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**NUCHATLAHT FIRST NATION**

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**FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2025**

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# NUCHATLAHT FIRST NATION

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YEAR ENDED MARCH 31, 2025  
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## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying consolidated financial statements of Nuchatlaht First Nation are the responsibility of management and have been approved by the Council.

The consolidated financial statements have been prepared by 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 has chosen those it deems most appropriate in the circumstances in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The First Nation maintains 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 First Nation's assets are appropriately accounted for and adequately safeguarded.

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

The First Nation Council reviews the First Nation's consolidated financial statements and management letter. The Council meets periodically with management, as well as the external auditors, to discuss internal control 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 auditors' report. The Council approves the consolidated financial statements for issuance to the members. The Council also considers, for review and approval by the members, the engagement of the external auditors.

The consolidated financial statements have been audited by MPS Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the members. MPS Chartered Professional Accountants has full and free access to the Council.

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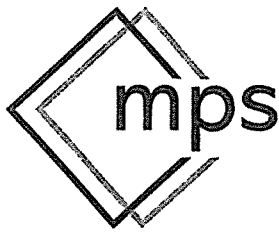
Councillor

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## **INDEPENDENT AUDITORS' REPORT**

To the members  
Nuchatlaht First Nation

### **Opinion**

We have audited the accompanying consolidated financial statements of Nuchatlaht First Nation, which comprise the consolidated statement of financial position as at March 31, 2025, the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated statement of financial position as at March 31, 2025, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis of Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

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

We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MPS

CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada  
July 29, 2025

# NUCHATLAHT FIRST NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025

	2025	2024
<b>FINANCIAL ASSETS</b>		
Cash	\$ 4,568,968	\$ 3,570,129
Funds on deposit in Ottawa Trusts	114,829	110,748
Accounts receivable (note 5)	968,378	569,456
Investment in Hayu Fishing Limited Partnership (note 6)	2,108,485	2,080,400
Investment in 1075124 B.C. Ltd.	1	1
Investment in Nuchatlaht First Nation Community Logging Corporation	1	1
Investment in 1407315 B.C. Ltd.	1	1
	7,760,663	6,330,736
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	451,781	291,695
Deferred revenue (note 7)	246,504	15,000
Deficit in Hayu Fishing Ltd. (note 8)	547	411
Long term debt (note 9)	5,737,181	228,468
	6,436,013	535,574
<b>NET FINANCIAL ASSETS</b>	1,324,650	5,795,162
<b>NON-FINANCIAL ASSETS</b>		
Deferred expenses (note 10)	225,098	109,198
Tangible capital assets (note 11)	6,022,856	2,287,172
Forestry licences	1,801,757	-
	8,049,711	2,396,370
<b>ACCUMULATED SURPLUS</b>	\$ 9,374,361	\$ 8,191,532
<b>ACCUMULATED SURPLUS AT END OF YEAR CONSISTS OF:</b>		
Restricted (note 12 and 17)	\$ 1,249,324	\$ 1,333,775
Unrestricted	4,301,931	4,770,780
	5,551,255	6,104,555
Investment in tangible capital assets and forestry licences (note 17)	3,823,106	2,086,977
	\$ 9,374,361	\$ 8,191,532

Commitment (note 13)

**APPROVED ON BEHALF OF COUNCIL:**

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# NUCHATLAHT FIRST NATION

## CONSOLIDATED STATEMENT OF OPERATIONS YEAR ENDED MARCH 31, 2025

	Budget (unaudited) (note 14)	2025	2024
<b>REVENUE</b>			
Nuu-chah-nulth Tribal Council - operating	\$ 766,204	\$ 1,730,502	\$ 1,638,949
Province of British Columbia	-	973,194	741,636
Nuu-chah-nulth Economic Development Corporation	-	500,000	-
New Relationship Trust	-	260,000	-
Miscellaneous revenue and recoveries	7,398	250,005	145,808
Union of BC Municipalities	-	212,473	38,145
First Nations Summit	-	163,734	-
Interest	-	134,256	217,573
Income from Hayu Fishing Limited Partnership	-	128,085	357,440
British Columbia Aboriginal Child Care Society	-	125,422	210,728
First Nations Health Authority	-	110,802	100,000
School District 84	-	67,500	60,000
Fisheries licence lease	-	50,391	21,309
First Nations Emergency Services Society	-	45,500	82,605
Department of Fisheries and Oceans	-	25,401	12,820
First Nations Education Steering Committee	-	5,637	124,095
Logging income	-	-	53,681
Loss from Hayu Fishing Ltd.	-	(137)	(187)
	773,602	4,782,765	3,804,602
<b>EXPENSES (note 16)</b>			
Operating Fund	788,857	3,534,927	2,751,639
Enterprise Fund	-	65,009	49,138
	788,857	3,599,936	2,800,777
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ (15,255)	1,182,829	1,003,825
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>		8,191,532	7,187,707
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>		\$ 9,374,361	\$ 8,191,532

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## NUCHATLAHT FIRST NATION

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### CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS YEAR ENDED MARCH 31, 2025

	2025	2024
<b>SURPLUS FOR THE YEAR</b>	\$ 1,182,829	\$ 1,003,825
Acquisition of tangible capital assets	(4,080,933)	(144,354)
Amortization of tangible capital assets	345,249	303,780
Acquisition of forestry licenses	(1,801,757)	-
Acquisition of deferred expenses	(225,098)	(109,198)
Use of deferred expenses	109,198	166,079
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(4,470,512)	1,220,132
<b>NET FINANCIAL ASSETS AT BEGINNING OF YEAR</b>	5,795,162	4,575,030
<b>NET FINANCIAL ASSETS AT END OF YEAR</b>	\$ 1,324,650	\$ 5,795,162



# NUCHATLAHT FIRST NATION

## CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2025

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 1,182,829	\$ 1,003,825
Adjust for amortization that does not involve cash	345,249	303,780
	1,528,078	1,307,605
Changes in non-cash working capital		
Decrease (Increase)		
Accounts receivable	(398,922)	(252,043)
Deferred expenses	(115,900)	56,881
Increase (Decrease)		
Accounts payable and accrued liabilities	160,085	75,462
Deferred revenue	231,504	(22,105)
	(123,233)	(141,805)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	1,404,845	1,165,800
<b>CAPITAL TRANSACTIONS</b>		
Investment in Hayu Fishing Limited Partnership	(28,085)	(257,440)
Deficit in Hayu Fishing Ltd.	137	187
Purchase of tangible capital assets	(4,080,933)	(144,354)
Purchase of forestry licenses	(1,801,757)	-
	(5,910,638)	(401,607)
<b>FINANCING ACTIVITIES</b>		
Repayment of long term debt	5,508,713	(19,606)
<b>INCREASE IN CASH</b>	1,002,920	744,587
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	3,680,877	2,936,290
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 4,683,797	\$ 3,680,877
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash	\$ 4,568,968	\$ 3,570,129
Funds on deposit in Ottawa Trusts	114,829	110,748
	\$ 4,683,797	\$ 3,680,877

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as outlined by the Public Sector Accounting Board (PSAB) of the Organization of Chartered Professional Accountants of British Columbia, which encompass the following principles:

(a) Basis of consolidation

The consolidated financial statements reflect a combination of the First Nation's operating, treaty, enterprise, tangible capital assets and trust funds.

The Operating Fund reports the general activities of the First Nation administration including various commercial activities.

The Treaty Fund reports the activities of the Treaty negotiating team.

The Enterprise Fund reports the activities of the First Nation's owned entities.

The Trust Fund reports on trust funds owned by the First Nation and held by third parties.

(b) Reporting entity and principles of financial reporting

The Nuchatlaht First Nation reporting entity includes all entities which are accountable to the First Nation, and are either owned, directly or indirectly, or controlled by the First Nation.

These consolidated financial statements include the assets, liabilities and results of operations for the following entities:

Nuchatlaht First Nation government administration including special and commercial projects  
Nuchatlaht First Nation Trust Fund  
Hayu Fishing Limited Partnership  
Hayu Fishing Ltd.  
1075124 B.C. Ltd.  
1407315 B.C. Ltd.  
Nuchatlaht First Nation Community Logging Corporation

All inter-entity balances have been eliminated on consolidation.

(c) Cash

The First Nation's policy is to present bank balances under cash.

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

- (d) Investment in Hayu Fishing Limited Partnership, Hayu Fishing Ltd., 1075124 B.C. Ltd., 1407315 B.C. Ltd. and Nuchatlaht First Nation Community Logging Corporation

The investment in Hayu Fishing Limited Partnership, representing a twenty-five percent partnership interest, is accounted for using the modified equity method.

The investment in Hayu Fishing Ltd., representing a twenty-five percent ownership interest, is accounted for using the modified equity method.

The investments in 1075124 B.C. Ltd., 1407315 B.C. Ltd. and Nuchatlaht First Nation Community Logging Corporation are accounted for using the full consolidation method of accounting for long term investments.

- (e) Deferred expenses

Deferred expenses, which consist of prepaid expenses, material and a retainer for legal fees, are recorded at cost.

- (f) Tangible capital assets

Tangible capital assets are stated at cost and are being amortized on the straight-line basis using the following rates:

Buildings	- 20 - 45 years
Infrastructure	- 20 - 25 years
Vehicles	- 8 years
Boats and equipment	- 7 years
Equipment	- 5 years
Playground	- 5 years
Computer equipment	- 3 years

In the year of acquisition, 50% of the normal amortization is recorded.

- (g) Forestry licences

The forestry licences are stated at cost. The licences will be amortized when forestry income is generated.

- (h) Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements.

Government transfers are recognized in the financial statements as revenue in the period the transfers are authorized and any 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 for the recipient government. Transfers received which meet the definition of a liability are included in deferred revenue.

Interest is recognized when earned.

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# NUCHATLAHT FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Revenue recognition (continued)

Deferred revenue consists of funding which is received, externally restricted, and will not be included in revenue until the related expenses are incurred.

#### (i) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses. Significant items subject to such estimates and assumptions include valuation of accounts receivable, deferred expenses, accrued liabilities and the estimated useful life of tangible capital assets. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

#### (j) Liability for contaminated sites

The First Nation recognizes and measures a liability for remediation of contaminated sites where:

- An environmental standard exists;
- Contaminated levels exceed the environmental standards;
- The First Nation is directly responsible or accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is based on the present value of the estimated costs directly attributable to the remediation and post-remediation activities.

As at March 31, 2025 and 2024, no contaminated sites have been identified that meet the criteria outlined in the standard.

### 2. FINANCIAL INSTRUMENTS

#### *Measurement of financial instruments*

The First Nation initially measures its financial assets and financial liabilities at fair value.

The First Nation subsequently measures 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, funds on deposit in Ottawa Trusts, accounts receivable, investments in Hayu Fishing Limited Partnership, 1075124 B.C. Ltd., Nuchatlaht First Nation Community Logging Corporation and 1407315 B.C. Ltd.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deficit in Hayu Fishing Ltd. and long term debt.

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 2. FINANCIAL INSTRUMENTS (continued)

##### *Measurement of financial instruments (continued)*

The fair market values of the investments in Hayu Fishing Limited Partnership, 1075124 B.C. Ltd., Nuchatlaht First Nation Community Logging Corporation, 1407315 B.C. Ltd. and Hayu Fishing Ltd. have not been determined and accordingly may differ from the recorded values.

##### *Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in income.

##### *Transaction costs*

The First Nation recognizes its transaction costs in net income in the period incurred.

##### *Risks and concentrations*

The First Nation is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the First Nation's risk exposure at the Statement of financial position date, March 31, 2025:

##### *Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The First Nation's main credit risk relates to its accounts receivable.

Accounts receivable are subject to credit risk as explained in note 5.

##### *Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation's main liquidity risks relate to its accounts payable and accrued liabilities and long term debt.

##### *Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency or other price risks.

#### 3. ECONOMIC DEPENDENCE

The First Nation receives the major portion of its operating revenue pursuant to a funding agreement between Nuuchahnulth Tribal Council, its member First Nations and Indigenous Services Canada. This agreement covers the period from April 1, 2024 to March 31, 2029.

The Nuuchahnulth Tribal Council and its member First Nations have also entered into a funding agreement with First Nations Health Authority for the same period.

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 4. RESTRICTED CASH

##### Ottawa Trust Funds

The Ottawa 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.

#### 5. ACCOUNTS RECEIVABLE

	2025	2024
Nuu-chah-nulth Tribal Council	\$ 341,237	\$ 424,999
Province of B.C.	175,000	-
UBCM	174,973	-
Other	135,603	129,676
School District 84	75,000	-
First Nations Health Authority	50,000	-
Receivable from First Nation members	29,479	23,236
GST recoverable	16,565	14,782
Rent receivable from First Nation members	4,511	4,511
	1,002,368	597,204
Less allowance for doubtful accounts	33,990	27,748
	\$ 968,378	\$ 569,456

The amounts receivable from First Nation members are not secured and an allowance for doubtful accounts has been recorded with respect to these amounts receivable.

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 6. INVESTMENT IN HAYU FISHING LIMITED PARTNERSHIP

Nuchatlaht First Nation owns a 25% partnership interest in Hayu Fishing Limited Partnership. The following presents condensed financial information as at December 31, 2024 for the partnership:

	December 31, 2024	December 31, 2023
Cash	\$ 2,167,353	\$ 1,804,769
Term deposit	30,654	28,251
Accounts receivable	5,054	122,888
Tangible capital assets	8,009	9,339
Intangible assets	6,365,004	6,365,004
	8,576,074	8,330,251
Accounts payable and accrued liabilities	20,231	7,657
Deferred revenue	120,860	-
Partners' equity	\$ 8,434,983	\$ 8,322,594
Revenue	\$ 740,930	\$ 1,641,526
Expenses	228,541	211,629
Net income	\$ 512,389	\$ 1,429,897

#### 7. DEFERRED REVENUE

	2025	2024
School District 84	\$ 22,500	\$ 15,000
Rent deposits	10,550	-
Interfor-Forestry Licences Purchase Agreement	213,454	-
	\$ 246,504	\$ 15,000

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 8. DEFICIT IN HAYU FISHING LTD.

Nuchatlaht First Nation owns a 25% interest in Hayu Fishing Ltd. Hayu Fishing Ltd. is the general partner of Hayu Fishing Limited Partnership. The following presents condensed financial information as at December 31, 2024 for the company:

	December 31, 2024	December 31, 2023
Investment	\$ 1,051	\$ 1,002
Accounts payable and accrued liabilities	1,985	1,300
Due to related parties	1,253	1,343
Share capital	1	1
	3,238	2,643
Deficit	\$ (2,187)	\$ (1,641)
Revenue	\$ 49	\$ 1,143
Expenses	595	1,890
Loss	\$ (546)	\$ (747)



# NUCHATLAHT FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

### 9. LONG TERM DEBT

	2025	2024
Bank of Montreal		
Term Loan	\$ 27,007	\$ 28,274
- Interest at 3.23% per annum		
- Maturing September 30, 2026		
- Monthly payments of \$176 including principal and interest		
Term Loan	2,294,000	-
- Interest at prime plus 3% per annum		
- Maturing November 26, 2029		
- Monthly payments of \$7,750 plus interest		
Nuu-chah-nulth Economic Development Corporation		
Term Loan No. 2025004	1,510,408	-
- Interest at prime plus 2%		
- Maturing March 31, 2030		
- Monthly payments of \$17,982 including principal and interest		
Term Loan No. 2025005	1,708,670	-
- Interest at prime plus 2%		
- Maturing April 30, 2030		
- Monthly payments of \$20,530 including principal and interest		
Term Loan No. 2	197,096	200,194
- Interest at 5% per annum		
- Maturing June 1, 2030		
- Semi-annual payments of \$13,000 including principal and interest		
Total long term debt	\$ 5,737,181	\$ 228,468

The Bank of Montreal term loan maturing in 2026 is secured by a promissory note and an assignment of insurance.

The Bank of Montreal term loan maturing in 2029 is secured by a general security agreement and interest over all present and acquired property with a first ranking for all assets.

The Nuuchah-nulth Economic Development Corporation term loans No.2025004 and 2025005 are secured by a general security agreement.

The Nuuchah-nulth Economic Development Corporation term loan No.2 is secured by a general security agreement creating first charge over the crewboat acquired and an assignment of insurance on the crewboat showing Nuuchah-nulth Economic Development Corporation as first loss payee.

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 9. LONG TERM DEBT (continued)

Assuming term loans are renewed with similar terms, principal reductions over the next five years are approximately as follows:

2026	\$ 304,771
2027	359,726
2028	378,478
2029	399,130
2030	420,969

#### 10. DEFERRED EXPENSES

	2025	2024
Retainer for legal fees	\$ 111,070	\$ -
Materials	93,704	93,704
Prepaid expenses	20,324	15,494
	\$ 225,098	\$ 109,198

# NUCHATLAHT FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

### 11. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization			Net book value at end of
	Balance at end of 2024	Additions	Disposals	Balance at end of 2025	Disposals	Amortization	
Land	\$ 273,055	\$ 2,046,862	\$ -	\$ 2,319,917	\$ -	\$ -	\$ 2,319,917
Buildings	1,562,712	710,220	-	2,272,932	-	54,460	984,377
Infrastructure	2,780,283	827,584	-	3,607,867	-	109,809	1,288,555
Vehicles	108,809	72,196	-	181,005	-	16,950	1,673,528
Boats and equipment	781,660	-	-	781,660	-	80,315	64,579
Equipment	508,501	97,148	-	605,649	-	50,938	585,331
Playground	43,200	325,649	43,200	325,649	43,200	32,565	196,329
Computer equipment	54,836	1,274	-	56,110	-	212	471,694
	\$ 6,113,056	\$ 4,080,933	\$ 43,200	\$ 10,150,789	\$ 43,200	\$ 345,249	32,565
				\$ 3,825,884	\$ 43,200	\$ 55,048	293,084
							1,062
							\$ 6,022,856

	Cost			Accumulated amortization			Net book value at end of
	Balance at end of 2023	Additions	Disposals	Balance at end of 2024	Disposals	Amortization	
Land	\$ 273,055	\$ -	\$ -	\$ 273,055	\$ -	\$ -	\$ 273,055
Buildings	1,517,077	45,635	-	1,562,712	-	49,881	929,917
Infrastructure	2,780,283	-	-	2,780,283	-	94,243	632,795
Vehicles	96,799	12,010	-	108,809	-	11,687	1,824,530
Boats and equipment	701,722	79,938	-	781,660	-	87,397	47,629
Equipment	501,730	6,771	-	508,501	-	60,572	505,016
Playground	43,200	-	-	43,200	-	-	276,644
Computer equipment	54,836	-	-	54,836	-	-	420,756
	\$ 5,968,702	\$ 144,354	\$ -	\$ 6,113,056	\$ -	\$ 303,780	43,200
				\$ 3,522,104	\$ -	\$ 54,836	54,836
							-
							\$ 2,287,172

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 12. RESTRICTED SURPLUS

A portion of the surplus in financial assets is classified as restricted due to the surplus being committed to specific future expenses or recoverable by the relevant funding agencies. This restricted surplus is set out on page 21 of the consolidated financial statements.

#### 13. COMMITMENT

The First Nation is leasing a copier under an operating lease. The payments of \$471 plus applicable taxes are made quarterly. The lease expires in December 2028.

#### 14. BUDGET AMOUNTS

Unaudited budget figures have been provided for comparison purposes and have been derived from the estimates provided by the First Nation.

#### 15. DEFINED CONTRIBUTION PENSION PLAN

Commencing January 1, 2018, the First Nation participates in a defined contribution pension plan for its eligible employees. The plan is administered by Manulife Financial and requires a minimum contribution by employees of 3% of their earnings. The First Nation contributes 4% of employees' earnings to the plan. During the year, the First Nation contributed \$36,028 to the plan. The plan is fully funded.

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 16. EXPENSES BY OBJECT

	2025	2024
Accounting and administration	\$ 27,308	\$ 25,500
Amortization	345,249	303,780
Basic needs	37,781	55,108
Community support payments	193,407	176,971
Contracted services	726,972	385,627
Honoraria	19,158	33,223
Insurance	65,105	57,306
Interest on long term debt	83,019	-
Legal fees	533,502	581,787
Other	36,428	40,350
Patient travel	29,064	18,264
Repairs and maintenance	156,585	143,178
Supplies	156,863	143,336
Support to families	2,501	6,424
Telephone	25,959	20,923
Training and workshops	27,812	89,816
Travel	124,723	103,644
Utilities	14,293	7,912
Wages and benefits	994,207	607,628
	<b>\$ 3,599,936</b>	<b>\$ 2,800,777</b>

#### 17. SEGMENTED REPORTING

The First Nation provides a wide variety of services and programs to its members. These services and programs are reported under various funds as disclosed in note 1(a).

# NUCHATLAHT FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

### 17. SEGMENTED REPORTING (continued)

PROGRAMS	Revenue	Expenses	Excess (Deficiency) of Revenue over Expenses	Fund Transfers	Program Transfers	Program Increase (Decrease)	Surplus (Deficit) at Beginning of Year	Surplus (Deficit) at End of Year
<b>Operating Fund</b>								
Administration	\$ 1,120,005	\$ 441,732	\$ 678,273	\$ 126,576	\$ (155,106)	\$ 649,743	\$ 634,435	\$ 1,284,178
Band services	2,000	20,507	(18,507)	-	-	(18,507)	(160,083)	(178,590)
Community operations	87,475	367,314	(279,839)	213,634	-	(66,205)	(516,664)	(582,869)
Skills training	(21,890)	44,504	(66,394)	-	-	(66,394)	66,394	-
Data management	178,735	70,753	107,982	-	-	107,982	-	107,982
UBCM Fire smart	37,500	34,000	3,500	(3,500)	-	-	(3,105)	(3,105)
Gaming revenue sharing	604,284	526,684	77,600	(77,600)	-	-	-	-
BCACCS	125,423	86,151	39,272	(325,649)	-	(286,377)	210,728	(75,649)
Climate risk assessment	174,972	174,972	-	-	-	-	-	-
CFS prevention project	383,011	236,594	146,417	(2,240)	-	144,177	92,640	236,817
Emergency management	40,000	40,000	-	-	-	-	-	-
SD 84 - student support	67,500	67,500	-	-	-	-	-	-
Social development	33,000	37,781	(4,781)	-	-	(4,781)	2,364	(2,417)
Education	11,037	39,881	(28,844)	-	-	(28,844)	47,606	18,762
Band owned housing	37,315	36,326	989	9,174	-	10,163	22,473	32,636
Health	244,643	252,462	(7,819)	-	-	(7,819)	412,521	404,702
Other health programs	138,572	138,572	-	-	-	-	-	-
Patient travel	24,085	29,064	(4,979)	-	-	(4,979)	(1,198)	(6,177)
Family services	30,000	30,000	-	-	4,309	4,309	(4,309)	-
Resource management	61,424	61,424	-	-	-	-	-	-
Family violence prevention	2,354	2,354	-	-	1,924	1,924	(1,924)	-
Fisheries	167,519	209,254	(41,735)	(59,100)	-	(100,835)	(286,196)	(387,031)
Ec. development - fisheries	55,791	25,164	30,627	-	-	30,627	718,342	748,969
Early learning	85,800	85,800	-	-	-	-	-	-
Sport fishing charter	-	120,976	(120,976)	67,220	-	(53,756)	(3,890)	(57,646)
Economic development	675,000	351,756	323,244	(1,308,414)	-	(985,170)	1,564,652	579,482
Recycling project	1,005	33,434	(32,429)	(10,100)	-	(42,529)	28,415	(14,114)
Job creation and training	-	-	-	-	3,303	3,303	(3,303)	-
Housing projects	113,548	38,208	75,340	(23,393)	-	51,947	142,057	194,004
Infrastructure	102,199	73,710	28,489	(212,886)	-	(184,397)	274,684	90,287
NTC funding top ups	16,940	16,940	-	-	-	-	-	-
Emergency management	45,500	46,774	(1,274)	(1,275)	-	(2,549)	(11,355)	(13,904)
Parks Canada	100,000	450	99,550	-	-	99,550	-	99,550
Bridge replacement	-	-	-	-	30,182	30,182	(30,182)	-
Oyster farms	-	-	-	-	115,388	115,388	(115,388)	-
	4,744,747	3,741,041	1,003,706	(1,607,553)	-	(603,847)	3,079,714	2,475,867
<b>Treaty Fund</b>	18,517	-	18,517	-	-	18,517	834,105	852,622
<b>Enterprise Fund</b>	221,534	65,009	156,525	(128,576)	-	27,949	2,079,989	2,107,938
<b>Trust Fund</b>	4,081	-	4,081	-	-	4,081	110,747	114,828
<b>Subtotal</b>	4,988,879	3,806,050	1,182,829	(1,736,129)	-	(553,300)	6,104,555	5,551,255
Administration	(206,114)	(206,114)	-	-	-	-	-	-
Investment in tangible capital assets and forestry licences	-	-	-	1,736,129	-	1,736,129	2,086,977	3,823,106
<b>TOTAL</b>	\$ 4,782,765	\$ 3,599,936	\$ 1,182,829	\$ -	\$ -	\$ 1,182,829	\$ 8,191,532	\$ 9,374,361

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## NUCHATLAHT FIRST NATION

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2025

#### 17. SEGMENTED REPORTING (continued)

PROGRAMS	Surplus (Deficit) at Beginning of Year	Surplus (Deficit) at End of Year
<b>RESTRICTED SURPLUS (DEFICIT):</b>		
Social development	\$ 2,364	\$ (2,417)
Housing projects	142,057	194,004
Infrastructure	274,684	90,287
Bridge replacement	(30,182)	-
Treaty Fund	834,105	852,622
Trust Fund	110,747	114,828
<b>TOTAL RESTRICTED SURPLUS</b>	<b>\$ 1,333,775</b>	<b>\$ 1,249,324</b>