

Shuswap Band

Consolidated Financial Statements

March 31, 2024

Shuswap Band

CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended March 31, 2024

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Shuswap Band
MARCH 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Shuswap Band and all the information in this annual report are the responsibility of Chief and Council and have been approved by the Chief and Council.

The financial statements have been prepared in conformity with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants and where appropriate, includes certain amounts based on management's best estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Shuswap Band's Chief and Council maintains systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Shuswap Band's assets are appropriately accounted for and adequately safeguarded.

The Shuswap Band Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Chief and Council reviewed the Shuswap Band's financial statements and recommends their approval. The management meets periodically with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issued, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Chief and Council also considers the engagement of the external auditors.

The financial information have been audited by Ribeyre CPA, in accordance with Canadian generally accepted auditing standards on behalf of the members. The external auditors have full and free access to financial management of Shuswap Band and meet when required.



Chief

Councilor



INDEPENDENT AUDITORS' REPORT

To: The Members of Shuswap Band

Report on the Audit of the Consolidated Financial Statements

We have audited the consolidated financial statements of Shuswap Band, which comprise the consolidated statement of financial position as at March 31, 2024 and March 31, 2023, and the consolidated statement of operations, net financial assets and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Qualified Opinion

Except as noted in the below paragraphs, in our opinion, the financial statements present fairly, in all material respects, the financial position of Shuswap Band as at March 31, 2024 and March 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

Basis for Qualified Opinion

Financial information for certain investments in nation business entities as described in Note 6 for the year ending March 31, 2024 was not available at the audit report date, and as a result, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves with respect to these balances included on the consolidated statement of financial position for the year ended March 31, 2024.

Included in advances to related nation entities is a balance of \$600,000 from an unrelated third party that may not be collectable. We were unable to determine if the amount is collectable based on information provided. We were unable to determine whether adjustments to advances to related Nation entities, investment in Nation business entities, earnings from investment in Nation business entities, and accumulated surplus were necessary.



Included in tangible capital assets is sub-leased land rights that are carried at fair value which is not in accordance with Canadian public sector accounting standards. We were unable to determine whether adjustments to tangible capital assets and accumulated surplus were necessary.

Deferred revenue includes adjustments related to an appraisal increase in sub-leased land rights of \$2,386,467 which is not in accordance with Canadian public sector accounting standards. We were unable to determine whether adjustments to deferred revenue and accumulated surplus were necessary.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or,
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if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Aaron Keetley, CPA, CA, CMA.

Port Coquitlam, B.C.
October 15, 2024

 CPA
Chartered Professional Accountants

Shuswap Band

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2024

Statement 1

	Note	2024	2023
Financial assets			
Cash	3	\$ 25,812,978	\$ 20,716,079
Accounts receivable	4	6,822,464	5,754,122
Loan receivable	5	1,000,000	1,000,000
Advances to related nation entities	6	600,000	600,000
Investment in nation business entities	7	1,352	581
Investment in government business partnerships	8	1,995,693	1,919,608
Investment in Specific Land Claims		141,303	77,541
Trust moneys	9	468,764	445,970
		36,842,554	30,513,901
Liabilities			
Accounts payable and accrued liabilities		2,193,559	2,038,091
Advances from related nation entities	10	1,092,259	192,441
Deferred revenue	11	17,354,801	15,837,771
Long-term debt	12	798,186	826,171
Specific Land Claims loan		201,255	96,950
		21,640,060	18,991,424
Net financial assets		15,202,494	11,522,477
Non-financial assets			
Tangible capital assets	13	16,452,796	16,002,571
Prepaid expenses		35,559	42,839
Total non-financial assets		16,488,355	16,045,410
Accumulated surplus	14	\$ 31,690,849	\$ 27,567,887

See accompanying notes


Chief Councilor


Councilor

Shuswap Band

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31, 2024

	2024 Budget	2024 Actual	Statement 2 2023 Restated
Revenue			
Indigenous Services Canada	\$ 1,507,783	\$ 1,804,929	\$ 2,273,564
Canada Mortgage and Housing Corporation	39,000	52,420	49,067
First Nations Health Authority	549,923	566,201	649,266
BC First Nations Gaming Revenue Sharing	318,000	395,821	425,788
Kinbasket Development Corporation	-	163,849	158,201
Kinbasket Water and Sewer Company Ltd.	-	839,807	754,298
Province of British Columbia	2,587,000	5,568,559	5,582,022
Property taxes	650,400	645,871	615,968
Kenpesq't Limited Partnership	-	76,839	379,618
First Nation GST/FCRSA	750,000	748,172	790,475
TransCanada Pipelines	100,000	115,000	1,200,000
Interest income	387,711	1,391,489	560,879
Deferred revenue	5,528,978	(1,249,568)	(1,177,839)
Miscellaneous income - Note 15	8,125,412	5,281,877	5,245,071
	20,544,207	16,401,266	17,506,378
Expenses - Note 21			
Administration and Governance	2,316,256	1,856,904	1,346,245
Community Development	966,950	305,780	285,807
Education	2,251,087	897,189	721,507
First Nations GST/FCRSA	322,400	508,408	302,116
Health	965,233	1,115,888	780,648
Housing	2,171,697	194,641	261,392
Lands and Economic Development	1,217,904	1,474,575	1,681,266
Property Tax	360,165	353,362	335,484
Public Works	866,180	728,111	464,596
Social Development	164,634	296,385	183,765
Territorial Stewardship	2,869,400	2,966,682	2,083,100
Depreciation of Capital Fund Assets	-	415,305	351,318
Kenpesq't Holdings Ltd.	-	24,553	34,193
Kinbasket Development Corporation	-	290,693	60,212
Kinbasket Water and Sewer Company Ltd.	-	788,183	648,840
Kinbasket Property Development Corporation	-	1,055	1,389
CMHC Section 96 Housing	-	60,590	44,502
	14,471,906	12,278,304	9,586,380
Annual surplus	6,072,301	4,122,962	7,919,998
Accumulated surplus, beginning of year as previously stated		27,567,887	19,722,683
Prior period adjustment - Note 20		-	(74,794)
Accumulated surplus, beginning of year as restated		-	19,647,889
Accumulated surplus, end of year		\$ 31,690,849	\$ 27,567,887

See accompanying notes

Shuswap Band

CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS

For the year ended March 31, 2024

Statement 3

	2024 Budget	2024 Actual	2023 Actual
Annual surplus	\$ 6,072,301	\$ 4,122,962	\$ 7,919,998
Changes in tangible capital assets			
Acquisition of tangible capital assets	-	(1,060,146)	(815,679)
Amortization of tangible capital assets	-	609,742	529,156
Net book value of tangible capital assets disposed of	-	179	-
	-	(450,225)	(286,523)
Changes in other non-financial assets			
Prepaid expenses and deposits	-	7,280	(13,013)
Increase in net financial assets		3,680,017	7,620,462
Net financial assets at beginning of year as previously stated		11,522,477	3,976,809
Prior period adjustment - Note 20		-	(74,794)
Net financial assets at beginning of year as restated		11,522,477	3,902,015
Net financial assets at end of year		\$ 15,202,494	\$ 11,522,477

See accompanying notes

Shuswap Band

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2024

Statement 4

	2024	2023
OPERATING ACTIVITIES		
Revenue received	\$ 16,827,160	\$ 15,989,492
Expenses paid	(11,480,643)	(8,772,042)
Interest paid on long-term debt	(24,992)	(20,250)
Cash provided by operating activities	5,321,525	7,197,200
INVESTING ACTIVITIES		
Advances from government business partnerships	(76,085)	(379,262)
Investment in Specific Claims	(63,762)	(77,541)
Loan receivable advanced	-	(1,000,000)
Purchase and construction of capital assets	(1,060,146)	(815,679)
Cash used in investing activities	(1,199,993)	(2,272,482)
FINANCING ACTIVITIES		
Advances from related Nation entities	899,818	36,485
Advances to Nation business entities	(771)	(337)
Advances from Specific Claim loans	104,305	96,950
Repayment of long-term debt	(27,985)	(28,386)
Cash provided by financing activities	975,367	104,712
Increase in cash during the year	5,096,899	5,029,430
Cash, beginning of year	20,716,079	15,686,649
Cash, end of year	\$ 25,812,978	\$ 20,716,079

See accompanying notes

Shuswap Band

CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2024

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1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for local government entities, as defined in the Canadian Institute of Chartered Professional Accountants Public Sector Accounting and Auditing Handbook, which encompasses the following principles.

a) Reporting entity

The Shuswap Band reporting entity includes the Shuswap Band and all related entities which are accountable to the Nation and are either owned or controlled by the Band.

These financial statements consolidated the assets, liabilities, revenue, and expenses of the following entities which are controlled by the Band:

- Kinbasket Development Corporation
- Kinbasket Water & Sewer Company Ltd.
- Kinbasket Property Development Corporation
- Kenpesq't Holdings Ltd.
- Kenpesq't GP Ltd.
- Kenpesq't Territorial Operations Ltd.
- Kenpesq't Construction GP Ltd.
- Kenpesq't Forestry GP Ltd.
- Kenpesq't Leasehold GP Ltd.

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.

Shuswap Band business entities, owned or controlled by the Shuswap Band's Council but not dependent on the Band for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Band. Thus, the Band'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:

- Kenpesq't Limited Partnership (100% interest)

Shuswap Band

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March 31, 2024

See Auditor's Report

b) Basis of presentation

Sources of revenue and expenses are recorded using 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.

c) Use of estimates

The preparation of schedules in conformity 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 schedules and reported amounts of revenues and expenditures during the reported period. Actual results could differ from the estimates.

d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

e) Revenue recognition

The Band recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria 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 Band recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

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

Property tax revenue is recorded 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. At the end of each year management evaluates whether property tax revenue is collectible.

Revenues are recognized in the period in which the transaction or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Shuswap Band

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March 31, 2024

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f) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the assets.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital assets and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and the Band's incremental cost of borrowing.

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

Tangible capital assets are depreciated annually using the following methods at rates intended to depreciate the cost of the assets over their estimated useful lives. Land and work-in-progress are not depreciated. In the year of acquisition, depreciation is pro-rated.

Buildings	declining balance	5 %
Equipment	declining balance	20 %
Office & school equipment	declining balance	25 %
Vehicles	declining balance	30 %
Water system	declining balance	5 %
Water and sewer system	declining balance	1.15 %
Government funded roads	straight-line	40 years
Land lease	straight-line	90 years
Leasehold improvements	straight-line	5 years
Roads	straight-line	40 years

The Band 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 prices for similar items. Any impairment is included in operations for the year.

The Band does not perform impairment testing on its long-lived assets that are held for public administration and situated on its reserve land as it is not possible to determine their fair market value.

Shuswap Band

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f) Tangible capital assets (continued)

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not depreciated until the asset is available to be put into service.

g) Financial instruments

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, money held in trust, and any other items elected by the Band to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis.

The Band's financial instruments consist of cash and cash equivalents, accounts receivable, due from and to related entities, funds held in trust, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, it is management's opinion that the Band is not exposed to significant interest, credit or currency risks arising from these financial instruments and the fair value of these financial instruments approximates their carrying values.

h) 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.

2. ECONOMIC DEPENDENCE

The Shuswap Band receives major portions of its revenue pursuant to funding arrangements with Indigenous Services Canada and the Province of British Columbia.

Shuswap Band

CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2024

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3. CASH AND RESTRICTED CASH

	2024	2023
Cash and cash equivalents	\$ 24,142,683	\$ 19,592,017
Restricted cash	1,670,295	1,124,062
	\$ 25,812,978	\$ 20,716,079

Restricted cash is comprised of four amounts:

The Band maintains and operates two bank accounts for local revenues received by the Band. The accounts have a balance of \$1,622,266 (2023 - \$1,078,631).

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Band must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as otherwise approved by the Canada Mortgage and Housing Corporation, with any interest earned to be credited as revenue to the Operating and Replacement Reserve. The account balance is \$48,029 (2023 - \$45,431).

4. ACCOUNTS RECEIVABLE

	2024	2023
Canada Mortgage and Housing Corporation	\$ 4,424	\$ 154,074
Columbia Basin Trust	112,817	125,704
Department of Fisheries and Oceans	50,000	777,500
First Nations Education Steering Committee	56,461	74,669
Goods and services tax receivable	255,121	661,746
Government of Canada	221,199	333,838
Indigenous Services Canada	280,185	40,000
Ministry of Environment Climate Change	168,221	429,074
New Relationship Trust	320,000	-
Okanagan Nation Alliance	258,356	-
Parks Canada	147,500	71,460
Property taxes receivable	225,857	252,686
Province of British Columbia	2,864,731	1,097,061
Shuswap National Tribal Council	139,837	272,878
TC Energy	100,000	-
Utilities	399,809	167,778
Due from others	1,273,309	1,309,819
Allowance for doubtful accounts	(55,363)	(14,165)
	\$ 6,822,464	\$ 5,754,122

Shuswap Band

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March 31, 2024

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5. LOAN RECEIVABLE

	2024	2023
Loan receivable	\$ 1,000,000	\$ 1,000,000

The loan to SEM Holdings Ltd. is initially recorded at cost less any valuation allowances. The term of the loan is 10 years with monthly interest only payments for the first two years at prime + 1.5% per annum. Starting January 2025, the monthly payments are a mix of principal and interest with a 25 year amortization period.

6. ADVANCES TO RELATED NATION ENTITIES

	2024	2023
Columbia River Properties	\$ 600,000	\$ 600,000

Advances to related First Nation entities are unsecured, non-interest bearing and due on demand. These entities are related by virtue of joint control by the Band.

7. INVESTMENT IN NATION BUSINESS ENTITIES

	2024	2023
The Band's investment in Nation business entities consist of the following:		
SEM Holdings Ltd.	\$ 1	\$ 1
St. Eugene Mission Holdings Ltd.	1	1
St. Eugene Mission Development Corporation	1	1
Investment in North Rock Holdings	40	40
Kenpesq't GP Ltd.	-	(762)
Kenpesq't Territorial Operations Limited Partnership	181	179
Kenpesq't Construction Limited Partnership	6	3
Kenpesq't Forestry Limited Partnership	9	5
Kenpesq't Leasehold Limited Partnership	1	1
Kinbaskset Water & Sewer Limited Partnership	1	1
Kenpesq't-IDL Inc.	1	1
BCFN GRS GP Ltd.	10	10
BC First Nations Gaming Revenue Sharing Limited Partnership	100	100
All Nations Trust	1,000	1,000
	\$ 1,352	\$ 581

The financial information for Kenpesq't Limited Partnership for the years ended December 31, 2023 and December 31, 2022 are not audited. The financial results have been recorded in the consolidated financial statements using the modified equity method in accordance with Canadian public sector accounting standards.

Shuswap Band

CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2024

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8. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIPS

The Band's investment in government business partnerships consist of the following:

	2024	2023
Kenpesq't Limited Partnership - 100%	\$ 1,995,693	\$ 1,919,608

Financial information for Kenpesq't Limited Partnership is as follows:

	Total December 31, 2023	Total December 31, 2022
Current assets	\$ -	\$ 105
Investment in partnerships	2,005,122	1,926,067
Total assets	\$ 2,005,122	\$ 1,926,172
Current liabilities	\$ 9,429	\$ 6,563
Partners' equity	\$ 1,995,693	\$ 1,919,609
Total liabilities and equity	\$ 2,005,122	\$ 1,926,172
Revenue	\$ 79,055	\$ 381,206
Expenses	2,971	2,088
Net income	\$ 76,084	\$ 379,118

9. TRUST MONEYS

	2024	2023
Ottawa Trust	\$ 10,836	\$ 11,430
Ashcroft & Company	457,928	434,540
	\$ 468,764	\$ 445,970

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

Shuswap Band

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March 31, 2024

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10. ADVANCES FROM RELATED NATION ENTITIES

	2024	2023
Kenpesq't Territorial Operations Limited Partnership	\$ 1,030,283	\$ 130,573
Kenpesq't Forestry Limited Partnership	1	1
Kenpesq't Construction Limited Partnership	1	1
Kinbasket Water & Sewer Limited Partnership	108	-
North Rock Holdings	61,865	61,865
Kenpesq't-IDL Inc.	1	1
	\$ 1,092,259	\$ 192,441

Advances from related Nation entities are unsecured, non-interest bearing and due on demand. These entities are related by virtue of joint control by the Band.

11. DEFERRED REVENUE

	2024	2023
Kinbasket Development Corporation		
Land lease revenue	\$ 5,859,786	\$ 5,941,655
Appraisal increase: sub-leased land	2,386,467	2,386,467
Kinbasket Water & Sewer Company		
Land lease revenue	1,936,907	1,963,953
Unamortized capital allocations	300,000	315,000
Shuswap Band		
Indigenous Services Canada		
RIRSD	108,438	26,297
CFS Prevention	119,129	41,702
FN Representation	64,504	31,696
Wills and Estates	7,116	8,539
Prevention projects	2,607	-
CFS Operations	9,322	-
CFS Emergency	1,695	-
CFS Poverty	3,097	-
Economic Development	15,000	15,000
FNCFS On-Reserve O&M Housing	93,655	-
Water and Wastewater	67,238	82,159
Other community infrastructure	112,433	91,442
Housing management and capacity	77,156	45,000
Major renovations	9,504	34,033
BCACCS	-	292,907
Department of Fisheries and Oceans	201,387	-
Columbia Basin Trust	590,254	248,564
Subtotal	\$ 11,965,695	\$ 11,524,414

Shuswap Band

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11. DEFERRED REVENUE (CONTINUED)

	2024	2023
Balance carried forward	\$ 11,965,695	\$ 11,524,414
Canada Mortgage Housing Corporation	121,753	201,081
Federal Government	405,290	170,194
First Nations Health Authority	24,200	83,246
Parks Canada	297,266	-
Province of British Columbia	3,436,053	2,876,288
Shuswap Nation Tribal Council	267,236	200,000
Other	837,308	782,548
	\$ 17,354,801	\$ 15,837,771

12. LONG-TERM DEBT

	2024	2023
All Nations Trust - Mortgage payable for new housing with payments of \$1,242 per month starting April 1, 2022 including interest at 2.27% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on April 1, 2047 and renewal on April 1, 2027.	\$ 267,854	\$ 276,670
All Nations Trust - Mortgage payable for duplexes with payments of \$3,216 per month including interest at 3.74% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on June 1, 2043 and renewal on June 1, 2028.	530,332	549,501
	\$ 798,186	\$ 826,171

Future principal payments for the next five subsequent years are as follows:

2025	28,232
2026	29,106
2027	30,068
2028	261,856
2029	448,924
	\$ 798,186

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13. TANGIBLE CAPITAL ASSETS

2024	Beginning Cost	Additions	Disposal	Ending Cost	Beginning Accumulated Depreciation	Depreciation	Disposals	Ending Accumulated Depreciation	Net Book Value
Buildings	\$ 7,534,267	\$ 459,673	\$ -	\$ 7,993,940	\$ 2,202,648	\$ 276,585	\$ -	\$ 2,479,233	\$ 5,514,707
Equipment	65,436	49,025	-	114,461	25,587	14,476	-	40,063	74,398
Government funded roads	600,000	-	-	600,000	285,000	15,000	-	300,000	300,000
Land	168,756	-	-	168,756	-	-	-	-	168,756
Land leases	6,028,697	-	-	6,028,697	1,135,722	66,986	-	1,202,708	4,825,989
Leasehold improvements	86,228	-	-	86,228	86,228	-	-	86,228	-
Office furniture and equipment	371,054	49,033	(13,797)	406,290	312,195	20,705	(13,618)	319,282	87,008
Roads	1,307,446	-	-	1,307,446	518,914	26,648	-	545,562	761,884
Vehicles	342,636	423,206	-	765,842	97,645	120,281	-	217,926	547,916
Water and sewer systems	5,906,258	79,208	-	5,985,466	1,744,268	69,060	-	1,813,328	4,172,138
Total	\$ 22,410,778	\$ 1,060,145	\$ (13,797)	\$ 23,457,126	\$ 6,408,207	\$ 609,741	\$ (13,618)	\$ 7,004,330	\$ 16,452,796

2023	Beginning Cost	Additions	Disposal	Ending Cost	Beginning Accumulated Depreciation	Depreciation	Disposals	Ending Accumulated Depreciation	Net Book Value
Buildings	\$ 7,326,159	\$ 208,108	\$ -	\$ 7,534,267	\$ 1,930,467	\$ 272,181	\$ -	\$ 2,202,648	\$ 5,331,619
Equipment	56,992	8,444	-	65,436	17,619	7,968	-	25,587	39,849
Government funded roads	600,000	-	-	600,000	270,000	15,000	-	285,000	315,000
Land	168,756	-	-	168,756	-	-	-	-	168,756
Land leases	6,028,697	-	-	6,028,697	1,068,736	66,986	-	1,135,722	4,892,975
Leasehold improvements	86,228	-	-	86,228	86,228	-	-	86,228	-
Office furniture and equipment	345,647	25,407	-	371,054	299,160	13,035	-	312,195	58,859
Roads	979,738	327,708	-	1,307,446	482,345	36,569	-	518,914	788,532
Vehicles	184,053	158,583	-	342,636	55,559	42,086	-	97,645	244,991
Water and sewer systems	5,818,829	87,429	-	5,906,258	1,668,937	75,331	-	1,744,268	4,161,990
Total	\$ 21,595,099	\$ 815,679	\$ -	\$ 22,410,778	\$ 5,879,051	\$ 529,156	\$ -	\$ 6,408,207	\$ 16,002,571

Included in buildings is \$155,651 (2023 - \$62,220) of capital assets that are under construction. No depreciation is recorded until assets are put into use.

Included in vehicles is \$56,000 (2023 - nil) of capital assets not available for use. No depreciation has been recorded.

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14. ACCUMULATED SURPLUS

	2024	2023
Equity in tangible capital assets	\$ 15,588,475	\$ 15,176,400
Equity in trust funds	468,764	445,970
Investment in Nation business entities	904,786	1,727,748
Operating fund	14,728,824	10,217,769
	\$ 31,690,849	\$ 27,567,887

15. MISCELLANEOUS INCOME

	2024	2023
BCACCS	\$ 75,000	\$ 393,518
BC Hydro	102,360	161,136
Columbia Basin Trust	883,606	522,435
Cost recovery	105,472	72,941
Department of Fisheries and Oceans	448,496	500,000
First Nations Education Steering Committee	171,920	153,490
First Peoples Heritage	174,719	160,300
Grants and contributions	56,059	26,425
Interest on trust moneys	982	938
Kenpesq't Holdings Ltd.	251	-
New Relationship Trust	380,000	-
Rental	109,550	115,133
Other government funding	1,181,105	1,011,115
Other miscellaneous income	939,896	988,932
Own Source revenue	14,936	22,186
Shuswap Nation Tribal Council	455,328	481,453
Teck Coal	65,391	130,346
Water Settlement	116,806	504,723
	\$ 5,281,877	\$ 5,245,071

16. BUDGET INFORMATION

Budgeted figures are unaudited and have been derived from the estimates approved by the Chief and Council for comparison purposes. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determinable.

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17. COMPARATIVE AMOUNTS

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

18. FINANCIAL INSTRUMENTS

Risk management policy

Shuswap Band is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2024.

Credit risk

The carrying value of the Band's main financial assets represents the maximum credit risk to which the Band is exposed.

Liquidity risk

Shuswap Band considers that it has sufficient credit facilities to ensure that funds are available to meet its current and long-term financial needs, at a reasonable cost.

Market risk

Shuswap Band is exposed to interest rate risk on its fixed-interest and variable-interest financial instruments. Fixed-interest instruments subject the band to a fair value risk while the variable-interest instruments subject it to a cash flow risk.

The following table summarizes the contractual maturities of the financial liabilities as at March 31, 2024.

	Carrying Amount	Contractual cash flows	Within 1 year	2 to 5 years	Subsequent
Accounts payable and accrued expenses	\$ 2,193,559	\$ 2,193,559	\$ 2,193,559	\$ -	\$ -
Long-term debt	798,186	798,186	28,232	769,954	-
	<u>\$ 2,991,745</u>	<u>\$ 2,991,745</u>	<u>\$ 2,221,791</u>	<u>\$ 769,954</u>	<u>\$ -</u>

19. CONTINGENT LIABILITIES

As at March 31, 2024, the total ministerial housing loan guarantees provided to financial institutions for loans to individual members are in the amount of \$198,052 and the outstanding balance for the loan is \$183,454.

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20. PRIOR PERIOD ADJUSTMENT

Subsequent to the release of the 2023 audited Consolidated Financial Statements of the Shuswap Band, information became available that required adjustments to the fiscal 2023 figures presented. These adjustments include:

- Increasing a receivable and corresponding revenue by \$40,321 for royalties collected by Kinbasket Development Corporation.
- Decreasing a receivable and corresponding revenue by \$115,115 for duplicated revenue reported in a previous period.

A summary of changes are as follows:

Consolidated Statement of Financial Position

	2023 <i>As previously stated</i>	<i>Changes</i>	2023 <i>Restated</i>
Financial Assets			
Accounts receivable	5,911,916	(157,794)	5,754,122
Net financial assets	11,680,271	(157,794)	11,522,477
Accumulated surplus	\$27,725,681	\$ (157,794)	\$ 27,567,887

Consolidated Statement of Operations

	2023 <i>As previously stated</i>	<i>Changes</i>	2023 <i>Restated</i>
Revenue			
Kinbasket Development Corporation	117,880	40,321	158,201
Miscellaneous income	5,110,687	(115,115)	4,995,572
Annual surplus at beginning of year	7,994,972	(74,974)	7,919,998
Accumulated surplus, end of year	\$19,722,683	\$ (74,794)	\$ 19,647,889

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20. PRIOR PERIOD ADJUSTMENT (CONTINUED)

Consolidated Statement of Net Financial Assets

	2023 <i>As previously stated</i>	<i>Changes</i>	2023 <i>Restated</i>
Annual surplus	\$ 7,994,972	\$ (74,974)	\$ 7,919,998
Increase in net financial assets	7,675,081	(54,619)	7,620,462
Net financial assets at beginning of year	3,976,809	(74,794)	3,902,015
Net financial assets at end of year	\$11,680,271	\$ (157,794)	\$ 11,522,477

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21. EXPENSES BY OBJECT

	Budget	2024	2023
Advertising	\$ 28,600	\$ 33,273	\$ 39,969
Amortization	-	415,305	351,318
Bad debts	-	-	14,165
Bank charges and interest	15,685	11,011	6,502
Community support and wellness	270,000	513,371	160,099
Construction	2,080,197	23,102	39,650
Contractors	3,547,994	3,882,250	3,154,115
Council expenses	27,000	61,479	23,043
Donations	79,500	188,885	108,941
Equipment rental/lease	42,500	47,731	32,902
Honorariums	142,400	56,918	55,333
Hot lunch program	110,000	106,132	100,450
Insurance	117,150	142,709	116,424
Interest on long-term debt	8,473	24,992	20,293
Kenpesq't Holdings Ltd.	-	24,553	34,193
Kinbasket Development Corporation	-	290,693	60,212
Kinbasket Water and Sewer Corporation	-	788,183	648,840
Kinbasket Property Development Corporation	-	1,055	1,389
Medical	58,000	36,636	24,760
Office and other	504,400	564,474	383,891
Funding transfers to related entities	-	-	40,000
Professional fees	382,500	238,421	251,133
Property tax grants	-	2,162	1,070
Repairs and maintenance	555,280	159,574	184,491
Rent	22,000	15,868	21,991
Salaries and benefits	4,653,350	3,478,028	2,632,030
Social assistance	104,000	143,148	141,547
Supplies	152,000	269,341	238,154
Telecommunications	32,000	32,498	42,671
Training	722,500	97,398	179,286
Travel	163,500	231,644	198,509
Tuition, allowances and incentives	199,200	191,242	143,323
Utilities	33,000	88,721	65,893
Workshops	477,500	117,507	69,793
	\$14,528,729	\$ 12,278,304	\$ 9,586,380