

LHEIDLIT'ENNEH BAND



CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

LHEIDL T'ENNEH BAND

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

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FINANCIAL STATEMENTS

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LHEIDL T'ENNEH BAND

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

MARCH 31, 2024

The accompanying consolidated financial statements of Lheidli T'enneh Band are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, DMC Chartered Professional Accountants Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Lheidli T'enneh Band and meet when required.

On behalf of Lheidli T'enneh Band:

| | |
|----------------------------|-----------|
| <u>Chief Dolleen Logan</u> | 8/15/2024 |
| Chief | Date |
| <u>Crystal Gibbs</u> | 8/13/2024 |
| Councillor | Date |
| <u>JT Seymour</u> | 8/15/2024 |
| Councillor | Date |
| <u>Kyle McIntosh</u> | 8/15/2024 |
| Councillor | Date |



Independent Auditor's Report

To the Members of
Lheidli T'enneh Band

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Lheidli T'enneh Band, which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of revenue, expenditures and accumulated surplus, change 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Band as at March 31, 2024, and the results of its consolidated operations, its changes in its consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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 opinion.

Emphasis of Matter

We draw attention to Note 21 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2023 has been restated.

Our opinion is not modified in respect of this matter.

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 Consolidated Financial Statements

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

Prince George, British Columbia
August 2, 2024

DMC Chartered Professional
Accountants Inc.

LHEIDL T'ENNEH BAND**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MARCH 31, 2024**

| | 2024 | 2023 restated |
|---|----------------------|--------------------------|
| FINANCIAL ASSETS | | |
| Cash (Note 2) | \$ 9,845,287 | \$ 7,788,768 |
| Short term deposits (Note 2) | 15,188,275 | 11,269,168 |
| Restricted cash (Note 2) | 253,658 | 354,155 |
| Accounts receivable (Note 3) | 4,242,128 | 1,120,003 |
| Due from government agencies (Note 4) | 315,402 | 114,781 |
| Advances receivable (Note 5) | 576,402 | 675,599 |
| Investments in Government Business Enterprises (Note 7) | 32,160,691 | 26,626,039 |
| Federal trust funds (Note 8) | 2,122 | 3,407 |
| | 62,583,965 | 47,951,920 |
| LIABILITIES | | |
| Accounts payable and accrued liabilities (Note 9) | 2,442,073 | 507,001 |
| Distributions payable to minors (Note 10) | 1,863,107 | 1,935,110 |
| Deferred revenue (Note 11) | 8,999,806 | 2,804,979 |
| Long-term debt (Note 12) | 704,988 | 822,853 |
| Replacement reserves (Note 13) | 253,658 | 354,155 |
| | 14,263,632 | 6,424,098 |
| NET FINANCIAL ASSETS | 48,320,333 | 41,527,822 |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets (Note 14) | 19,515,305 | 15,084,601 |
| Prepaid expenses | 79,725 | 61,339 |
| | 19,595,030 | 15,145,940 |
| ACCUMULATED SURPLUS (Note 15) | \$ 67,915,363 | \$ 56,673,762 |

Contingent Liabilities (Note 16)

Approved on behalf of the Lheidli T'enneh Band

Chief Dallen Logan, Chief Kyle McIntosh, Councillor
Crystal Gibbs, Councillor
GT Dumrow, Councillor

See accompanying notes to these financial statements.

LHEIDL T'ENNEH BAND

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 Budget | 2024 Actual | 2023 Actual restated |
|---|------------------------|------------------------|-------------------------------------|
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 3,047,118 | \$ 11,241,601 | \$ 6,623,557 |
| Acquisition of tangible capital assets | - | (5,358,178) | (535,474) |
| Amortization of tangible capital assets | - | 841,475 | 786,838 |
| Gain on disposal of tangible capital assets | - | 12,500 | (26,715) |
| Proceeds on disposal of tangible capital assets | - | 73,500 | 53,852 |
| | - | (4,430,703) | 278,501 |
| Acquisition of prepaid asset | (18,386) | (99,022) | 29,937 |
| Use of prepaid asset | - | 80,635 | - |
| | (18,386) | (18,387) | 29,937 |
| Increase in net financial assets | 3,028,732 | 6,792,511 | 6,931,995 |
| Net financial assets at beginning of year | | | |
| As previously stated | - | 41,593,758 | 34,595,827 |
| Adjustment of prior year (Note 21) | - | (65,936) | - |
| As restated | - | 41,527,822 | 34,595,827 |
| NET FINANCIAL ASSETS AT END OF YEAR | \$ - | \$ 48,320,333 | \$ 41,527,822 |

See accompanying notes to these financial statements.

LHEIDL T'ENNEH BAND

CONSOLIDATED STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 Budget | 2024 Actual | 2023 Actual restated |
|--|---------------------|----------------------|----------------------------|
| REVENUE | | | |
| Settlement funds | \$ - | \$ - | \$ 11,000,000 |
| Provincial government transfers (Note 18) | 9,596,695 | 8,815,890 | 6,418,329 |
| Indigenous Services Canada (Note 18) | 14,011,825 | 9,684,789 | 2,774,670 |
| Income earned in government business enterprises | - | 5,717,908 | 2,431,929 |
| Band Generated | 3,435,791 | 3,171,106 | 2,030,321 |
| Federal government transfers (Note 18) | 569,059 | 1,151,014 | 1,345,125 |
| Administration fee | 812,683 | 55,811 | 54,807 |
| First Nations Health Authority | 602,971 | 1,400,943 | 484,174 |
| Other indigenous organizations | 1,066,708 | 541,712 | 465,852 |
| Interest and other income | 498,541 | 983,440 | 450,941 |
| Donations | 5,000 | 257,822 | 96,377 |
| Transfer to deferred revenue | - | (6,200,693) | (441,045) |
| | 30,599,273 | 25,579,742 | 27,111,480 |
| EXPENDITURES | | | |
| Education | 856,425 | 892,769 | 622,533 |
| Government Development and Administration | 5,702,552 | 4,900,057 | 3,338,527 |
| Public Works Operations and Maintenance | 624,036 | 501,874 | 439,420 |
| Capital Projects | 12,399,639 | 746,434 | 513,000 |
| Health Services | 545,740 | 692,148 | 430,621 |
| Economic Development | 6,004,983 | 3,196,374 | 12,626,022 |
| Social Housing | 635,354 | 420,060 | 359,117 |
| Social and Community Services | 671,446 | 1,859,370 | 1,250,580 |
| Employment and Training | 111,981 | 148,144 | 121,265 |
| Amortization | - | 841,475 | 786,838 |
| | 27,552,156 | 14,198,705 | 20,487,923 |
| RECOVERY | - | (139,439) | - |
| EXCESS OF REVENUE OVER EXPENDITURES | 3,047,118 | 11,241,601 | 6,623,557 |
| ACCUMULATED SURPLUS AT BEGINNING OF YEAR | | | |
| As previously stated | - | 56,739,698 | 50,050,205 |
| Prior period adjustment (Note 21) | - | (65,936) | - |
| As restated | - | 56,673,762 | 50,050,205 |
| ACCUMULATED SURPLUS AT END OF YEAR | \$ 3,047,118 | \$ 67,915,363 | \$ 56,673,762 |

See accompanying notes to these financial statements.

LHEIDL T'ENNEH BAND

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 | 2023 restated |
|---|----------------------|----------------------|
| Cash flows from OPERATING ACTIVITIES | | |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 11,241,601 | \$ 6,623,557 |
| Loss (gain) on disposal of tangible capital assets | 12,500 | (26,715) |
| Amortization | 841,475 | 786,838 |
| Income from investments in government entities | (5,717,908) | (2,431,929) |
| | 6,377,668 | 4,951,751 |
| Change in non-cash operating working capital | | |
| Accounts receivable | (3,122,125) | 449,789 |
| Due from government agencies | (200,621) | (53,008) |
| Advances receivable | 99,197 | 95,981 |
| Capital funds held in trust | 1,285 | (70) |
| Prepaid expenses | (18,387) | 29,936 |
| Accounts payable and accrued liabilities | 1,935,072 | (810,089) |
| Deferred revenue | 6,194,827 | 241,911 |
| Distributions payable to minors | (72,003) | 1,935,110 |
| | 11,194,913 | 6,841,311 |
| CAPITAL ACTIVITIES | | |
| Acquisition of tangible capital assets | (5,358,178) | (535,475) |
| Proceeds on sale of tangible capital assets | 73,500 | 53,852 |
| | (5,284,678) | (481,623) |
| FINANCING ACTIVITIES | | |
| Repayment of long-term debt | (117,865) | (122,701) |
| Allocations from replacement reserve | (121,837) | (69,548) |
| Allocations to replacement reserve | 21,340 | 23,340 |
| | (218,362) | (168,909) |
| INVESTING ACTIVITIES | | |
| Advances from government business enterprises | 183,256 | 127,951 |
| INCREASE IN CASH AND CASH EQUIVALENTS | 5,875,129 | 6,318,730 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 19,412,091 | 13,093,361 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ 25,287,220 | \$ 19,412,091 |
| REPRESENTED BY | | |
| Cash | \$ 9,845,287 | \$ 7,788,768 |
| Short term deposits | 15,188,275 | 11,269,168 |
| Restricted cash | 253,658 | 354,155 |
| | \$ 25,287,220 | \$ 19,412,091 |

See accompanying notes to these financial statements.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

DESCRIPTION OF OPERATIONS

Lheidli T'enneh Band (the "Band") is located in the Province of British Columbia and provides various services to its members. Lheidli T'enneh Band includes the Band's members, government and all related entities that are accountable to the Band and are either owned or controlled by the Band.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Reporting entity

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

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a government enterprises or government business partnerships, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity basis of accounting, only the Band's investments in the government business enterprises or government business partnerships and their share of the entities' net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of the Band.

The consolidated financial statements include the following controlled entities and departments:

- Lheidli T'enneh Band CMHC Social Housing Program

Government business enterprises, which are wholly-owned by the Band and which are not dependent on the Band for their continuing operations, included in the consolidated financial statements using the modified equity basis are as follows:

- Lheit Lit'en Development Corporation
- Tano T'enneh General Partner Corporation

Government business partnerships, in which the Band holds a limited partnership interest and which are not dependent on the Band for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Tano T'enneh Limited Partnership (99.99% interest)
- FN (PTP) Group Limited Partnership (0.06% interest)

LHEIDLI T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(b) Financial instruments

The Band initially measures its financial assets and financial liabilities at fair value. The Band subsequently measures all of its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include, cash and cash equivalents, accounts receivable, advances receivable and federal trust funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred revenue, replacement reserves and long-term debt.

Fair value is determined by the price that is quoted in an active market. When a quoted price in an active market is not available it is measured at cost.

The Band does not currently have any financial instruments measured at fair value.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, and short-term deposits that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value, net of bank overdrafts.

(d) Trust funds

Trust funds are included as revenue in these statements only to the extent they have been received from the Band's trust funds. The trust funds arise from monies 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.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(e) 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 asset.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

| | |
|--------------------------------|-------------|
| Automotive equipment | 5 years |
| Boats and fisheries equipment | 20 years |
| Buildings | 30 years |
| Computer equipment | 3 years |
| Fuel tanks | 20 years |
| Furniture and office equipment | 3 years |
| Heavy duty equipment | 10 years |
| Housing | 25 years |
| Infrastructure | 10-50 years |
| Land improvements | 50 years |
| Signage | 10 years |
| Website | 10 years |

Tangible capital assets are written down when conditions indicate that they no longer contribute to Lheidli T'enneh Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

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 amortized until the asset is available to be put into service.

Social Housing assets under CMHC sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in related long-term debt.

(f) Replacement reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

(g) Surplus recoveries and deficit funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency. These recoveries and additional fundings are recognized when recovered or received from the funding arrangement.

LHEIDLI T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Revenue recognition

Revenue and funding are recognized as follows:

- i) Government transfers with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when, and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Any such liability is reduced, and an equivalent amount of revenue is recognized, as the liability is settled.

Government transfers without stipulations are recognized in the period in which the transfer is authorized, any eligibility criteria have been met and a reasonable estimate of the amount to be received can be made.

- ii) Housing revenue is recognized based on lower end of market (LEM) rent for CMHC subsidized housing and based on collected receipts for non-subsidized houses. Rent deemed not collectible by management, is written off to bad debt.
- iii) Income from investments is recorded on a modified equity basis.
- iv) Funding received under the terms of specified use agreements (other than government transfers) is recognized as revenue when the related expenditures are incurred. To the extent that such funding meets the definition of a liability it is recorded as deferred revenue until such time that is expended.

(i) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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 assets and prepaid expenses.

(j) Net debt or net financial assets

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial asset is determined by liabilities less financial assets. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

(k) Measurement uncertainty

In preparing the consolidated financial statements for the Band, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include valuation of assets, amortization rates for tangible capital assets, and collectability of account receivable. Actual results could differ from these estimates.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(l) Contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site net of any expected recoveries when:

- i) An environmental standard exists,
- ii) Contamination exceeds the environmental standard,
- iii) The Band is either directly responsible or accepts responsibility for the liability,
- iv) It is expected that future economic benefits will be given up, and
- v) A reasonable estimate of the amount is determinable.

The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at the reporting date. As at March 31, 2024, the Band did not identify any liability for contaminated sites.

(m) Asset retirement obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when:

- i) There is a legal obligation for the Band to incur retirement costs in relation to a tangible capital asset,
- ii) The past transaction or event giving rise to the liability has occurred,
- ii) It is expected that future economic benefits will be given up, and
- iv) A reasonable estimate of the amount can be made.

The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at the reporting date. As at March 31, 2024 the Band did not identify any legal obligations giving rise to a liability.

(n) Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accounts specifically affected by the estimates in these financial statements are impairment of tangible capital assets, amortization rates for tangible capital assets, and collectability of account receivable and advances receivable. Actual results could differ from those estimates.

LHEIDL T'ENNEH BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2024****2. CASH AND CASH EQUIVALENTS**

| | 2024 | 2023 |
|---|----------------------|---------------|
| Externally restricted | | |
| Replacement reserve - CMHC | \$ 253,658 | \$ 354,155 |
| Unrestricted | | |
| Operating accounts | 9,845,287 | 7,788,768 |
| Short term deposits | | |
| Guaranteed investment certificate bearing interest at 5.00% per annum, maturing on June 24, 2024 | 7,565,569 | 7,215,853 |
| Guaranteed investment certificate bearing interest a 5.75% per annum, maturing on October 15, 2024 | 3,593,262 | 2,005,825 |
| Guaranteed investment certificate bearing interest at 5.35% per annum, maturing on October 21, 2024 | 2,157,066 | 2,047,490 |
| Guaranteed investment certificate bearing interest at 5.65% per annum, maturing on September 13, 2024 | 1,872,378 | - |
| | 15,188,275 | 11,269,168 |
| | \$ 25,287,220 | \$ 19,412,091 |

Under the terms of the Agreement with Canada Mortgage and Housing Corporation (CMHC), the Band must set aside funds for approved capital purchases under the operating agreement between the Band and CMHC, as outlined in Note 13.

LHEIDLI T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

3. ACCOUNTS RECEIVABLE

| | 2024 | 2023 |
|---|---------------------------|---------------------------|
| Due from government funders | | |
| Ministry of Forests, Lands, Natural Resources | \$ - | \$ 40,854 |
| Indigenous Services Canada | - - | 22,932 |
| Province of British Columbia | 3,287,246 | 14,367 |
| Canada Mortgage and Housing Corporation | 7,696 | 9,341 |
| Ministry of Transportation | 17,250 | - |
| First Nations Health Authority | 8,000 | - |
| Department of Fisheries and Oceans | 3,781 | - |
| | <hr/> 3,323,973 | <hr/> 87,494 |
| Due from members | | |
| Rent | 52,004 | 55,106 |
| Due from others | | |
| Trade receivables | 866,151 | 977,403 |
| | <hr/> \$ 4,242,128 | <hr/> \$ 1,120,003 |

4. DUE FROM GOVERNMENT AGENCIES

Amounts receivable from government agencies are for GST rebates, this includes amounts charged on items delivered to the Band's reserve in error, and any expenditures eligible for the public service body rebate.

5. ADVANCES RECEIVABLE

Advances receivable from Tano Fuel Ltd. a company owed 100% by government business enterprise Tano T'enneh General Partner Corporation, is repayable in monthly installments of \$10,000 including interest at 3.3% per annum, maturing in July 2032.

6. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

- ◆ Tano T'enneh Limited Partnership, 99.99% ownership
- ◆ Tano T'enneh General Partnership, 100% ownership
- ◆ Lheit Lit'en Development Corporation 100% ownership
- ◆ FN (PTP) Group Limited Partnership, 6% ownership

As at March 31, 2024, financial reporting for FN (PTP) Group Limited Partnership was not yet received, therefore no financial information has been presented. It is of the opinion of management that any equity earnings in FN (PTP) Group Limited Partnership will not be material to these financial statements.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

6. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES , continued

| | Tano T'enneh Limited Partnership, 99.99% ownership | Tano T'enneh General Partnership, 100% ownership | Lheit Lit'en Development Corporation 100% ownership | FN (PTP) Group Limited Partnership, 6% ownership | 2024 Total |
|-------------------------------------|---|---|---|---|----------------------|
| Cash | \$ 993,629 | \$ 107 | \$ - | \$ - | \$ 993,736 |
| Short term investment | 12,773,521 | - | - | - | 12,773,521 |
| Accounts receivable | 2,035,789 | - | - | - | 2,035,789 |
| Deposits | 3,648 | - | - | - | 3,648 |
| Investments | 6,048,266 | 534,859 | - | - | 6,583,125 |
| Due from related parties | 6,042,890 | - | - | - | 6,042,890 |
| Tangible capital assets | 6,654,439 | - | - | - | 6,654,439 |
| Total assets | \$ 34,552,182 | \$ 534,966 | \$ - | \$ - | \$ 35,087,148 |
| | | | | | |
| Accounts payable | \$ 648,682 | \$ 10,500 | \$ - | \$ - | \$ 659,182 |
| Due to government agencies | 76,829 | - | - | - | 76,829 |
| Due to shareholder | - | 31,293 | - | - | 31,293 |
| Due to related party | 5,174 | - | - | - | 5,174 |
| Total liabilities | 730,685 | 41,793 | \$ - | \$ - | 772,478 |
| Equity | 33,821,497 | 493,173 | \$ - | \$ - | 34,314,670 |
| Total liabilities and equity | \$ 34,552,182 | \$ 534,966 | \$ - | \$ - | \$ 35,087,148 |

| | Tano T'enneh Limited Partnership, 99.99% ownership | Tano T'enneh General Partnership, 100% ownership | Lheit Lit'en Development Corporation 100% ownership | FN (PTP) Group Limited Partnership, 6% ownership | 2024 Total |
|--------------------------|---|---|---|---|---------------------|
| Revenue | \$ 9,490,282 | \$ (92,035) | \$ - | \$ - | \$ 9,398,247 |
| Expenses | 799,512 | 13,149 | 2,200 | - | 814,861 |
| Net income (loss) | \$ 8,690,770 | \$ (105,184) | \$ (2,200) | \$ - | \$ 8,583,386 |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

7. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

| | 2024 | 2023 |
|--|----------------------|---------------|
| Tano T'ennuh Limited Partnership | | |
| Partnership units | \$ 2,229,142 | \$ 2,229,142 |
| Share of net assets | 36,000,566 | 30,174,779 |
| Advances (from) | (4,381,963) | (4,198,708) |
| | 33,847,745 | 28,205,213 |
| Tano T'ennuh General Partner Corporation | | |
| Shares, at cost | 20 | 20 |
| Share of net assets | 493,133 | 601,014 |
| Advances to | 2,128 | 2,128 |
| | 495,281 | 603,162 |
| Lheit Lit'en Development Corporation | | |
| Shares, at cost | 3 | 3 |
| Share of net debt | (3) | (3) |
| Advances (from) | (2,182,336) | (2,182,336) |
| | (2,182,336) | (2,182,336) |
| FN (PTP) Group Limited Partnership | | |
| Shares, at cost | 1 | 1 |
| | \$ 26,626,039 | \$ 24,322,061 |

Shares and partnership units are held on behalf of the Band's membership by specified band members under a trust agreement, condensed financial information for the government business entities is presented in Note 7.

8. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

| | March 31, 2023 | Additions, 2024 | Withdrawals, 2024 | March 31, 2024 |
|---------|-------------------|--------------------|----------------------|-------------------|
| Revenue | \$ 1,321 | \$ 1,321 | \$ (2,606) | \$ 36 |
| Capital | 2,086 | - | - | 2,086 |
| | \$ 3,407 | \$ 1,321 | \$ (2,606) | \$ 2,122 |

The trust funds arise from monies 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.

LHEIDL T'ENNEH BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2024**

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2024 | 2023 |
|--|---------------------------|-------------------------|
| Trade payables and accrued liabilities | \$ 2,286,106 | \$ 394,091 |
| Wages and benefits | <u>155,967</u> | <u>112,910</u> |
| | <hr/> \$ 2,442,073 | <hr/> \$ 507,001 |

10. DISTRIBUTIONS PAYABLE TO MINORS

In August 2022, a distribution was made to members, however, only adult members were paid. Minors will not be paid until they turn 19 years of age.

| | 2024 | 2023 |
|---|---------------------------|---------------------------|
| Opening balance | \$ 1,935,110 | \$ 1,955,000 |
| Interest accrued | 97,220 | 51,116 |
| Principal paid to members who turned 19 | (160,000) | (70,000) |
| Interest paid to members who turned 19 | (9,223) | (1,006) |
| | <hr/> \$ 1,863,107 | <hr/> \$ 1,935,110 |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

11. DEFERRED REVENUE

| | March 31, 2023 | Funding received, 2024 | Revenue recognized, 2024 | March 31, 2024 |
|--|-------------------|------------------------------|--------------------------------|-------------------|
| Indigenous Services Canada | | | | |
| Housing Renovations | \$ 185,387 | \$ 49,381 | \$ (227,294) | \$ 7,474 |
| Shelley Water System and Chlorine | 110,339 | 5,817,050 | (35,482) | 5,891,907 |
| NAHS Stream 1 Plan 19/20 | 62,322 | - | (62,322) | - |
| 121 Covid-19 | 56,907 | - | (56,907) | - |
| 406 - Operator Wage Enhancement | 15,600 | - | (15,600) | - |
| 755 - Family Violence Preventions | 3,146 | - | - | 3,146 |
| 111- Community Well-being Initiatives | 573,150 | 373,494 | (288,288) | 658,356 |
| 303 - DIA In Home Care | 67,572 | 18,560 | (45,845) | 40,287 |
| Land and Resource Management | 128,019 | 428,138 | (178,155) | 378,002 |
| 905 - Asset management | 51,341 | 391,583 | (117,809) | 325,115 |
| 916 - Capital DWS Improvements | - | 736,957 | (47,250) | 689,707 |
| 143 First Nation Representative Services | 21,649 | 4,811 | - | 26,460 |
| | 1,275,432 | 7,819,974 | (1,074,952) | 8,020,454 |
| Provincial Government | | | | |
| 133 - G2G Negotiations | 225,000 | - | (225,000) | - |
| 126 - Castle Mountain | 11,688 | 15,447 | (698) | 26,437 |
| 956 - Daycare in the park | 973,915 | 1,120,006 | (2,093,921) | - |
| Family Development | 95,936 | 190,336 | (179,689) | 106,583 |
| | 1,306,539 | 1,325,789 | (2,499,308) | 133,020 |
| Other | | | | |
| First Nations Health Authority | 217,142 | 1,118,905 | (489,715) | 846,332 |
| Rent | 5,866 | - | (5,866) | - |
| | 223,008 | 1,118,905 | (495,581) | 846,332 |
| | \$ 2,804,979 | \$ 10,264,668 | \$ (4,069,841) | \$ 8,999,806 |

LHEIDL T'ENNEH BAND**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2024****12. LONG-TERM DEBT**

| | 2024 | 2023 |
|---|-------------------|-------------------|
| Mortgage repayable in monthly installments of \$4,972 including interest at 0.73% per annum, secured by a Government of Canada ministerial guarantee, renewing on July 1, 2025. | \$ 649,188 | \$ 703,926 |
| Mortgage repayable in monthly installments of \$1,078 including interest at 3.45% per annum, secured by a Government of Canada ministerial guarantee, renewing on August 1, 2027. | 43,439 | 55,217 |
| Mortgage repayable in monthly installments of \$2,480 including interest at 1.83% per annum, secured by a Government of Canada ministerial guarantee, renewing on August 1, 2024. | 12,361 | 41,647 |
| <u>Mortgage repaid during the year</u> | <u>-</u> | <u>22,063</u> |
| | \$ 704,988 | \$ 822,853 |

Principal portion of long-term debt due within the next five years:

| | |
|----------------------------|-------------------|
| 2025 | \$ 79,715 |
| 2026 | 67,987 |
| 2027 | 68,628 |
| 2028 | 62,334 |
| <u>2029 and thereafter</u> | <u>426,324</u> |
| | \$ 704,988 |

Interest on long-term debt amounted to \$7,230 (2023 - \$10,299).

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

13. RESERVES

Under the terms of an agreement with Canada Mortgage and Housing Corporation ("CMHC"), the Band is required to make annual deposits of at least \$21,340 (2023 - \$23,340 to a separate replacement reserve to cover the cost of replacing certain capital items contained in the rental housing projects financed by CMHC. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise may be approved by CMHC. The funds can only be used for CMHC approved capital items. At March 31, 2024, the Band replacement reserve is fully funded and are in compliance with the agreement with CMHC.

| | 2024 | 2023 |
|---|-------------------------|-------------------------|
| Balance, beginning of year | \$ 354,155 | \$ 400,363 |
| Contributions, required during the year | 21,340 | 23,340 |
| Withdrawals | (121,837) | (69,548) |
| | <hr/> \$ 253,658 | <hr/> \$ 354,155 |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

14. TANGIBLE CAPITAL ASSETS

| | Cost | Additions | Disposals | Accumulated amortization | 2024 Net book value |
|---------------------------------|----------------------|---------------------|-------------------|--------------------------|----------------------|
| Automotive equipment | \$ 602,447 | \$ 469,759 | \$ 107,500 | \$ 514,920 | \$ 449,787 |
| Boats and fisheries equipment | 232,145 | 381,177 | - | 108,066 | 505,256 |
| Buildings | 5,028,167 | - | - | 587,061 | 4,441,106 |
| Computer equipment and software | 216,516 | 50,811 | - | 231,548 | 35,779 |
| Fuel tanks | 207,268 | - | - | 207,268 | - |
| Signage | 40,724 | - | - | 40,724 | - |
| Office equipment | 168,100 | 12,242 | - | 169,947 | 10,394 |
| Heavy duty equipment | 305,292 | 60,592 | - | 160,813 | 205,072 |
| Housing | 5,550,873 | - | - | 2,717,712 | 2,833,160 |
| Infrastructure | 8,098,544 | 127,100 | - | 2,494,181 | 5,731,464 |
| Land improvements | 1,361,531 | - | - | 314,740 | 1,046,790 |
| Capital projects in progress | - | 4,256,497 | - | - | 4,256,497 |
| | \$ 21,811,607 | \$ 5,358,178 | \$ 107,500 | \$ 7,546,980 | \$ 19,515,305 |

| | Cost | Additions | Disposals | Accumulated amortization | 2023 Net book value |
|---------------------------------|----------------------|---------------------|---------------------|--------------------------|----------------------|
| Automotive equipment | \$ 567,676 | \$ 487,001 | \$ 452,230 | \$ 372,276 | \$ 230,170 |
| Boats and fisheries equipment | 195,875 | 36,270 | - | 81,327 | 150,819 |
| Buildings | 997,211 | 4,030,956 | - | 419,455 | 4,608,712 |
| Computer equipment and software | 210,802 | 5,714 | - | 212,706 | 3,810 |
| Fuel tanks | 207,268 | - | - | 202,086 | 5,182 |
| Signage | 40,724 | - | - | 40,724 | - |
| Office equipment | 161,401 | 6,699 | - | 163,634 | 4,466 |
| Heavy duty equipment | 394,922 | 14,500 | 104,130 | 123,174 | 182,118 |
| Housing | 5,550,873 | - | - | 2,529,343 | 3,021,530 |
| Infrastructure | 7,670,330 | 428,214 | - | 2,294,771 | 5,803,773 |
| Land improvements | 1,346,531 | 15,000 | - | 287,510 | 1,074,021 |
| Capital projects in progress | 4,081,878 | 319,801 | 4,401,679 | - | - |
| | \$ 21,425,491 | \$ 5,344,155 | \$ 4,958,039 | \$ 6,727,006 | \$ 15,084,601 |

LHEIDLI T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

15. ACCUMULATED SURPLUS

| | 2024 | 2023 |
|--|----------------------|----------------------|
| Restricted | | |
| Equity in Ottawa Trust Funds | \$ 6,227 | \$ 4,693 |
| Equity in Government Business Entities | <u>36,505,814</u> | <u>30,787,907</u> |
| | 36,512,041 | 30,792,600 |
| Unrestricted | | |
| Operating equity | <u>31,403,322</u> | <u>25,881,163</u> |
| | \$ 67,915,363 | \$ 56,673,763 |

16. CONTINGENT LIABILITIES

The Band has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the Band fails to comply with the terms and conditions of the agreements.

The Band may have future silviculture commitments on government business enterprises owned forest licenses if future costs exceed current estimates. The amount of the liability, if any, is not determinable at this time.

In addition, in the normal course of its operations, the Band becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on the Band's financial statements. In management's opinions there are no losses resulting in the accrual of a liability present as at the date of the audit report.

The Band has an authorized demand facility in the amount of \$400,000, bearing interest at Royal Bank's prime rate plus 1.5% per annum and a revolving facility in the amount of \$5,000,000. These credit facility agreements are secured by a general security agreement. At March 31, 2024 the Band has not utilized either of these facilities.

17. ECONOMIC DEPENDENCE

Lheidli T'enneh Band receives a significant portion of its revenue pursuant to funding agreements with various government agencies. The ability of the Band to continue operations of certain programs is dependent upon the Provincial and Federal governments continued financial commitment under the funding agreements.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

18. GOVERNMENT TRANSFERS

| | 2024 | | |
|---|----------------------|----------------|----------------------|
| | Operating | Capital | Total |
| Federal government transfers | | | |
| Indigenous Services Canada | \$ 1,996,108 | \$ 7,688,681 | \$ 9,684,789 |
| First Nations Health Authority | 1,400,943 | - | 1,400,943 |
| Canada Mortgage and Housing Corporation | 105,512 | - | 105,512 |
| Fisheries and Oceans Canada | 1,045,502 | - | 1,045,502 |
| Total | 4,548,065 | 7,688,681 | 12,236,746 |
| Provincial government transfers | 8,815,890 | - | 8,815,890 |
| | \$ 13,363,955 | \$ 7,688,681 | \$ 21,052,636 |
| | 2023 | | |
| | Operating | Capital | Total |
| Federal government transfers | | | |
| Indigenous Services Canada | \$ 2,774,670 | \$ - | \$ 2,774,670 |
| First Nations Health Authority | 484,174 | - | 484,174 |
| Canada Mortgage and Housing Corporation | 110,347 | - | 110,347 |
| Fisheries and Oceans Canada | 904,778 | - | 904,778 |
| Government of Canada | 330,000 | - | 330,000 |
| Total | 4,603,969 | - | 4,603,969 |
| Provincial government transfers | 6,418,329 | - | 6,418,329 |
| | \$ 11,022,298 | \$ - | \$ 11,022,298 |

19. EMPLOYMENT RETIREMENT PLAN

The Band has a defined contribution pension plan for eligible employees. Employees are required to contribute a minimum of 5.5% of their salary, the Band also contributes 5.5% of their base salary, and contributions are directed to the employee's contribution account. The amount of retirement benefits to be received by the employees will be the amount of retirement benefit annuity that could be purchased based on the member's share of the pension plan at the time of the employee's withdrawal from the plan. During the year, the Band contributed \$101,432 (2023 - \$92,612) for retirement benefits.

20. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates provided by management, and were approved by Chief and Council on March 26, 2023.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

21. PRIOR PERIOD RESTATEMENT

The comparative figures have been retroactively restated to account for a recovery of funding by the Ministry of Children and Family Development. The funding was previously recorded in the accumulated surplus, however the funding was not spent at March 31, 2023, therefore has been adjusted to deferred revenue until such time that it is recovered. As a result the financial statements have been restated as follows:

| | As previously stated in 2023 | Adjustments Increase (Decrease) | Restated 2024 |
|---|---------------------------------|---------------------------------------|------------------|
| Consolidated Statement of Financial Position | | | |
| Liabilities | | | |
| Deferred revenue | \$ 2,739,043 | \$ 65,936 | \$ 2,804,979 |
| Accumulated surplus | 56,739,698 | (65,936) | 56,673,762 |
| Consolidated Statement of Operations | | | |
| Revenue | \$ 27,177,416 | \$ (65,936) | \$ 27,111,480 |

22. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments.

(a) Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Band has a history of dealing with its funding agencies, customer base, and government business enterprises and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable, or advances receivable.

(b) Interest rate risk

Interest rate risk is the risk that the Band has interest rate exposure on its bank contingent liabilities, and long-term debt, which are variable based on the bank's prime rates. This exposure may have an effect on its earnings in future periods. The band reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been relatively stable over the period presented. There are some loans that are at fixed term rates and do not affect interest rate risk. The band does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk to the band is low and is not material.

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

23. EXPENSES BY OBJECT

| | 2024 Budget | 2024 Actual | 2023 Actual |
|--------------------------------------|----------------------|----------------------|----------------------|
| Administration fees | \$ 716,468 | \$ - | \$ - |
| Advertising | 114,000 | 57,352 | 68,193 |
| Amortization | 122,500 | 841,475 | 786,838 |
| Catering | 103,474 | 277,860 | 109,693 |
| Christmas | 106,487 | 101,329 | 105,433 |
| Contracted services | 123,000 | 491,821 | 282,812 |
| Courier and delivery | 650 | 10,468 | 5,869 |
| Election | - | 42,568 | 11,283 |
| Enbridge Membership Distribution | - | 45,000 | 9,860,000 |
| Equipment leases and rentals | 21,000 | 62,378 | 32,391 |
| Equipment purchases | 14,378,944 | 149,717 | 116,033 |
| Fuel and oil | 36,200 | 51,700 | 55,345 |
| Gain (loss) on disposal of equipment | - | 12,500 | (26,715) |
| Honorarium | 292,818 | 330,577 | 252,921 |
| Insurance and licenses | 164,970 | 148,564 | 129,373 |
| Interest and bank charges | 8,500 | 18,565 | 20,199 |
| Materials and supplies | 360,046 | 551,929 | 448,688 |
| Meeting expenses | 67,099 | 263,247 | 41,621 |
| Office expenses | 536,113 | 366,213 | 280,581 |
| Professional fees | 2,296,541 | 1,614,238 | 1,917,967 |
| Rent | 112,200 | 43,295 | 113,515 |
| Repairs and maintenance | 504,200 | 889,961 | 332,640 |
| Replacement reserve | 23,340 | 21,340 | 23,340 |
| Social assistance and support | 209,700 | 397,770 | 247,460 |
| Special events | 1,259,804 | 894,921 | 530,268 |
| Training | 805,517 | 98,585 | 38,674 |
| Travel | 430,855 | 592,496 | 368,283 |
| Tuitions and allowances | 550,184 | 667,471 | 338,400 |
| Utilities and telephone | 159,251 | 363,313 | 212,097 |
| Vehicle | 32,100 | 95,273 | 33,628 |
| Wages and benefits | 4,016,192 | 4,696,779 | 3,751,093 |
| | \$ 27,552,156 | \$ 14,198,705 | \$ 20,487,923 |

LHEIDLIT'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

24. SEGMENTED INFORMATION

Lheidli T'enneh Band provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the Summary of Significant Accounting Policies in Note 1. The segment and services provided are as follows:

Economic Development

Manages the development of economic opportunities from the land and natural resources for the Band and its entities;

Education

Provides primary and secondary instructional services and financial support to eligible post-secondary students.

Employment and Training

Provides training and work opportunities for Band members to improve their job skills and participate effectively in the labour market;

Government Development and Administration

Provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Government Business Enterprises

Economic development for the benefit of Band members;

Health Services

Provides a variety of health and wellness programs and support to Band members;

Social Housing

Provides on-reserve housing to eligible members under the CMHC housing programs for Bands, and reports on the respective revenue and expenditures;

Public Works Operations and Maintenance

Manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, and maintenance of community buildings;

Social and Community Services

Administers the provision of social assistance to qualifying Band members, as well as providing programs and services for the social benefit and welfare of Band members;

Tangible Capital Assets

Provides capital infrastructure development for Band members.

LHEIDLIT'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

24. SEGMENTED INFORMATION, continued

| | Education | | | Government Development and Administration | | | Investment in Government Business Enterprises | | |
|--|----------------|----------------|----------------|---|------------------|------------------|---|------------------|------------------|
| | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ 239,271 | \$ 283,969 | \$ 378,054 | \$ 306,794 | \$ 328,886 | \$ 403,876 | - | \$ - | \$ - |
| Provincial Government | - | - | - | 425,000 | 528,833 | 535,275 | - | - | - |
| Other Aboriginal Groups | 477,577 | 172,671 | 49,685 | 375,000 | 607,847 | 10,000 | - | - | - |
| Band Generated | 51,645 | 313,665 | 100,950 | 81,880 | 37,500 | 35,072 | - | - | - |
| Miscellaneous | - | - | - | 142,000 | 196,168 | 42,064 | - | - | - |
| Income earned in government business enterprises | - | - | - | - | - | - | - | 5,717,908 | 2,431,929 |
| Administration fee | - | (12,893) | 12,893 | 807,024 | 36,692 | 1,500 | - | - | - |
| Other revenue | - | 2,001 | 700 | 6,078 | 572,982 | 466,895 | - | - | - |
| Total revenue | 768,493 | 759,413 | 542,282 | 2,143,776 | 2,308,908 | 1,494,682 | - | 5,717,908 | 2,431,929 |
| Expenses | | | | | | | | | |
| Equipment purchases | - | - | 809 | 18,000 | 40,736 | 5,239 | - | - | - |
| Social assistance and support | - | - | - | 180,000 | 30,184 | - | - | - | - |
| Tuitions and allowances | 512,136 | 462,341 | 320,045 | - | 86,617 | 7,922 | - | - | - |
| Office expenses | 400 | 701 | 1,292 | 274,000 | 144,276 | 156,325 | - | - | - |
| Repairs and maintenance | 500 | 29,623 | 3,847 | 116,500 | 258,403 | 116,601 | - | - | - |
| Professional fees | - | 26,664 | 10,225 | 780,000 | 655,224 | 490,779 | - | - | - |
| Wages and benefits | 173,283 | 138,164 | 141,456 | 1,368,552 | 1,893,576 | 1,390,184 | - | - | - |
| Other expenses | 170,106 | 235,277 | 144,860 | 2,965,500 | 1,791,041 | 1,171,476 | - | - | - |
| Total expenses | 856,425 | 892,770 | 622,534 | 5,702,552 | 4,900,057 | 3,338,526 | - | - | - |
| Recoveries | - | (73,503) | - | - | - | - | - | - | - |
| Annual surplus (deficit) | \$ (87,932) | \$ (206,860) | \$ (80,252) | \$ (3,558,776) | \$ (2,591,149) | \$ (1,843,844) | - | \$ 5,717,908 | \$ 2,431,929 |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

24. SEGMENTED INFORMATION, continued

| | Public Works Operations and Maintenance | | | Capital Projects | | | Health Services | | |
|----------------------------|---|----------------|----------------|-------------------|------------------|----------------|-----------------|----------------|----------------|
| | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ 139,174 | \$ 91,230 | \$ 86,585 | \$ 12,468,473 | \$ 7,473,901 | \$ 506,134 | - | \$ - | \$ - |
| Provincial Government | - | 9,289 | 8,564 | - | 1,120,006 | - | - | 10,275 | - |
| Other Aboriginal Groups | - | - | - | - | - | - | 515,224 | 673,097 | 474,174 |
| Band Generated | 236,660 | 24,119 | - | - | 248,700 | - | - | 70,017 | - |
| Miscellaneous | - | 74,327 | 74,773 | - | - | - | - | - | - |
| Other revenue | - | 77 | 141,353 | 200,000 | (5,144,135) | 242,692 | - | (10,969) | (147,723) |
| Total revenue | 375,834 | 199,042 | 311,275 | 12,668,473 | 3,698,472 | 748,826 | 515,224 | 742,420 | 326,451 |
| Expenses | | | | | | | | | |
| Equipment purchases | 82,000 | 3,418 | 7,221 | 11,863,859 | 5,656 | 14,681 | - | 3,613 | 2,015 |
| Tuitions and allowances | - | - | - | - | - | - | - | 11,062 | - |
| Office expenses | 64,855 | 292 | 1,125 | 16,378 | 2 | 207 | 14,948 | 47,685 | 10,057 |
| Repairs and maintenance | 72,000 | 76,289 | 68,315 | 126,800 | 298,527 | 24,817 | 5,500 | 5,627 | 4,247 |
| Professional fees | 5,000 | - | - | 10,000 | 110,376 | 359,725 | 3,000 | - | 756 |
| Wages and benefits | 303,181 | 236,289 | 253,216 | 138,537 | 108,556 | 58,557 | 296,728 | 355,929 | 314,057 |
| Other expenses | 97,000 | 185,586 | 109,543 | 244,065 | 223,317 | 55,013 | 225,564 | 268,228 | 99,486 |
| Total expenses | 624,036 | 501,874 | 439,420 | 12,399,639 | 746,434 | 513,000 | 545,740 | 692,144 | 430,618 |
| Recoveries | | | | | | | | | |
| Annual surplus (deficit) | \$ (248,202) | \$ (302,832) | \$ (128,145) | \$ 268,834 | \$ 2,952,038 | \$ 235,826 | \$ (30,516) | \$ 50,276 | \$ (104,167) |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

24. SEGMENTED INFORMATION, continued

| | Economic Development | | | Social Housing | | | Ottawa Trust Funds | | |
|-------------------------------|----------------------|-------------------|-------------------|----------------|----------------|----------------|--------------------|--------------|--------------|
| | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ 303,411 | \$ 364,550 | \$ 304,805 | - | \$ 32,164 | \$ 30,527 | - | \$ - | \$ - |
| Provincial Government | 8,872,864 | 6,957,151 | 5,663,546 | - | - | - | - | - | - |
| Other Aboriginal Groups | 179,897 | 369,041 | 410,814 | 112,094 | 105,512 | 110,347 | - | - | - |
| Band Generated | 2,883,206 | 1,641,889 | 1,526,359 | 182,400 | 148,491 | 147,975 | - | - | - |
| Miscellaneous | 140,918 | 3,485 | - | - | - | - | - | - | - |
| Administration fee | 52,120 | 32,012 | 40,414 | - | - | - | - | - | - |
| Other revenue | 551,510 | 1,159,357 | 12,228,940 | 1,200 | 189,250 | - | - | 1,534 | 1,356 |
| Total revenue | 12,983,926 | 10,527,485 | 20,174,878 | 295,694 | 475,417 | 288,849 | - | 1,534 | 1,356 |
| Expenses | | | | | | | | | |
| Equipment purchases | 2,226,635 | 19,842 | 10,397 | 38,450 | 36,884 | 42,843 | - | - | - |
| Social assistance and support | - | - | - | 29,700 | - | 1,700 | - | - | - |
| Tuitions and allowances | 23,402 | 29,539 | 2,853 | - | 1,308 | 292 | - | - | - |
| Office expenses | 64,500 | 3,747 | 9,308 | - | 4,556 | 357 | - | - | - |
| Repairs and maintenance | 48,500 | 121,345 | 36,375 | 126,900 | 77,040 | 50,404 | - | - | - |
| Professional fees | 1,430,541 | 784,144 | 1,004,719 | 8,000 | - | - | - | - | - |
| Wages and benefits | 1,316,567 | 1,396,045 | 1,147,989 | 195,113 | 166,278 | 148,995 | - | - | - |
| Other expenses | 894,838 | 841,713 | 10,414,382 | 237,191 | 133,994 | 114,526 | - | - | - |
| Total expenses | 6,004,983 | 3,196,375 | 12,626,023 | 635,354 | 420,060 | 359,117 | - | - | - |
| Recoveries | | | | | | | | | |
| Annual surplus (deficit) | \$ 6,978,943 | \$ 7,331,110 | \$ 7,548,855 | \$(339,660) | \$ 55,357 | \$(70,268) | - | \$ 1,534 | \$ 1,356 |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

24. SEGMENTED INFORMATION, continued

| | Social and Community Services | | | Employment and Training | | | Invested in Tangible Capital Assets | | |
|-------------------------------|-------------------------------|------------------|------------------|-------------------------|----------------|----------------|-------------------------------------|----------------|----------------|
| | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Actual | 2023 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada | \$ 354,703 | \$ 755,452 | \$ 1,035,823 | - | \$ - | \$ - | - | \$ - | \$ - |
| Provincial Government | 263,831 | 190,336 | 195,182 | - | - | - | 15,763 | - | - |
| Other Aboriginal Groups | - | - | - | 111,981 | - | - | - | - | - |
| Band Generated | - | 155,995 | 7,500 | - | 117,739 | 113,525 | - | - | - |
| Administration fee | (46,461) | - | - | - | - | - | - | - | - |
| Other revenue | - | (70,379) | (582,194) | - | - | 5,353 | - | - | - |
| Total revenue | 572,073 | 1,031,404 | 656,311 | 111,981 | 117,739 | 134,641 | - | - | - |
| Expenses | | | | | | | | | |
| Equipment purchases | - | 39,568 | 32,827 | - | - | - | - | - | - |
| Social assistance and support | - | 280,213 | 245,760 | - | - | - | - | - | - |
| Tuitions and allowances | 9,348 | 56,114 | 538 | 5,298 | 19,527 | 6,752 | - | - | - |
| Office expenses | 101,032 | 161,800 | 97,845 | - | 3 | 232 | - | - | - |
| Repairs and maintenance | 7,500 | 21,962 | 7,042 | - | 1,144 | 2,526 | - | - | - |
| Professional fees | 10,000 | - | - | - | - | - | - | - | - |
| Wages and benefits | 157,845 | 306,809 | 217,856 | 66,385 | 95,128 | 78,783 | - | - | - |
| Other expenses | 385,721 | 992,903 | 648,712 | 40,298 | 32,342 | 32,973 | - | 841,475 | 786,838 |
| Total expenses | 671,446 | 1,859,369 | 1,250,580 | 111,981 | 148,144 | 121,266 | - | 841,475 | 786,838 |
| Recoveries | - | (65,936) | - | - | - | - | - | - | - |
| Annual surplus (deficit) | \$ (99,373) | \$ (893,901) | \$ (594,269) | - | \$ (30,405) | \$ 13,375 | - | \$ (841,475) | \$ (786,838) |

LHEIDL T'ENNEH BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

24. SEGMENTED INFORMATION, continued

| | 2024 Budget | 2024 Actual | Consolidated totals | |
|--|----------------|----------------|---------------------|--|
| | | | 2023 Actual | |
| Revenues | | | | |
| Indigenous Services Canada | \$ 13,811,826 | \$ 9,330,152 | \$ 2,745,804 | |
| Provincial Government | 9,561,695 | 8,815,890 | 6,418,330 | |
| Other Aboriginal Groups | 1,771,773 | 1,928,168 | 1,055,020 | |
| Band Generated | 3,435,791 | 2,758,115 | 1,931,381 | |
| Miscellaneous | 282,918 | 273,980 | 116,837 | |
| Income earned in government business enterprises | - | 5,717,908 | 2,431,929 | |
| Administration fee | 812,683 | 55,811 | 54,807 | |
| Other revenue | 758,788 | (3,300,282) | 12,357,372 | |
| Total revenue | 30,435,474 | 25,579,742 | 27,111,480 | |
| Expenses | | | | |
| Equipment purchases | 14,228,944 | 149,717 | 116,032 | |
| Social assistance and support | 209,700 | 310,397 | 247,460 | |
| Tuitons and allowances | 550,184 | 666,508 | 338,402 | |
| Office expenses | 536,113 | 363,062 | 276,748 | |
| Repairs and maintenance | 504,200 | 889,960 | 314,174 | |
| Professional fees | 2,246,541 | 1,576,408 | 1,866,204 | |
| Wages and benefits | 4,016,191 | 4,696,774 | 3,751,093 | |
| Other expenses | 5,260,283 | 5,545,876 | 13,577,809 | |
| Total expenses | 27,552,156 | 14,198,702 | 20,487,922 | |
| Recoveries | | | | |
| Annual surplus (deficit) | \$ 2,883,318 | \$ 11,241,601 | \$ 6,623,558 | |