

KWIKAH FIRST NATION
Consolidated Financial Statements

March 31, 2024

KWIAKAH FIRST NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 31, 2024

The accompanying consolidated financial statements (the "financial statements") of the Kwiakah First Nation as at March 31, 2024 and for the year ended are the responsibility of management and contractors acting as management. The financial statements have been prepared by management and contractors acting as management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management and contractors acting as management have chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

Management and contractors acting as management maintain systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Nation's assets are appropriately accounted for and adequately safeguarded.

The Kwiakah First Nation Chief and Council are responsible for ensuring that management and contractors acting as management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

Chief and Council reviews the financial statements and approves them. Chief and Council meets periodically with management and contractors acting as management, as well as the external auditor, 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 financial statements and the independent auditor's report. Chief and Council consider their findings when approving the financial statements for issuance to the Members.

The financial statements have been approved by Chief and Council. In addition, these financial statements have been audited by Chan Nowosad Boates Inc. in accordance with Canadian generally accepted auditing standards on behalf of the members. Chan Nowosad Boates Inc. has full access to Chief and Council for the purpose of their audit.



Chief Steven Dick
February 11, 2025



INDEPENDENT AUDITOR'S REPORT

To the Chief and Council and Member of Kwiakah First Nation,

Opinion

We have audited the consolidated financial statements of Kwiakah First Nation (the "Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, accumulated surplus, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2024, and the results of its consolidated operations and 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 Financial Statements section of our report.

We are independent of the Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the 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 Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chan Nowosad Boates Inc

Chan Nowosad Boates Inc.
Campbell River, BC

February 11, 2025

KWIAKAH FIRST NATION

Consolidated Statement of Financial Position

March 31, 2024

2024

2023

(Note 14)

FINANCIAL ASSETS

Cash	\$ 3,840,169	\$ 2,306,256
Portfolio Investment (Note 2)	110	110
Trust Funds Held by Federal Government (Note 3)	-	8,256
Accounts Receivable (Note 4)	1,409,377	429,131
Loan Receivable from Related Party (Note 5)	23,018	21,683
Investment in Government Business Partnership (Note 6)	1,689,340	1,437,020
Investment in Government Business Enterprises (Note 7)	100	100
	<u>6,962,114</u>	<u>4,202,556</u>

LIABILITIES

Accounts Payable and Accrued Liabilities	116,503	109,008
Deferred Revenue (Note 8)	1,571,534	639,468
Long Term Debt (Note 9)	<u>15,000</u>	<u>15,000</u>
	<u>1,703,037</u>	<u>763,476</u>

NET FINANCIAL ASSETS

5,259,077 3,439,080

NON-FINANCIAL ASSETS

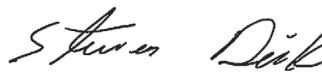
Prepaid Expenses	58,080	17,120
Tangible Capital Assets (Note 10)	<u>1,098,589</u>	<u>750,407</u>
	<u>1,156,669</u>	<u>767,527</u>

ACCUMULATED SURPLUS

\$ 6,415,746 \$ 4,206,607

Contingent Liabilities (Note 11)

Approved by:



Chief



Councilor

KWIAKAH FIRST NATION

Consolidated Statement of Operations

Year Ended March 31, 2024

	2024		2023
	Actual	Budget (Note 13)	(Note 14)
Revenues			
Indigenous Services Canada	\$ 626,756	\$ 670,066	\$ 385,654
Kwakiutl District Council	5,574	5,574	5,574
Province of British Columbia	276,000	351,500	63,994
A-Tlegay Fisheries Limited Partnership	252,319	-	228,829
London Enterprises Ltd.	25,000	25,000	25,000
Amounts Earned and Held in Trust	294	-	294
BC First Nation Gaming	596,742	-	646,165
First Nations Health Authority	5,000	-	52,250
Other	<u>2,521,982</u>	<u>2,620,356</u>	<u>716,513</u>
	<u>4,309,667</u>	<u>3,672,496</u>	<u>2,124,273</u>
Expenditures			
Administration	398,742	534,050	329,728
Health	32,053	50,982	70,931
Education	-	-	17,000
Economic Development	<u>1,669,733</u>	<u>1,592,044</u>	<u>778,689</u>
	<u>2,100,528</u>	<u>2,177,076</u>	<u>1,196,348</u>
Annual Surplus	\$ 2,209,139	\$ 1,495,420	\$ 927,925

KWIAKAH FIRST NATION

Consolidated Statement of Accumulated Surplus

Year Ended March 31, 2024

	2024		
	Actual	Budget (Note 13)	2023 (Note 14)
Accumulated Surplus - Beginning of Year	\$ 4,206,607	\$ -	\$ 3,278,682
Annual Surplus	<u>2,209,139</u>	<u>1,495,420</u>	<u>927,925</u>
Accumulated Surplus - End of Year	<u>\$ 6,415,746</u>	<u>\$ 1,495,420</u>	<u>\$ 4,206,607</u>

KWIAKAH FIRST NATION

Consolidated Statement of Change in Net Financial Assets

Year Ended March 31, 2024

2024

2023
(Note 14)

Annual Surplus	\$ 2,209,139	\$ 927,925
Tangible Capital Assets Purchased	(406,092)	(94,167)
Amortization of Tangible Capital Assets	57,910	27,326
	<u>(348,182)</u>	<u>(66,841)</u>
Acquisition of Prepaid Asset	(58,080)	(17,120)
Use of Prepaid Asset	17,120	27,716
	<u>(40,960)</u>	<u>10,596</u>
Increase in Net Financial Assets	1,819,997	871,680
Net Financial Assets - Beginning of Year	<u>3,439,080</u>	<u>2,567,400</u>
Net Financial Assets - End of Year	<u>\$ 5,259,077</u>	<u>\$ 3,439,080</u>

KWIAKAH FIRST NATION

Consolidated Statement of Cash Flows

Year Ended March 31, 2024

2024

2023

Cash Flows From Operating Activities:

Cash Received from Indigenous Services Canada and Other	\$ 4,009,168	\$ 1,832,255
Cash Paid to Suppliers and Members	(2,076,084)	(1,064,218)
	<u>1,933,084</u>	<u>768,037</u>

Cash Flows From Financing Activities:

Loan Advanced to Related Party	(1,335)	(1,323)
Cash Received from Long Term Debt	-	15,000
	<u>(1,335)</u>	<u>13,677</u>

Cash Flows From Investing Activities:

Purchase of Tangible Capital Assets	(406,092)	(94,167)
Cash Received from Funds Held in Trust	8,256	-
	<u>(397,836)</u>	<u>(94,167)</u>

Increase in Cash

1,533,913

687,547

Cash - Beginning of Year

2,306,256

1,618,709

Cash - End of Year

\$ 3,840,169

\$ 2,306,256

KWIAKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

1. Significant Accounting Policies:

a) Basis of Accounting

These financial statements of the Kwiakah First Nation (the "Nation") have been prepared in accordance with Canadian public sector accounting standards (PSAS) for governments as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

b) Basis of Consolidation

The consolidated financial statements include the accounts of Nation and company's and limited partnerships controlled by the Nation, Matsayno Sustainability Corporation and Matsayno Sustainability Limited Partnership. The Controlled Entities do not meet the definition of a government business enterprise or partnership.

All controlled entities are fully consolidated on a line-by-line basis except for commercial enterprises and partnerships which meet the definition of government business enterprises which are defined further below. Inter-organizational balances and transactions are eliminated upon consolidation.

c) Asset Classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services and may be consumed in normal operations. Non-financial assets include tangible capital assets and prepaid expenses. Intangible assets, and items inherited by right of the First Nation and the Crown, are not recognized in the financial statements.

d) 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. Amortization is provided for using the following rates and methods:

Buildings	4%	declining balance
Equipment	45%	declining balance
Vehicles	30%	declining balance

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Nation's ability to provide goods and services, or when the value of future economic benefits associated with the assets are less than their net book value. The net writedowns are accounted for as expenses in the statement of operations.

e) Revenue Recognition

Revenues are recognized in the period in which the transactions 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.

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

KWIAKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued):

e) Revenue Recognition (continued)

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. Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

f) Loans Receivable

Loans receivable are initially recorded at cost, and thereafter at the lower of cost and net realizable value. Interest income is recognized in the period earned, and ceases to be earned if the collection of the outstanding principal and interest amounts are not reasonably assured.

g) Investment in Government Business Enterprises and Partnerships

The Nation accounts for their investment in a controlled government business enterprise as well as its investment in a government business partnership using the modified equity method.

Under the modified equity method of accounting, only the Nation's investment in the business enterprise and partnership and the enterprise's and partnerships net income and other changes in equity are recorded.

No adjustment is made for accounting policies of the enterprise that are different from those of the Nation, except that any other comprehensive income of the business enterprise and partnership is accounted for as an adjustment to the accumulated surplus or deficit.

Inter-organizational transactions and balances are not eliminated.

Investments in the following entities are accounted for by the modified equity method and, as such, the accounting policies of these enterprises are not adjusted to conform with those of the Nation:

A-Tlegay Fisheries Limited Partnership (12.99%)
Saaiyouck Development Corporation (100%)

h) Portfolio Investments

Investments in limited partnerships which the Nation does not control or significantly influence are accounted for as portfolio investments using the cost method. Investments will be recorded at cost and any share of income received will be recognized as income when received or receivable.

i) Measurement Uncertainty

The preparation of the financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the provision for amortization, the useful lives of assets, and estimated asset retirement obligations. Amortization is calculated to represent the useful life of the asset consumed during the fiscal period. Management estimates the useful life of each asset based on their experience and the planned use of the asset. Amortization is then calculated based on the estimated useful life. Actual results could differ from these estimates.

KWIAKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued):

j) Asset Retirement Obligations

The Nation recognizes a liability for an asset retirement obligation when there is legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date.

2. Portfolio Investment:

Portfolio investments include an investment in a limited partnership recorded at cost, as follows:

	<u>2024</u>	<u>2023</u>
BC FN Gaming Limited Partnership	\$ 110	\$ 110

3. Trust Funds Held by Federal Government:

	<u>2023</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>2024</u>
Revenue	\$ 8,256	\$ 294	\$ 8,550	\$ -

The Trust Funds Held by Federal Government 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*.

4. Accounts Receivable:

	<u>2024</u>	<u>2023</u>
Indigenous Services Canada	\$ 6,635	\$ -
Fisheries and Oceans Canada	287,775	-
Province of British Columbia	550,000	-
New Relationship Trust	10,000	10,000
Trade Receivables	340,404	-
Receiver General	53,288	28,850
Deposits	25,000	-
Other	136,275	390,281
	<u>\$ 1,409,377</u>	<u>\$ 429,131</u>

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Notes to the Consolidated Financial Statements

March 31, 2024

5. Loan Receivable from Related Party:

	<u>2024</u>	<u>2023</u>
0986442 BC Ltd: Principal loan of \$30,000 with equal annual repayments of \$6,000 each year, bearing no interest, with no repayment made during the year.	18,000	18,000
0986442 BC Ltd: Related party loan with no terms of repayment, bearing no interest.	<u>5,018</u> \$ <u>23,018</u>	<u>3,683</u> \$ <u>21,683</u>

0986442 BC Ltd. is related to the Nation by common control. 0986442 BC Ltd. trades in crypto currency. A total of 100 voting common shares and 100 non-voting preferred shares are held by shareholders. Saaiyouck Development Corporation, holds 50 of the outstanding voting common shares and 40 non-voting preferred shares of 0986442 BC Ltd. A contractor of the Nation owns 50 of the outstanding common voting shares and 50 non-voting preferred shares of 0986442 BC Ltd., while a specified member of the Nation owns 10 of the outstanding non-voting preferred shares.

6. Investment in Government Business Partnership:

A-Tlegay Fisheries Limited Partnership acquires and manages various fishing licences and quota.

	<u>2024</u>	<u>2023</u>
A-Tlegay Fisheries Limited Partnership (12.99%)		
Units	\$ 130	\$ 130
Accumulated share of surplus	<u>1,689,210</u> \$ <u>1,689,340</u>	<u>1,436,890</u> \$ <u>1,437,020</u>

Financial information for A-Tlegay Fisheries Limited Partnership for the year ended March 31, 2024 with comparative information at March 31, 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Total Assets	\$ <u>23,292,071</u>	\$ <u>22,850,284</u>
Total Liabilities	10,296,850	11,796,173
Partners' Capital	<u>12,995,221</u>	<u>11,054,111</u>
Total Liabilities and Partners' Capital	<u>23,292,071</u>	<u>22,850,284</u>
Revenues	3,076,082	2,312,122
Expenses	1,134,972	551,720
Net Income	<u>\$ 1,941,110</u>	<u>\$ 1,760,402</u>

KWIKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

7. Investment in Government Business Enterprise:

Saaiyouck Development Corporation is an economic development corporation which investigates and pursues various business opportunities within the Nation's traditional territories.

	<u>2024</u>	<u>2023</u>
Saaiyouck Development Corporation (100%)		
Shares	\$ 100	\$ 100
Advances	-	-
Accumulated share of deficit	-	-
	<u>\$ 100</u>	<u>\$ 100</u>

The shares in Saaiyouck Development Corporation are held in trust by specified Nation members under trust agreements. The advances made are without interest or specific repayment terms. Financial information for Saaiyouck Development Corporation for the year ended March 31, 2024 with comparative information at March 31, 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Total Assets	\$ 48,668	\$ 25,906
Total Liabilities	93,915	84,072
Equity (Deficit)	<u>(45,247)</u>	<u>(58,166)</u>
Total Liabilities and Equity	<u>48,668</u>	<u>25,906</u>
Revenues	28,738	10,443
Expenses	<u>15,819</u>	<u>18,101</u>
Net Loss	<u>\$ 12,919</u>	<u>\$ (7,658)</u>

8. Deferred Revenue:

	<u>2023</u>	<u>Amounts Received</u>	<u>Revenue Recognized</u>	<u>2024</u>
London Enterprises Ltd.	\$ 100,000	\$ -	\$ (25,000)	\$ 75,000
Indigenous Services Canada	146,517	90,000	(63,214)	173,303
Province of BC	317,800	645,500	(175,250)	788,050
Other	<u>75,151</u>	<u>869,603</u>	<u>(409,573)</u>	<u>535,181</u>
	<u>\$ 639,468</u>	<u>\$ 1,605,103</u>	<u>\$ (673,037)</u>	<u>\$ 1,571,534</u>

On March 15, 2017, London Enterprises Ltd. paid for access to the Nation's lands for certain activities. The revenue will be recognized over a ten year period ending March 31, 2027.

KWIAKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

9. Long Term Debt

	2024	2023
Specific Claim Loan: Crown-Indigenous Relations and Northern Affairs Canada: Interest-free; IR No. 6 Jackson Ltd. Timber Licence Claim Loan repayable in full March 31, 2027 or the date on which the IR No. 6 Jackson Ltd. Timber Licence Claim is settled.	\$ 15,000	\$ 15,000

10. Tangible Capital Assets:

	Cost				Accumulated Amortization				Net Book Value	
	Opening	Additions	Disposals	Closing	Opening	Amort.	Disposals	Closing	2024	2023
Land	\$ 109,797	\$ -	\$ -	\$ 109,797	\$ -	\$ -	\$ -	\$ -	\$ 109,797	\$ 109,797
Buildings	778,296	-	-	778,296	145,234	23,150	-	168,384	609,912	633,062
Equipment	28,680	406,092	-	434,772	21,132	34,760	-	55,892	378,880	7,548
Vehicles	6,099	-	-	6,099	6,099	-	-	6,099	-	-
Total	\$ 922,872	\$ 406,092	\$ -	\$ 1,328,964	\$ 172,465	\$ 57,910	\$ -	\$ 230,375	\$ 1,098,589	\$ 750,407

Included in Equipment is equipment under construction of \$144,020 (2023 - \$Nil) relating to a Guardian Forest Keeper Barge being renovated by a contractor. The Barge was not complete as of March 31, 2024, so no amortization has been taken on the asset.

11. Contingent Liabilities:

The Nation entered into contribution agreements with Indigenous Services Canada and other various federal and provincial government departments. Funding received under these contribution agreements are subject to repayment if the Nation fails to comply with the terms and conditions of the agreements.

12. Related Party Transactions:

The Nation owns and rented a townhouse to a related family member of Chief and Council for \$9,600 in the year (2023 - \$9,600). The Nation also owns a condominium which is rented to another related family member of Chief and Council for a nominal amount.

13. Budget Figures:

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council and have not been audited.

KWIAKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

14. Prior Period Adjustments:

In the year ended March 31, 2024, the Investment in Government Business Partnership A-Tlegay Fisheries Limited Partnership ("A-Tlegay") identified that in the comparative financial information for the year ended March 31, 2023, as well as previous periods and the opening balances at April 1, 2022, grant revenue was incorrectly netted against the acquisition of fishing licenses and quota, which is not consistent with A-Tlegay's accounting policies. A-Tlegay also identified that a revenue adjustment from the working capital adjustment related to the acquisition of Snow Drift Fishing Ltd. was incorrectly netted against the cost of marine equipment. An adjustment has been recorded, the impact of which is detailed below:

	Balance at March 31, 2023, as Previously Stated	Adjustment	Balance at March 31, 2023, as Restated
Investment in Government Business Partnership	\$ 1,024,333	\$ 412,687	\$ 1,437,020
Income in A-Tlegay Fisheries Limited Partnership	185,518	43,311	228,829
Accumulated Surplus	\$ 3,793,920	\$ 412,687	\$ 4,206,607

Also during the year ended March 31, 2024, the Nation identified a \$15,000 loan from the Crown-Indigenous Relations and Northern Affairs Canada had been recorded as deferred revenue for the year ended March 31, 2023. An adjustment has been recorded, the impact of which is detailed below:

	Balance at March 31, 2023, as Previously Stated	Adjustment	Balance at March 31, 2023, as Restated
Deferred Revenue	\$ 654,468	\$ (15,000)	\$ 639,468
Long Term Debt	\$ -	\$ 15,000	\$ 15,000

15. Subsequent Events:

On April 5, 2024 the Nation entered into a Special Forest Management Agreement (the "agreement") with Interfor Corporation ("Interfor") and the Province of British Columbia to establish a Special Forest Management Area (SFMA). The SFMA is within the boundaries of the Tree Farm Licence #45 (TFL45), the Nation's territory, and the Great Bear Rainforest. The agreement between the parties has been executed at a nominal amount.

On April 22, 2024, the Nation entered into a Grant Agreement with Nature United to obtain \$3,000,000 in funding in connection with the above. Use of the funds are restricted for the following purposes; \$2,500,000 is to be paid to Interfor for a reduction in the allowable annual cut of TFL45 and \$500,000 is to be employed for transactional costs and developing of the SFMA.

At the date of the financial statements, both agreements have been fully executed and \$2,500,000 was paid to Interfor.

16. Comparative Figures:

The comparative figures for March 31, 2023 have been reclassified where necessary to conform with the presentation adopted in the current year.

KWIAKAH FIRST NATION

Notes to the Consolidated Financial Statements

March 31, 2024

17. Segment Disclosure:

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by program. Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations. These activities can also be categorized into segments. The following segments have been identified and as such are separately disclosed:

General Administration

General Administration contains activities that are needed to manage and administer the Nation's organization.

Education

Education contains activities that provide education and facilitate educational opportunities to members for primary and secondary schooling and adult vocational training.

Health

Health contains activities that provide health and medical services that with the goal of improving overall individual and community health.

Economic Development

Economic Development provides services with the intent of increasing the opportunity of economic activities in the Nation's traditional territories.

KWIAKAH FIRST NATION

Notes to the Financial Statements

March 31, 2024

17. Segment Disclosure (continued):

	Administration		Education		Health		Economic Development		Total	
	2024	2023	2024	2023	2024	2023	2024	2023 (Note 14)	2024	2023 (Note 14)
Revenue										
Indigenous Services Canada	\$ 454,122	\$ 254,514	\$ -	\$ -	\$ 24,054	\$ 12,000	\$ 148,580	\$ 119,140	\$ 626,756	\$ 385,654
Kwakiutl District Council	-	-	-	-	5,574	5,574	-	-	5,574	5,574
Provincial	-	-	-	16,200	-	-	276,000	47,794	276,000	63,994
Other	<u>806,355</u>	<u>776,665</u>	<u>-</u>	<u>-</u>	<u>5,010</u>	<u>54,231</u>	<u>2,589,972</u>	<u>838,155</u>	<u>3,401,337</u>	<u>1,669,051</u>
	<u><u>1,260,477</u></u>	<u><u>1,031,179</u></u>	<u><u>-</u></u>	<u><u>16,200</u></u>	<u><u>34,638</u></u>	<u><u>71,805</u></u>	<u><u>3,014,552</u></u>	<u><u>1,005,089</u></u>	<u><u>4,309,667</u></u>	<u><u>2,124,273</u></u>
Expenses										
Honorarium	65,618	64,200	-	10,000	-	-	125,252	21,301	190,870	95,501
Contract Fees	86,081	166,867	-	-	-	-	995,329	475,212	1,081,410	642,079
Amortization	-	-	-	-	-	-	57,910	27,326	57,910	27,326
Bad Debt	-	-	-	-	-	-	13,531	6,086	13,531	6,086
Professional Fees	63,240	8,069	-	-	-	-	45,085	143,144	108,325	151,213
Program Supplies	82,317	64,002	-	-	25,846	45,931	102,449	20,363	210,612	130,296
Wages and Benefits	52,901	1,601	-	-	-	-	189,950	55,081	242,851	56,682
Other	<u>48,585</u>	<u>24,989</u>	<u>-</u>	<u>7,000</u>	<u>6,207</u>	<u>25,000</u>	<u>140,227</u>	<u>30,176</u>	<u>648,482</u>	<u>274,143</u>
	<u><u>398,742</u></u>	<u><u>329,728</u></u>	<u><u>-</u></u>	<u><u>17,000</u></u>	<u><u>32,053</u></u>	<u><u>70,931</u></u>	<u><u>1,669,733</u></u>	<u><u>778,689</u></u>	<u><u>2,100,528</u></u>	<u><u>1,196,348</u></u>
Transfers	<u>(51,912)</u>	<u>40,425</u>	<u>-</u>	<u>800</u>	<u>606</u>	<u>(2,788)</u>	<u>51,306</u>	<u>(38,437)</u>	<u>-</u>	<u>-</u>
Annual Surplus (Deficit)	\$ 809,823	\$ 741,876	\$ -	\$ -	\$ 3,191	\$ (1,914)	\$ 1,396,125	\$ 187,963	\$ 2,209,139	\$ 927,925

KWIKAH FIRST NATION

Schedule 1 - CIRNAC - Specific Claims IR 6 Timber

Year Ended March 31, 2024

The Nation received a loan of \$15,000 from Crown-Indigenous Relations and Northern Affairs Canada for costs relating to a specific claim. The details surrounding these funds are shown in the schedule below:

		2024
Opening Balance		\$ 12,468
Revenue		<u>48,988</u>
Total Funds Available		61,456
Eligible Costs		
Administration		682
Contract Fees		9,951
Honoraria		600
Legal Fees		<u>18,246</u>
		<u>29,479</u>
Balance - March 31, 2024		\$ <u>31,977</u>