

Penticton Indian Band
Consolidated Financial Statements
March 31, 2025

**Penticton Indian Band
Contents**

For the year ended March 31, 2025

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To the Chief and Council of Penticton Indian Band:

Qualified Opinion

We have audited the consolidated financial statements of Penticton Indian Band (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible 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 Band as at March 31, 2025, 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 Qualified Opinion

Effective April 1, 2022, the Band was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of the legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retrospective application method, the asset retirement obligation is to be recorded using the assumptions as of the comparative period opening, restating to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian Public Sector Accounting Standards on; expenses and the annual surplus for the years ended March 31, 2025 and 2024, tangible capital asset balances and the asset retirement obligation liability as at March 31, 2025 and 2024 and the accumulated surplus balance as at March 31, 2025 and 2024.

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 Band 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.

Other Matter

The consolidated financial statements for the year ended March 31, 2024 were audited by another practitioner who expressed a qualified opinion on those statements on July 29, 2024.

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 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 Band'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 Band or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Band'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 Band'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 Band 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Band 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.

Kamloops, British Columbia

July 29, 2025

MNP LLP

Chartered Professional Accountants

Penticton Indian Band
Consolidated Statement of Financial Position
As at March 31, 2025

	2025	2024
Financial assets		
Cash and cash equivalents (Note 5)	19,269,810	11,275,504
Short-term investments (Note 5)	18,335,947	19,907,835
Funds held in trust (Note 7)	316,598	309,095
Accounts receivable (Note 8)	17,058,592	4,229,146
Debt reserve fund (Note 9)	437,102	693,573
Investment in business enterprises (Note 10)	-	9,179,888
Investments in business partnerships (Note 10)	9,067,428	525,056
	64,485,477	46,120,097
Liabilities		
Accounts payable and accruals	3,154,417	2,715,489
Advances from related entities (Note 19)	306,745	384,790
Deferred revenue (Note 11)	20,622,517	3,781,073
Long-term debt (Note 17)	8,557,525	15,005,863
	32,641,204	21,887,215
Net financial assets	31,844,273	24,232,882
Commitments (Note 22)		
Non-financial assets		
Tangible capital assets (Schedule 1)	60,851,998	58,502,300
Prepaid expenses	1,056,379	945,658
Total non-financial assets	61,908,377	59,447,958
Accumulated surplus (Note 12)	93,752,650	83,680,840

Approved on behalf of the Council

<u>e-Signed by Greg Gabriel 2025-07-30 09:57:34 PDT</u>	<u>Chief</u>	<u>e-Signed by Brian Conner 2025-07-29 16:02:20 PDT</u>	<u>Chief Financial Officer</u>
<u>e-Signed by Joseph Pierre 2025-07-30 10:02:31 PDT</u>	<u>Councilor</u>	<u>e-Signed by Sukhvinder Chouhan 2025-07-29 20:36:09 PDT</u>	<u>Finance and Audit Committee Chair</u>

Penticton Indian Band
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2025

	2025 Budget	2025	2024
Revenue			
Indigenous Services Canada	10,311,821	11,265,265	13,145,807
Canada Mortgage and Housing Corporation (Note 18)	192,334	199,611	186,601
Province of BC	3,814,901	5,709,321	7,843,667
First Nations Health Authority	1,453,738	1,972,159	1,940,945
Other revenue (Note 13)	5,390,973	6,837,212	8,292,662
Columbia River Treaty Settlement (Note 14)	2,485,767	4,958,649	-
Drinking Water Settlement (Note 14)	-	3,349,883	521,822
Property taxation (Note 16)	3,531,000	2,486,696	2,174,851
First Nations Education Steering Committee	1,262,219	1,037,764	1,110,005
BC FN Gaming	650,000	538,210	662,786
Okanagan Training & Development Council	107,216	207,635	154,843
	29,199,969	38,562,405	36,033,989
Program expenses			
Capital infrastructure	801,600	2,753,232	2,623,066
Community health	2,077,552	2,040,458	1,843,514
Community wellness	288,984	277,418	289,614
Economic development	641,360	79,658	829,645
Education and employment	5,169,174	5,074,333	4,714,843
General government	7,415,950	3,508,860	5,127,422
Housing	1,003,121	1,223,072	1,036,993
Land, estates, and memberships	437,002	275,242	203,214
Language and culture	420,624	199,654	40,191
Little Paws daycare	1,232,185	1,167,779	1,142,690
Natural resources	2,761,679	2,099,213	2,419,224
Okanagan Nation Family Intervention and Services Society	936,000	783,377	817,149
Own source revenue	377,000	512,068	14,637
Property management	588,297	405,404	-
Property taxation	-	270,058	144,589
Public works	2,275,156	2,801,361	2,034,222
Social development	3,284,238	3,149,099	3,058,460
Specific claims	376,000	245,605	333,201
	30,085,922	26,865,891	26,672,674
Surplus before other items	(885,953)	11,696,514	9,361,315
Other items			
Loss on disposal of capital assets	-	(19,946)	-
Loss on reorganization (Note 3)	-	(938,685)	(120,017)
Net income (loss) from business partnerships (Note 10)	-	(666,073)	1,421,182
	-	(1,624,704)	1,301,165
Annual surplus	(605,953)	10,071,810	10,662,480
Accumulated surplus, beginning of year	83,680,867	83,680,840	73,018,360
Accumulated surplus, end of year	78,985,705	93,752,650	83,680,840

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

Penticton Indian Band
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2025

	2025 Budget	2025	2024
Annual surplus			
Purchases of tangible capital assets	(605,953)	10,071,810	10,662,480
Amortization of tangible capital assets	-	(4,716,944)	(6,245,684)
Loss on sale of tangible capital assets	220,879	2,340,777	2,153,379
Acquisition of prepaid expenses	-	19,946	-
Effect of change in accounting policy	-	(126,862)	-
Use of prepaid expenses <i>(Note 8)</i>	-	22,664	(19,884)
Increase in net financial assets	(385,074)	7,611,391	6,589,743
Net financial assets, beginning of year	23,991,450	24,232,882	17,643,139
Net financial assets, end of year	23,606,376	31,844,273	24,232,882

Penticton Indian Band
Consolidated Statement of Cash Flows
For the year ended March 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts from contributors	41,030,838	34,555,480
Cash paid to suppliers	(11,411,239)	(11,883,503)
Cash paid to employees	(12,246,244)	(10,659,927)
Interest on long-term debt	(469,156)	(772,175)
Interest received	1,543,676	1,642,509
	18,447,875	12,882,384
Financing activities		
Repayment of long-term debt	(6,448,338)	(776,922)
	(6,448,338)	(776,922)
Capital activities		
Purchases of tangible capital assets	(4,716,944)	(6,245,684)
Investing activities		
Purchases of marketable securities	-	(3,838,912)
Redemption of marketable securities	1,571,888	-
Net change in debt reserve fund	256,471	(23,655)
Flows from related entities and reorganization	(1,109,143)	1,247,397
Net change in funds held in trust	(7,503)	(7,360)
	711,713	(2,622,530)
Increase in cash resources	7,994,306	3,237,248
Cash resources, beginning of year	11,275,614	8,038,366
Cash resources, end of year	19,269,920	11,275,614

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

1. Operations

Penticton Indian Band ("the Band") provides services and support to its Band members. Penticton Indian Band is an Indian Band and, as such, is exempt from income tax under section 87 of the Indian Act.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Basis of presentation

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

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Band reporting entity, except for government business entities.

The Band has consolidated the assets, liabilities, revenues and expenses of the following entities which use accounting principles that lend themselves to consolidation:

- Penticton Indian Band
- K'ul Management Group Limited
- Okanagan Nation Family Intervention and Services Society ("ONTEH")
- PIB Utilities Limited Partnership
- K'ul Development Inc.
- Westhill Aggregates GP Inc.
- Coyote Cruises GP Inc.
- Snpink'tn Forestry GP Inc.
- Penticton Indian Band Utilities Corporation

All inter-organization accounts and transactions have been eliminated on consolidation, including outstanding working capital balances and promissory notes.

The Band accounts for investments in government business enterprises ("GBE's") and government business partnerships ("GBP's") using the modified equity method basis of accounting. It includes the cost of the Band's investment in the entities, plus the undistributed proportionate share of earnings. Under this method, interorganizational balances are not eliminated.

The following entities have been accounted for on the modified equity basis:

- Skaha Hills Residential Development Limited Partnership
- Westhill Aggregates Limited Liability Partnership
- Coyote Cruises Limited Partnership
- Snpink'tn Forestry Limited Partnership
- Skaha Hills Limited Partnership
- Snpink'tn Developments Limited Partnership

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

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

Reporting entity *(Continued from previous page)*

Any gains or losses identified on reorganization, including prior year balances as a result of changes in the basis of accounting, have been taken through Other income/expenses in the Statement of Operations.

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 provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets and prepaid expenses.

Cash and cash equivalents

Cash and cash equivalent consist of cash on hand, bank balances and investments in money market instruments with maturities of three months or less. Cash and cash equivalents on the consolidated statement of cash flows is represented by cash and short term investments as disclosed on the consolidated statement of financial position.

Short-term investments

Marketable securities 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. Marketable securities consist entirely of Guaranteed Investments Certificates ("GIC's") and mutual funds.

Defined contribution plan

The Band has a defined contribution pension plan for all full-time employees. The Band's pension costs are charged to operations as contributions are due. Contributions are a defined amount based upon a set percentage of salary.

Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Revenue received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the consolidated statement of financial position.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes are recognized net of an allowance for anticipated uncollectible amounts.

Taxation arrears and interest revenue are recognized at the time of issuing overture property tax notices to the rate payers for the fiscal year based on the time overdue.

Rental revenue is recognized when the services are provided to tenants, and collection is reasonably assured. When rental payments are received in advance of contracts services, the Band records this as deferred revenue.

Interest income on loans receivable and on GIC's are recorded as revenue when received by the Band.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

All other revenues are recognized in the period in which the transactions or events occurred that give rise to the revenues, the amounts can be reasonably estimated and collection is reasonable assured.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

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

Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Assessing the valuation of accounts receivable and calculating the amortization of the tangible capital assets are the primary estimates evaluated by management on an ongoing basis.

Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts directly attributable to acquisition, construction, development, or betterment of the asset. Contributed tangible capital 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 Band'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 Band 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 straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

Automotive equipment	5 to 15 years
Buildings	20 to 50 years
Electrical	40 years
Equipment	2 to 10 years
Infrastructure	15 to 60 years
Land improvements	15 to 20 years
Roads	10 to 40 years
Social housing	Agreement term
Water, sewage and drainage	20 to 60 years

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each financial statement date and changed to the financial instrument for those measured at amortized cost.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Band may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Band has not made such an election during the year.

The Band subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or 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. 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 less impairment. With the exception of financial liabilities indexed to a measure of the Band's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

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

Financial instruments *(Continued from previous page)*

Transaction costs and financing fees 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 and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Related party financial instruments

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Band may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Band subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or 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. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in annual surplus.

Segmented Information

Penticton Indian Band is a Band that provides a wide range of services to its members including social, education, health, housing, public works and economic activities. For management reporting purposes, the Band's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations. Services are provided by programs and their activities are reported in these funds. Certain programs have been separately disclosed in the segmented information, along with the services they provide, and are detailed in the Schedule of Segmented Information.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

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

Segmented Information *(Continued from previous page)*

Capital infrastructure

The Capital infrastructure program is responsible for infrastructure development and improvement within the community. It involves planning, funding, and executing projects aimed at enhancing essential services and facilities for Band members.

Community health

The Band provides health programs and services under an agreement with First Nation Health Authority, and the Province of British Columbia.

Community wellness

Community wellness includes a variety of programs designed to support health and wellness for community Members. This includes nutrition, food security, mental health support, combatting addiction and strengthening identity through cultural and language revival.

Economic development

The Economic development program provides planning and capacity development initiatives under agreements with the Province of British Columbia.

Education and employment

The Education program provides services to eligible Indigenous students enrolled in elementary/secondary education programs and eligible post-secondary education programs, as well providing services to eligible Band members seeking employment.

General Government Services

The General Government services program provides administration support to other Band operated programs and services.

Housing

The Housing program provides on-reserve housing to eligible members under the CMHC housing programs for Indigenous organizations.

Land, estates and memberships

The Land, estates and memberships program negotiates and implements land claim and self-government agreements on behalf of the Band.

Language and culture

Language and culture has been established to restore and revive the traditional language and cultural practices of the Sylix Okanagan people. This is done through teaching, translation, supporting cultural events, encouraging traditional practices and other activities.

Little Paws daycare

The Little Paws daycare program provides on-reserve daycare services and is a provincially subsidized daycare site.

Natural resources

The Natural resources program is responsible for the management and stewardship of the natural resources within the Band's traditional territory. This program is aimed at ensuring the sustainable use of resources, protecting the environment, and promoting economic opportunities for the community.

Okanagan Nation Family Intervention and Services Society ("ONTEH")

The ONTEH program is a Band-run organization that operates a transition house.

Own source revenue

The Own source revenue ("OSR") funds are the reserve from the General Government services program to fund other programs in the future.

Property management

Property management has been established to provide dedicated management and oversight of the PIB government buildings such as Health, Community Hall, Firehall, NR Building, Daycare administration offices and others, with the

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

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

Segmented Information *(Continued from previous page)*

exception of Outma School. This has been done so that the buildings are properly and consistently maintained while the program Managers do not have to dealt with building management issues.

Property taxation

The Property Taxation program collects and reports the taxes owed for on-reserve housing owned by non-Band individuals and business.

Public works

The Public Works program is responsible for the construction and maintenance of public spaces within the community and includes the Penticton Indian Band Utilities Limited Partnership ("PIBULP").

Social development

The Social Development program provide the financial benefits and services to individuals and families, resident on reserve, who are in need.

Specific claims

Specific claims tracks ongoing negotiations between the Band and the Crown Indigenous Relations and Northern Affairs Canada ("CIRNAC") regarding 2 significant specific land claims, the Nicola Prairie IR3 specific claim and the South Okanagan Commonage Claim. Ongoing costs are paid by the Band and funded by the proceeds of loans from CIRNAC.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

3. Reorganization

During the year, the Band undertook a reorganization of its investment holdings. As a result of this reorganization, the basis of accounting for certain controlled entities was changed to better reflect the nature of the Band's oversight and control. These changes have been accounted for in accordance with Public Sector Accounting Standards.

In the 2024 financial year, the consolidated statements consisted of the following organizations;

- Penticton Indian Band
- Penticton Indian Band Utilities Limited Partnership
- Okanagan Nation Family Invervention and Services Society.

In the 2024 financial year, the Band held a 100% interest in a government business enterprise, K'ul Management Group Ltd., which in turn held controlling interests in the following entities;

- K'ul Management Group Limited Partnership
- K'ul Development Inc.
- Skaha Hills Residential Development Limited Partnership
- Westhill Aggregates GP Inc.
- Westhill Aggregates Limited Liability Partnership
- Coyote Cruises GP Inc.
- Coyote Cruises Limited Partnership
- Snpink'tn Forestry GP Inc.
- Snpink'tn Forestry Limited Partnership
- K'ul Construction Inc.
- K'ul Construction Limited Partnership.

The following entities were dissolved on December 31, 2024 as part of the reorganization:

- K'ul Management Group Limited Partnership
- K'ul Construction Inc.
- K'ul Construction Limited Partnership

4. Economic dependence

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

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

5. Cash and short-term investments

Cash and short-term investments are comprised of the following:

	2025	2024
Cash	19,269,810	11,275,504
BC First Nation Gaming	110	110
GIC's	8,249,898	10,327,533
Mutual funds	10,085,939	9,580,192
	37,605,757	31,183,339

GIC's are one-year in duration, at rates varying from 2.00% to 5.48% per annum, maturing between April 2025 and May 2026.

6. Restricted funds

The Band designates and tracks separately the following funds and reserves in accordance with internal management policies. These funds are designated to assist with fund management and to comply with legislation.

	2025	2024
Externally restricted funds		
Ottawa trust funds	10,949	8,200
Social housing replacement reserve	549,582	528,233
Social housing operating reserve	1,036,018	995,693
	1,596,549	1,532,126
Internally restricted		
Band capital trust OSR funds	2,570,372	2,464,387
Band revenue trust OSR funds	4,274,068	4,001,237
Capital fund	1,339,672	1,286,603
Contingency fund	316,228	304,039
	8,500,340	8,056,266

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

6. Restricted funds *(Continued from previous page)*

In 2004, the Band removed their funds from the Ottawa trust funds and have set up a separate trust fund account administered by the Band Council. The amount remaining in this fund represents the interest earned in the fiscal year that transfers to the Band on April 1 of each year.

The Band holds Revenue and Capital Trusts which are funds retained from Band OSR for investment.

OSR funds received from recurring sources such as government business profits, rents, and local casino agreement are allocated to the Revenue Trust investment account. These funds may be authorized by Council, to provide services or benefits to members which would not otherwise be provided by government transfers.

OSR funds received from items such as long-term land leases, specific claims and resource extraction royalties are allocated to the Capital Trust investment account, and may be used, once authorized by Council, for capital and infrastructure projects.

The capital funds is designed to be used as designated by Chief and Council from time to time for extraordinary capital capital expenditures which benefit or service rate payers. The capital fund is currently fully funded.

The contingency fund is designed to be used as designated to hold any surplus monies remaining in the taxation fund at the end of the fiscal year as specified in the Expenditure By-law Annual Budget Schedule, and may be applied towards the operation and administration costs for the next fiscal year. The contingency fund is currently fully funded.

The Band's mutual funds are all considered to be Level 1 financial instruments for which the fair value is determined based on quoted prices in active markets. Change in fair valuation methods or in the availability of market observable inputs may result in a transfer between levels. During the year there were no transfers of securities between different levels.

7. Funds held in trust

Funds were held for Penticton Indian Band as follows:

	2025	2024
Cedar Law Corporation, Barristers and Solicitors	316,598	309,095

Peace Hills Trust (Minors Trust) holds \$77,433 (2024 - \$77,433) on deposit in a Minors Trust fund for minor Band members. The Minors Trust amount is not included in these consolidated financial statements.

8. Accounts receivable

	2025	2024
Government funding receivable	14,304,018	22,678
Trade receivables	2,907,304	3,806,230
Rent receivable	491,258	569,994
Property taxes	182,359	875,525
CMHC subsidy assistance receivable	16,646	14,898
	17,901,585	5,289,325
Less: Allowance for doubtful accounts	842,993	1,060,179
	17,058,592	4,229,146

Government funding receivable consists of balances due from ISC which were substantively collected in April 2025.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

9. Debt reserve fund

The Penticton Indian Band has the option to issue its long-term debt through the First Nation Finance Authority ("FNFA"). As a condition of borrowing, 5% of the gross debenture proceeds are withheld by the FNFA as a debt reserve fund. The debt reserve fund is invested by the FNFA and interest earned and expenses incurred are reported annually to the Council. If at any time the FNFA does not have sufficient fund contributions due on its obligations, the payments will be made from the debt reserve fund. Details of cash deposits held in the debt reserve fund are as follows:

	2025	2024
Debt Reserve Fund - Cash Deposit	437,102	693,573

10. Investments in business partnerships and business enterprises

The Band holds investments in the following entities:

	2025	<i>Total investment</i>
Business Partnerships – Modified Equity:		
Westhills Aggregates Limited Partnership (WALP) - 100%	7,044,320	
Sn'Pink'Tn Forestry Limited Partnership (SFLP) - 100%	1,311,522	
Snpink'tn Developments Limited Partnership (SDLP) - 25%	438,195	
Skaha Hills Limited Partnership (SHLP) - 20%	264,745	
Coyote Cruises Limited Partnership (CCLP) - 100%	236,994	
Skaha Hills Residential Developments Limited Partnership (SHRDLP) - 100%	(228,348)	
	<hr/>	9,067,428

	2024	<i>Total investment</i>
Business Enterprise - Modified Equity:		
K'u Management Group Ltd. - 100%	9,179,888	
Business Partnerships – Modified Equity:		
Skaha Hills LP - 20%	330,762	
Snpink'tn Developments LP - 25%	194,327	
	<hr/>	525,089
	<hr/>	9,704,977

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Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

10. Investments in business partnerships and business enterprises *(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>SHLP</i> <i>As at March 31, 2025</i>	<i>SDLP</i> <i>As at March 31, 2025</i>	<i>SHRDLP</i> <i>As at March 31, 2025</i>	<i>WALP</i> <i>As at March 31, 2025</i>	<i>CCLP</i> <i>As at March 31, 2025</i>	<i>SFLP</i> <i>As at March 31, 2025</i>	<i>2025</i>	<i>2024</i>
Assets								
Current	115,175	14,163,645	38,884	3,909,907	183,449	1,249,043	33,938,923	5,155,759
Non-current	1,216,000	-	1,077,675	4,270,552	64,000	937,126	8,781,353	6,464,820
Total assets	1,331,175	14,163,645	1,116,559	8,180,459	247,449	2,186,169	42,720,276	11,620,579
Liabilities								
Current	7,300	2,805,558	25,703	737,486	7,785	422,150	6,818,840	1,734,073
Non-current	-	9,605,186	1,319,227	398,279	-	451,183	21,379,061	706,618
Total liabilities	7,300	12,410,744	1,344,930	1,135,765	7,785	873,333	28,197,901	2,440,691
Partners' capital (deficit)								
	1,323,875	1,752,901	(228,371)	7,044,694	239,664	1,399,551	13,285,215	9,179,888
	1,331,175	14,163,645	1,116,559	8,180,459	247,449	2,272,884	41,483,116	11,620,579
Total revenue	312,707	7,816,172	6,867	7,659,033	93,163	1,195,418	24,899,532	10,014,626
Total expenses	342,792	6,840,604	235,238	8,026,418	9,254	1,499,127	23,794,037	8,777,566
	(30,085)	975,568	(228,371)	(367,385)	83,909	(303,709)	1,105,495	1,237,060

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

11. Deferred revenue

Deferred revenue consists of contributions other than government transfers and transfers from the federal, provincial and local governments that include repayment stipulations that are for specific projects or programs for which the expenditures have not yet been incurred.

	<i>Balance, beginning of year</i>	<i>Contributions</i>	<i>Revenue Recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	1,727,214	16,679,258	393,654	18,012,818
Province of BC	1,623,448	643,438	774,523	1,492,363
Other	423,412	732,120	378,661	776,871
First Nations Education Steering Committee	6,999	340,465	6,999	340,465
	3,781,073	18,395,281	1,553,837	20,622,517

12. Accumulated surplus

Accumulated surplus consists of the following:

	<i>2025</i>	<i>2024</i>
Investment in tangible capital assets	52,294,473	43,496,437
Restricted cash	8,500,340	8,056,266
Investments in business entities	9,067,428	9,704,944
Debt reserve fund	437,102	693,573
Funds held in trust	316,598	309,095
	70,615,941	62,260,315
Unexpended funding available for operations	23,136,709	21,420,525
	93,752,650	83,680,840

13. Other revenue

	<i>2025</i>	<i>2024</i>
Other contracts and miscellaneous	4,360,499	5,910,702
Interest and investment income	1,543,673	1,669,795
Rental income	466,520	463,980
Royalties	466,520	248,185
	6,837,212	8,292,662

14. Columbia river treaty and drinking water settlements

The Band received \$8,308,532 (2024 - \$521,822) as a result of settlements. These funds are unrestricted and determination of their use has yet to be made by Chief and Council.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

15. Property tax collected for other governments

The Band collects taxation revenue on behalf of other entities for government services as follows:

	2025	2024
Fire protection	427,847	383,049
Hospital	129,313	117,856
Sewer	61,973	30,986
Regional District Okanagan-Similkameen	59,099	46,290
Library	33,495	32,505
BC Assessment Authority	27,288	26,443
	<hr/>	<hr/>
	739,015	637,129

16. Property taxes

	2025	2024
Gross property taxation revenue	3,768,548	3,415,057
Less: Homeowner grants	(542,837)	(603,077)
Less: Collections on behalf of other governments (Note 12)	(739,015)	(637,129)
	<hr/>	<hr/>
	2,486,696	2,174,851

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

17. Long-term debt

	2025	2024
First Nations Finance Authority demand loan, repayable at \$39,113 monthly, including interest at prime + 0.50% per annum, maturing February 2047, secured by Debt Reserve Fund (Note 9)	6,335,907	6,672,535
CMHC mortgage repayable at \$9,152 monthly, including interest at 4.49% per annum, renewing October 2028	1,118,035	1,176,806
CMHC mortgage repayable at \$3,809 monthly, including interest at 4.02% per annum, renewing March 2029	608,236	629,290
CMHC mortgage repayable at \$2,207 monthly, including interest at 0.70% per annum, renewing September 2025	268,050	292,573
CMHC mortgage repayable at \$2,634 monthly, including interest at 3.04% per annum, renewing June 2027	95,357	123,631
CMHC mortgage repayable at \$1,230 monthly, including interest at 1.57% per annum, renewing December 2026	94,489	107,662
CMHC mortgage, repayable at \$1,403 monthly, including interest at 1.69% per annum, maturing June 2026	20,913	37,136
CMHC mortgage repayable at \$2,368 monthly, including interest at 0.68% per annum, renewing October 2025	16,538	44,739
First Nations Finance Authority demand loan repaid during the year	-	3,683,529
Bank of Montreal term loan repaid during the year	-	2,237,962
	8,557,525	15,005,863

All Social Housing mortgages are secured by a ministerial guarantee from ISC, and facilitated by All Nations Trust Company.

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

2026	731,462
2027	701,501
2028	697,756
2029	666,654
2030	666,141
<u>Thereafter</u>	<u>5,094,011</u>
	8,557,525

Interest on long-term debt amounted to \$469,156 (2024 - \$772,175).

Prime rate as at March 31, 2025 was 4.95% (2024 - 7.20%).

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

18. Federal assistance payments - CMHC

The Social Housing Fund receives federal assistance through CMHC to reduce mortgage interest expense to 2% to enable the project to provide housing to low income individuals. The amount of the assistance received for the year ended March 31, 2025 was \$199,611 (2024 - \$186,601), and this amount is included in CMHC revenue on the consolidated statement of operations.

19. Related party transactions

Amounts due to/from related Band entities are as follows:

	2025	2024
Due to:		
K'ul Management Group Ltd.	-	384,790
Skaha Hills Residential Developments LLP	93,703	-
Westhills Aggregates LP	6,390	-
Coyote Cruises LP	17,000	-
Snpink'tn Forestry LP	118,784	-
	235,877	384,790

During the year, transactions with related parties which the Band owns and controls, that are not disclosed separately in these consolidated financial statements are as follows:

- (a) Royalties received from Westhills Aggregates LP of \$160,777 (2024 - \$248,184);
- (b) Fees paid for services to Westhills Aggregates LP of \$682,301 (2024 - \$265,654);
- (c) Purchase of Land from Skaha Hills Residential Developments LP of \$nil (2024 - \$316,549)
- (d) Loss on debt forgiveness of Skaha Hills Residential Developments LP of \$nil (2024 - \$490,066);
- (e) Loss on reorganization of the K'ul Management Group Limited Partnership investments of \$938,685 (2024 - \$120,017).

These transactions are measured at the exchange value, which is the amount of consideration established and agreed to be the related parties.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

20. Financial Instruments

The Band is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives. The Chief and Council ensures that the Band has identified its major risks and ensures that management monitors and mitigates these risks.

Market and interest rate risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the Band's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on investments. The investment balance comprises of GIC's, mutual funds and funds held in trust. The GIC's, mutual funds and funds held in trust are deemed to be low risk and are not subject to significant changes in market prices or interest rates.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. It is management's opinion that the Band is not exposed to significant interest rate risk arising from its financial instruments.

There have not been any changes from the prior year in the Band's exposure to market or interest rate risks or the policies, procedures and methods it uses to manage and measure these risks.

Liquidity Risk

Liquidity risk is the risk that the Band will not be able to meet its financial obligations as they become due.

The Band manages this risk by monitoring cash activities and expected outflows through budgeting and forecasting cash flows from operations and anticipated investing and capital activities. It is management's opinion that the Band is not exposed to significant liquidity risk arising from its financial instruments.

There have not been any changes from the prior year in the Band's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Band is exposed to credit risk from its operating activities, which are primarily accounts receivable, and its investing activities, which includes deposits with financial institutions. Accounts receivable includes grant receivables from the Federal and Provincial Government.

The credit risk on accounts receivables is mitigated by the agreement approval and monitoring processes. A majority of the accounts receivable balances are compliant with signed funding agreements and signed general agreements for recovery work. The Band undergoes continuous monitoring of amounts that are not collectible or realizable and accounts for a specific bad debt provision when management considers that the expected recovery is less than the amount receivable. The Band considers all accounts receivable that are past due to be impaired, with the exception of funding from federal or provincial agreements. See Note 8 for further details.

The Band has deposited cash and investments held with reputable financial institutions. Management believes the risk of loss is unlikely, however the balance to exceed insured amounts. See Note 5 for further detail.

21. Budget

The disclosed budget information was approved by the Chief and Council of Penticton Indian Band on March 26, 2024.

Penticton Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

22. Loan guarantees

Westhills Aggregates Limited Partnership has an available credit facility that the Band has guaranteed. The maximum amount of the facility is \$2,985,000 (2024 - \$2,985,000). In addition to the corporate guarantees, the facilities are secured by a general security agreement with first ranking over all personal property of Westhills Aggregates Limited Partnership. There are no financial covenants. As at March 31, 2025 the balance owing on debt was \$451,297 (2024 - \$896,430).

Skaha Hills Limited Partnership has an available credit facility for an amount up to \$8,750,000 (2024 - \$8,750,000). The Band has guaranteed up to \$1,750,000 (2024 - \$1,750,000) of this amount. In addition to Penticton Indian Band's corporate guarantee, the facility is also secured by a mortgage, an assignment of rents on the property under development, general security agreements by Penticton Indian Band and Brenlar Investments Ltd. and Greyback Development Ltd. As at March 31, 2025 this facility was not drawn upon.

Snpink'tn Forestry Limited Partnership has an available credit facility that the Band has guaranteed. The maximum amount of the facility is \$1,050,000 (2024 - \$1,050,000). In addition to the corporate guarantees, the facilities are secured by a general security agreement with first ranking over all personal property of Snpink'tn Forestry Limited Partnership. There are no financial covenants. As at March 31, 2025 this facility was not drawn upon.

ISC has provided ministerial loan guarantees to various financial institutions for certain loans to the Band and individual Band members. The Band is contingently liable for these loans and has provided repayment agreements to ISC in the event of default.

23. Pension plan

The Band and certain of its employees contribute to the Penticton Indian Band Pension Plan (the "Plan"). The Plan is a defined contribution plan. Capri Insurance administers the Plan through Great West Life, including the payment of pension benefits on behalf of the employer and employees in accordance with the federal legislation.

During the year, the Band paid \$301,798 (2024 - \$248,587) to the Plan on behalf of its employees.

24. Comparative figures

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

Penticton Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2025

	<i>Automotive Equipment</i>	<i>Buildings</i>	<i>Equipment</i>	<i>Land & land Improvements</i>	<i>Roads</i>	<i>Water, Sewer, & Drainage</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	2,436,610	19,251,419	3,203,926	3,264,701	14,536,023	26,248,296	68,940,975
Acquisition of tangible capital assets	117,296	250,936	531,676	84,184	-	27,472	1,011,564
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	(159,946)	-	(53,900)	-	-	-	(213,846)
Transfer of tangible capital assets	-	5,697,263	125,000	-	-	-	5,822,263
Balance, end of year	2,393,960	25,199,618	3,806,702	3,348,885	14,536,023	26,275,768	75,560,956
Accumulated amortization							
Balance, beginning of year	1,513,090	9,901,960	2,480,462	1,178,469	5,299,817	5,646,218	26,020,016
Annual amortization	229,035	751,237	292,573	28,349	312,507	529,709	2,143,410
Accumulated amortization on disposals	(156,841)	-	(30,536)	-	-	-	(187,377)
Balance, end of year	1,585,284	10,653,197	2,742,499	1,206,818	5,612,324	6,175,927	27,976,049
Net book value of tangible capital assets	808,676	14,546,421	1,064,203	2,142,067	8,923,699	20,099,841	47,584,907
2024 Net book value of tangible capital assets	923,520	9,349,458	723,465	2,086,232	9,236,206	20,602,078	42,922,983

Penticton Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2025

	<i>Subtotal</i>	<i>Electrical</i>	<i>Work in progress</i>	<i>Social Housing</i>	<i>2025</i>	<i>2024</i>
Cost						
Balance, beginning of year	68,940,975	285,917	11,748,976	6,219,270	87,195,138	81,007,745
Acquisition of tangible capital assets	1,011,564	-	-	-	1,011,564	6,245,684
Construction-in-progress	-	-	3,705,380	-	3,705,380	-
Disposal of tangible capital assets	(213,846)	-	-	-	(213,846)	(58,291)
Transfer of tangible capital assets	5,822,263	-	(5,822,263)	-	-	-
Balance, end of year	75,560,956	285,917	9,632,093	6,219,270	91,698,236	87,195,138
Accumulated amortization						
Balance, beginning of year	26,020,016	70,975	-	2,601,846	28,692,837	26,597,752
Annual amortization	2,143,410	7,148	-	190,220	2,340,778	2,153,377
Accumulated amortization on disposals	(187,377)	-	-	-	(187,377)	(58,291)
Balance, end of year	27,976,049	78,123	-	2,792,066	30,846,238	28,692,838
Net book value of tangible capital assets	47,584,907	207,794	9,632,093	3,427,204	60,851,998	58,502,300
2024 Net book value of tangible capital assets	42,922,983	214,942	11,748,976	3,617,424	58,502,301	

Penticton Indian Band
Schedule 2 - Segmented Information
For the year ended March 31, 2025

	Own Source Revenue	General Government	Property Taxation	Social Development	Education & Employment	Community Health	Little Paws Daycare	Housing	Capital Infrastructure	Public Works
Revenue										
Indigenous Services Canada	-	1,354,394	-	3,140,939	3,537,684	-	-	601,209	1,143,569	490,910
First Nations Health Authority	-	-	-	-	-	1,967,159	-	-	-	5,000
Okanagan Training & Development Council	-	70	-	-	176,531	-	21,932	-	-	9,102
Province of BC	1,864,264	63,774	-	66,467	124,938	165,088	750,934	-	2,092,224	45,553
Drinking Water Settlement	-	-	-	-	-	-	-	-	-	-
Columbia River Treaty Settlement	-	-	-	-	-	-	-	-	-	-
Non-profit on-reserve housing	-	-	-	-	-	-	-	40,231	-	-
Housing charges and rental	6,588	-	-	-	25,258	50,430	-	167,850	-	52,440
Interest and investment income	381,227	616,174	162,877	122,458	5,333	-	57,660	75,130	-	-
Other contracts and miscellaneous	311,346	178,272	46,091	913	180,137	289,256	279,510	46,788	310	736,528
Royalties	160,777	-	-	-	-	-	-	-	-	-
Property taxation	-	-	2,486,696	-	-	-	-	-	-	-
BC FN Gaming	-	538,210	-	-	-	-	-	-	-	-
First Nations Education Steering Committee	-	24,916	-	-	799,254	-	213,594	-	-	-
	2,724,203	2,775,811	2,695,664	3,330,777	4,849,135	2,471,933	1,323,630	931,208	3,236,103	1,339,533
Expenses										
Advertising and promotion	-	8,574	-	-	-	-	-	-	-	1,280
Amortization of tangible capital assets	-	-	8,830	-	-	-	39,547	56,476	2,061,627	-
Automotive	-	265	-	-	26,334	13,791	7,212	-	-	70,992
Bad debts	-	75,286	1,186	-	-	-	7,145	(27,830)	-	23,355
Bank charges and interest	18,879	16,498	26,452	3,771	-	-	1,444	6,940	-	5,931
Community outreach	-	-	-	-	-	-	-	-	-	-
Contracted services	-	251,043	829	226,686	266,353	118,448	70,231	184,872	63,202	776,479
Direct social assistance	-	-	-	1,469,883	-	-	-	-	-	-
Honoraria	-	281,230	-	355	36,548	11,155	-	3,311	-	57,428
Insurance	-	50,457	-	-	26,792	2,129	10,638	206,038	1,790	134,001
Interest on long-term debt	-	356,969	-	-	-	-	-	3,468	-	-
Lease payments	-	16,394	2,658	1,617	25,208	10,374	28,260	2,978	41	3,985
Office	-	(11,447)	28,424	774	3,371	8,995	5,478	5,709	11,850	3,474
Office supplies	493,189	199,801	-	248,990	182,819	136,618	77,583	10,184	13,979	175,178
Professional fees	-	292,753	12,618	122	473	26,762	184	4,482	239,683	55,734
Rent	-	12,848	9,600	24,253	10,800	6,168	-	-	-	1,470
Repairs and maintenance	-	699	-	-	99,972	133,972	13,180	400,210	110	230,891
Salaries and benefits	-	1,762,083	172,412	995,163	3,292,187	1,167,130	866,321	351,999	338,977	1,119,441
Student allowances and tuition	-	-	-	-	856,241	-	-	-	-	904
Supplies	-	-	-	-	47,381	-	-	-	-	9,021
Telephone	-	47,300	1,019	15,817	15,910	45,914	2,798	2,460	1,980	10,601
Workshops, seminars and training	-	95,847	-	128,140	78,002	201,494	11,618	3,280	1,943	15,628
Travel and meetings	-	42,922	3,221	31,375	62,069	124,085	15,840	4,469	5,871	3,836
Utilities	-	9,338	2,809	2,153	43,873	33,423	10,300	4,026	12,179	101,732
	512,068	3,508,860	270,058	3,149,099	5,074,333	2,040,458	1,167,779	1,223,072	2,753,232	2,801,361
Surplus (deficit) before transfers	2,212,135	(733,049)	2,425,606	181,678	(225,198)	431,475	155,851	(291,864)	482,871	(1,461,828)
Transfers between programs	1,324,051	(186,154)	2,153,889	10,762	(107,000)	(91,651)	208,594	(325,053)	(1,434,521)	(1,289,950)
Gain (loss) on business operations	-	-	-	-	-	-	-	-	-	-
Annual surplus (deficit)	888,084	(546,895)	271,717	170,916	(118,198)	523,126	(52,743)	33,189	1,917,392	(171,878)

Penticton Indian Band
Schedule 2 - Segmented Information
For the year ended March 31, 2025

	Natural Resources	Land, Estates & Memberships	Intergovernmental Settlements	Specific Claims	Community Wellness	Language & Culture	Economic Development	ONTEH	Property Management	2025
Revenue										
Indigenous Services Canada	-	127,677	-	-	-	-	50,252	818,631	-	11,265,265
First Nations Health Authority	-	-	-	-	-	-	-	-	-	1,972,159
Okanagan Training & Development Council	-	-	-	-	-	-	-	-	-	207,635
Province of BC	536,079	-	-	-	-	-	-	-	-	5,709,321
Drinking Water Settlement	-	-	3,349,883	-	-	-	-	-	-	3,349,883
Columbia River Treaty Settlement	-	-	4,958,649	-	-	-	-	-	-	4,958,649
Non-profit on-reserve housing	-	-	-	-	-	-	-	-	159,380	199,611
Housing charges and rental	-	-	-	-	-	-	-	1,841	162,113	466,520
Interest and investment income	-	31,001	95,641	-	-	-	(38,723)	34,894	-	1,543,672
Other contracts and miscellaneous	2,252,088	50,024	-	-	10,804	114,975	-	169,201	-	4,666,243
Royalties	-	-	-	-	-	-	-	-	-	160,777
Property taxation	-	-	-	-	-	-	-	-	-	2,486,696
BC FN Gaming	-	-	-	-	-	-	-	-	-	538,210
First Nations Education Steering Committee	-	-	-	-	-	-	-	-	-	1,037,764
	2,788,167	208,702	8,404,173	-	10,804	114,975	11,529	1,024,567	321,493	38,562,405
Expenses										
Advertising and promotion	-	-	-	-	-	-	-	-	-	9,854
Amortization of tangible capital assets	-	-	-	-	-	-	-	40,554	133,744	2,340,778
Automotive	59,822	-	-	-	-	-	-	6,974	-	185,390
Bad debts	-	-	-	-	-	-	-	-	-	79,142
Bank charges and interest	-	-	-	-	-	-	240	2,540	-	82,695
Community outreach	-	-	-	-	-	-	-	55,309	-	55,309
Contracted services	239,591	8,907	-	36,271	512	28,060	38	29,931	10,704	2,312,157
Direct social assistance	-	-	-	-	-	-	-	-	-	1,469,883
Honoraria	50,729	-	-	11,600	1,774	1,200	-	15,511	-	470,841
Insurance	14,412	-	-	-	-	-	-	14,546	63,530	524,333
Interest on long-term debt	-	-	-	-	-	-	28,972	-	79,747	469,156
Lease payments	5,166	3,638	-	-	-	-	-	2,275	-	102,594
Office	8,507	6,666	-	-	-	-	-	6,436	-	78,237
Office supplies	88,152	2,859	-	-	26,019	4,070	-	20,896	24,376	1,704,713
Professional fees	243,918	37,003	-	197,484	-	-	50,408	25,592	11,206	1,198,422
Rent	1,309	400	-	-	7,200	3,926	-	-	-	542
Repairs and maintenance	20,703	-	-	-	-	-	-	14,838	68,798	983,373
Salaries and benefits	1,263,385	203,458	-	-	210,514	109,800	-	533,783	8,359	12,395,012
Student allowances and tuition	-	-	-	-	-	-	-	-	-	857,145
Supplies	-	-	-	-	-	-	-	(9,058)	-	47,344
Telephone	3,604	1,888	-	-	978	720	-	7,566	60	158,615
Workshops, seminars and training	10,805	13,240	-	-	22,247	985	-	4,526	1,408	589,163
Travel and meetings	88,041	(2,817)	-	250	8,174	50,893	-	5,682	209	444,120
Utilities	1,069	-	-	-	-	-	-	5,476	2,721	229,099
	2,099,213	275,242	-	245,605	277,418	199,654	79,658	783,377	405,404	26,865,891
Surplus (deficit) before transfers	688,954	(66,540)	8,404,173	(245,605)	(266,614)	(84,679)	(68,129)	241,190	(83,911)	11,696,514
Transfers between programs	276,390	(68,822)			(256,617)	(84,679)	(94,578)		(34,661)	
Gain (loss) on business operations							(1,624,704)			(1,624,704)
Annual surplus (deficit)	412,564	2,282	8,404,173	(245,605)	(9,997)		(1,787,411)	241,190	(49,250)	10,071,810

Penticton Indian Band
Schedule 2 - Segmented Information
For the year ended March 31, 2024

	Own Source Revenue	General Government Services	Property Taxation	Social Development	Education and Employment	Community Health	Little Paws Daycare	Housing	Capital Infrastructure	Public Works and Utilities
Revenue										
Indigenous Services Canada	-	2,332,531	-	3,892,370	3,076,175	-	82,000	123,164	1,652,189	681,741
First Nations Health Authority	-	-	-	-	-	1,940,945	-	-	-	-
Okanagan Training & Development Council	-	8,294	-	-	135,583	-	10,966	-	-	-
Province of BC	1,788,690	271,355	-	39,557	346,060	151,239	873,209	-	3,536,811	45,500
Drinking Water Settlement	-	-	-	-	-	-	-	-	-	-
Non-profit on-reserve housing	-	-	-	-	-	-	-	186,601	-	-
Housing charges and rental	1,250	-	-	-	17,588	46,228	-	332,950	-	65,965
Interest and investment income	316,444	720,798	144,531	147,955	5,663	-	46,387	87,464	-	-
Other contracts and miscellaneous	562,801	246,119	116,147	6,610	222,947	482,758	688,120	(3,572)	40,000	642,577
Royalties	248,184	-	-	-	-	-	-	-	-	-
Property taxation	-	-	2,174,851	-	-	-	-	-	-	-
BCFN Gaming	-	662,786	-	-	-	-	-	-	-	-
First Nations Education Steering Committee	-	-	-	1,110,005	-	-	-	-	-	-
	2,917,369	4,241,883	2,435,529	4,086,492	4,914,021	2,621,170	1,700,682	726,607	5,229,000	1,435,783
Expenses										
Amortization	-	-	8,830	-	-	-	39,547	205,517	1,865,780	-
Administration	-	-	10,000	-	-	-	-	-	-	-
Advertising	-	23,926	-	-	-	-	-	-	-	-
Automotive	-	-	-	-	27,127	5,873	6,059	-	-	59,989
Bad debts	-	213,653	(156,917)	-	-	-	-	5,681	-	(8,688)
Bank charges and interest	14,637	16,161	21,064	3,990	-	-	1,286	5,347	-	4,909
Community outreach	-	5,000	-	-	-	-	-	-	-	-
Contracted services	-	160,966	7,250	171,895	224,655	94,466	42,816	38,030	97,055	424,050
Equipment lease	-	17,997	(7,404)	1,395	24,199	10,051	27,627	1,984	138	3,470
Honoraria	-	291,024	-	152	152	24,934	6,298	-	9,958	47,453
Insurance	-	89,215	-	-	14,393	6,815	10,168	198,876	2,040	158,739
Interest on long-term debt	-	413,291	-	-	-	-	-	66,621	-	-
Loss on assumption of debt	-	-	-	-	-	-	-	-	-	-
Materials and supplies	-	725,667	-	166,948	171,067	202,948	89,509	14,132	3,382	108,563
Office	-	(10,670)	30,539	214	5,063	209	1,808	(741)	1,200	1,269
Professional fees	-	1,336,040	68,846	-	102	1,251	-	24,103	103,527	61,144
Rent	-	13,023	9,600	22,860	13,650	5,200	-	-	-	2,419
Repairs and maintenance	-	45,075	-	74	132,903	192,707	26,993	243,672	2,487	171,986
Salaries and benefits	-	1,491,763	147,256	801,657	2,906,573	1,015,919	832,011	214,301	289,749	884,893
Social assistance	-	-	-	1,743,960	-	-	-	-	-	-
Student expenses	-	-	-	-	906,271	-	-	-	-	-
Supplies	-	-	-	-	98,808	-	-	-	-	5,482
Telephone	-	34,575	1,113	11,932	16,761	52,441	3,839	1,260	1,620	11,325
Travel	-	37,315	1,867	22,117	73,097	58,398	7,123	3,635	11,650	3,267
Utilities	-	9,665	2,545	2,709	64,061	28,913	7,377	6,178	-	82,683
Workshops, seminars, and training	-	213,736	-	108,557	35,961	143,389	40,229	8,397	234,480	11,270
	14,637	5,127,422	144,589	3,058,460	4,714,843	1,843,514	1,142,690	1,036,993	2,623,066	2,034,223
Surplus (deficit) before transfers	2,902,732	(885,539)	2,290,940	1,028,032	199,178	777,656	557,992	(310,386)	2,605,934	(598,440)
Transfers between programs	1,279,881	(767,302)	2,019,653	18,400	(93,657)	(21,400)	(82,000)	(105,200)	(815,029)	(805,155)
Gain (loss) on business operations	-	-	-	-	-	-	-	-	-	-
Annual surplus (deficit)	1,622,851	(118,237)	271,287	1,009,632	292,835	799,056	639,992	(205,186)	3,420,963	206,715

Penticton Indian Band
Schedule 2 - Segmented Information
For the year ended March 31, 2024

	Natural Resources	Lands, Estates, and Memberships	Intergovernmental Settlements	Specific Claims	Community Wellness	Language and Culture	Economic Development	ONTEH	2024
Revenue									
Indigenous Services Canada	-	184,194	-	-	-	-	48,444	1,072,999	13,145,807
First Nations Health Authority	-	-	-	-	-	-	-	-	1,940,945
Okanagan Training & Development Council	-	-	-	-	-	-	-	-	154,843
Province of BC	641,246	150,000	-	-	-	-	-	-	7,843,667
Drinking Water Settlement	-	-	521,822	-	-	-	-	-	521,822
Non-profit on-reserve housing	-	-	-	-	-	-	-	-	186,601
Housing charges and rental	-	-	-	-	-	-	-	-	463,981
Interest and investment income	-	19,255	-	-	-	-	148,350	32,949	1,669,796
Other contracts and miscellaneous	2,723,229	-	-	-	11,500	-	-	171,465	5,910,701
Royalties	-	-	-	-	-	-	-	-	248,184
Property taxation	-	-	-	-	-	-	-	-	2,174,851
BC FN Gaming	-	-	-	-	-	-	-	-	662,786
First Nations Education Steering Committee	-	-	-	-	-	-	-	-	1,110,005
	3,364,475	353,449	521,822	-	11,500	-	196,794	1,277,413	36,033,989
Expenses									
Amortization	-	-	-	-	-	-	-	33,703	2,153,377
Administration	-	-	-	-	-	-	-	-	10,000
Advertising	-	-	-	-	-	-	-	-	23,926
Automotive	81,727	-	-	-	-	-	-	671	181,446
Bad debts	-	-	-	-	-	-	-	-	53,729
Bank charges and interest	-	-	-	-	-	-	406	1,556	69,356
Community outreach	-	-	-	-	-	-	-	124,316	129,316
Contracted services	449,693	11,191	-	14,813	-	-	7,112	48,444	1,792,436
Equipment lease	5,059	4,200	-	-	-	-	-	2,272	90,988
Honoraria	26,636	-	-	-	244	-	-	20,885	427,736
Insurance	16,598	-	-	-	-	-	-	17,493	514,337
Interest on long-term debt	-	-	-	-	-	-	292,264	-	772,176
Loss on assumption of debt	-	-	-	-	-	-	490,066	-	490,066
Materials and supplies	90,499	4,586	-	-	39,423	292	-	41,940	1,658,956
Office	11,180	4,701	-	-	-	-	-	7,793	52,565
Professional fees	313,244	23,210	-	318,388	-	-	38,973	34,674	2,323,502
Rent	570	-	-	-	9,600	-	-	-	76,922
Repairs and maintenance	22,671	-	-	-	-	-	-	30,590	869,158
Salaries and benefits	1,261,256	151,252	-	-	196,463	39,404	-	427,430	10,659,927
Social assistance	-	-	-	-	-	-	-	-	1,743,960
Student expenses	-	-	-	-	-	-	-	-	906,271
Supplies	-	-	-	-	-	-	-	-	104,290
Telephone	4,051	1,392	-	-	669	300	-	7,463	148,741
Travel	124,721	74	-	-	10,662	194	824	4,415	359,359
Utilities	2,837	-	-	-	-	-	-	5,250	212,218
Workshops, seminars, and training	8,482	2,608	-	-	32,553	-	-	8,254	847,916
	2,419,224	203,214	-	333,201	289,614	40,190	829,645	817,149	26,672,674
Surplus (deficit) before transfers	945,251	150,235	521,822	(333,201)	(278,114)	(40,190)	(632,851)	460,264	9,361,315
Transfers between programs	354,929	(60,617)	-	-	(278,114)	(44,389)	(600,000)	-	-
Gain (loss) on business operations	-	-	-	-	-	-	1,301,165	-	1,301,165
Annual surplus (deficit)	590,322	210,852	521,822	(333,201)	-	4,199	68,314	460,264	10,662,480