Assets</b>			
Cash	3,606,470	(10)	1,034,794
Accounts receivable	928,740	-	-
Prepaid expenses and deposits	13,383	-	-
Inventory	246,141	-	-
Investments	-	65	-
Advances to related parties	11,461	-	-
Property, plant and equipment	211,404	-	599,388
<b>Total assets</b>	<b>5,017,599</b>	<b>55</b>	<b>1,634,182</b>
<b>Liabilities</b>			
Accounts payable and accruals	690,112	-	27,722
Advances from related parties	-	1,640	867,380
<b>Total liabilities</b>	<b>690,112</b>	<b>1,640</b>	<b>895,102</b>
<b>Equity (deficit)</b>	<b>4,327,487</b>	<b>(1,585)</b>	<b>739,080</b>
<b>Total revenue</b>	<b>4,577,873</b>	<b>50</b>	<b>566,594</b>
<b>Total expenses</b>	<b>3,910,802</b>	<b>1,640</b>	<b>158,889</b>
<b>Net income (loss)</b>	<b>667,071</b>	<b>(1,590)</b>	<b>407,705</b>

**9. Deferred revenue**

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

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada (Q3XJ)	358,497	-	87,358	271,139
Indigenous Services Canada (Q38M)	52,016	-	-	52,016
Indigenous Services Canada (QA1E)	11,157	59,381	57,394	13,144
Indigenous Services Canada (QA45)	345,400	856,406	4,881	1,196,925
Indigenous Services Canada (QA1V)	-	10,400	-	10,400
Indigenous Services Canada (Q2C/ Q2PP/ Q2CO/ Q2PK)	-	19,283	4,412	14,871
Indigenous Services Canada (Q3Z9)	-	46,288	-	46,288
Indigenous Services Canada (Q3B1)	-	26,906	-	26,906
	<b>767,070</b>	<b>1,018,664</b>	<b>154,045</b>	<b>1,631,689</b>



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

**10. Long-term debt**

	<b>2024</b>	2023
Housing Project II - All Nations Trust Company mortgage, blended monthly payments of \$1,569 at 5.00% per annum, renewal date of September 1, 2023, maturing September 1, 2028.	<b>80,512</b>	96,649
Housing Project III - All Nations Trust Company mortgage, blended monthly payments of \$4,130 at 3.29% per annum, renewal date of September 1, 2027, maturing September 1, 2042.	<b>687,323</b>	713,895
Bank of Montreal, blended monthly payments of \$14,105 at 3.90% per annum, due October 31, 2026.	<b>2,531,451</b>	2,602,902
Bank of Montreal, blended monthly payments of \$10,592 at 2.58% per annum, due October 30, 2045.	<b>2,101,908</b>	2,173,777
Bank of Montreal, blended monthly payments of \$4,858 at 3.68% per annum, due February 28, 2025.	<b>799,847</b>	831,111
Bank of Montreal, blended monthly payments of \$739 at 5.49% per annum due October 15, 2025.	<b>16,911</b>	23,332
	<b>6,217,952</b>	6,441,666

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

2025	224,863
2026	232,900
2027	232,318
2028	240,289
2029	238,756

**11. Contingent liabilities**

The First Nation may be contingently liable in respect of guaranteed housing mortgages which total \$520,780 (2023 - \$625,136).

**12. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2024</b>	2023
Accumulated remeasurement gains	<b>700,480</b>	136,253
Equity in CMHC Replacement Reserve	<b>92,870</b>	88,004
Equity in Nation business entities	<b>3,100,060</b>	2,580,005
Equity in Funds held in trust	<b>119,361</b>	115,014
Equity in Tangible Capital Assets	<b>10,131,315</b>	8,989,357
Operating Surplus	<b>11,827,090</b>	8,745,994
	<b>25,971,176</b>	20,654,627

**13. Economic dependence**

Yale First Nation receives a significant portion of its revenue from various government agreements. The ability of the First Nation to continue operations is dependent upon the continued financial commitments as guaranteed by these agreements.

**14. Segments**

The Nation conducts its business through seven reportable segments, which are differentiated by major activities, accountability and control relationships. The reportable segments and their activities are as follows:

**Administration & Education**

Includes general operations, support, financial management, and revenues and expenses relating to primary, secondary and post secondary education of the members of the Nation.

**Health & Social Development**

Includes activities related to the provision of health services and social programs within the Nation.

**Housing**

Includes activities related to the provision of housing to the members of the Nation.

**Capital Projects & Maintenance**

Includes revenues and expenditures for capital projects and maintenance projects associated with the Nation.

**Special Projects**

Includes activities related to the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, as well as research and advocacy.

**Economic Development & Employment**

Includes activities related to the growth of revenue producing projects with the Nation, along with employment programs for the members of the Nation.

**Other Programs**

Includes activities related to capital assets, replacement reserve, and Ottawa Trust.

**15. Financial Instruments**

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

***Fair Value of Financial Instruments***

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

***Other price risk***

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

**15. Financial Instruments** *(Continued from previous page)*

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The First Nation is exposed to interest rate price risk with respect to fixed rate mortgages included in long-term debt.

The First Nation is exposed to interest rate price risk with respect to its bank accounts bearing a variable rate of interest.

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

	<i>Band Housing and Building</i>	<i>Machinery and Equipment</i>	<i>Roads, Streets and Bridges</i>	<i>Water and Sewer</i>	<i>Land</i>	<i>2024</i>	<i>2023</i>
<b>Cost</b>							
Balance, beginning of year	4,599,360	712,017	610,542	3,778,756	7,323,812	17,024,487	15,464,708
Acquisition of tangible capital assets	425,837	348,093	-	64,105	-	838,035	1,609,192
Construction-in-progress	367,132	-	-	-	-	367,132	-
Disposal of tangible capital assets	-	(36,290)	-	-	-	(36,290)	(49,414)
Balance, end of year	5,392,329	1,023,820	610,542	3,842,861	7,323,812	18,193,364	17,024,486
<b>Accumulated amortization</b>							
Balance, beginning of year	665,936	254,146	99,245	574,137	-	1,593,464	1,374,441
Annual amortization	120,307	81,884	8,201	56,319	-	266,711	223,109
Accumulated amortization on disposals	-	(16,078)	-	-	-	(16,078)	(4,087)
Balance, end of year	786,243	319,952	107,446	630,456	-	1,844,097	1,593,463
<b>Net book value of tangible capital assets</b>	<b>4,606,086</b>	<b>703,868</b>	<b>503,096</b>	<b>3,212,405</b>	<b>7,323,812</b>	<b>16,349,267</b>	<b>15,431,023</b>
2023 Net book value of tangible capital assets	3,933,423	457,872	511,297	3,204,619	7,323,812	15,431,023	

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

	Administration and Education	Health and Social Development	Housing	Capital Projects and Maintenance	Special Projects	Economic Development and Employment	Other	2024
<b>Revenue</b>								
Indigenous Services Canada	\$ 331,009	\$ 437,656	\$ 278,768	\$ 138,572	\$ -	\$ 538,575	\$ -	\$ 1,724,580
Other government	165,208	523,346	51,057	44,999	328,421	817,436	-	1,930,468
Economic activities and other	1,087,436	-	435,965	259,808	125,993	3,444,809	4,346	5,358,357
	1,583,653	\$ 961,003	\$ 765,790	\$ 443,379	\$ 454,414	\$ 4,800,820	\$ 4,346	9,013,405
<b>Expenses</b>								
Amortization	7,240	-	-	-	-	-	259,470	266,711
Operating expenses	352,338	181,308	150,016	153,781	40,142	243,613	-	1,121,198
Salaries, wages and benefits	470,350	255,132	68,354	52,727	56,026	151,148	-	1,053,737
Program and services delivery expenses	162,056	421,043	96,480	216,431	107,244	816,184	-	1,819,439
	991,985	857,483	314,849	422,939	203,413	1,210,945	259,470	4,261,084
<b>Surplus (deficit) before transfers</b>	591,668	103,519	450,941	20,439	251,002	3,589,875	(255,124)	4,752,321
<b>Transfers between programs</b>	(6,421)	109,069	(91,978)	(231,103)	(545,553)	(32,073)	798,061	-
<b>Annual surplus (deficit)</b>	\$ 585,247	\$ 212,588	\$ 358,963	\$ (210,664)	\$ (294,551)	\$ 3,557,801	\$ 542,936	\$ 4,752,321

	Administration and Education	Health and Social Development	Housing	Capital Projects and Maintenance	Special Projects	Economic Development and Employment	Other	2023
<b>Revenue</b>								
Indigenous Services Canada	\$ 560,509	\$ 387,144	\$ 157,331	\$ 253,457	\$ -	\$ 15,000	\$ -	\$ 1,373,441
Other government	63,712	485,046	47,832	-	430,815	530,538	-	1,557,942
Economic activities and other	1,065,934	48,420	179,587	25,962	2,600	3,536,594	3,847	4,862,943
	1,690,154	920,610	384,750	279,419	433,415	4,082,132	3,847	7,794,326
<b>Expenses</b>								
Amortization	7,240	-	-	-	-	-	215,869	223,109
Operating expenses	456,110	162,265	118,667	83,757	17,669	113,941	-	952,408
Salaries, wages and benefits	359,373	296,699	28,800	18,198	-	165,809	-	868,879
Program and services delivery expenses	225,298	518,587	166,046	111,971	92,726	926,007	-	2,040,636
	1,048,021	977,551	313,513	213,926	110,395	1,205,757	215,869	4,085,032
<b>Surplus (deficit) before transfers</b>	642,133	(56,941)	71,237	65,493	323,019	2,876,375	(212,022)	3,709,294
<b>Transfers between programs</b>	23,071	2,554,502	(192,312)	-	(106,341)	(187,142)	(2,091,778)	-
<b>Annual surplus (deficit)</b>	\$ 665,204	\$ 2,497,561	\$ (121,075)	\$ 65,493	\$ 216,678	\$ 2,689,233	\$ (2,303,800)	\$ 3,709,294