

**Stz'uminus First Nation**  
**Consolidated Financial Statements**  
*March 31, 2023*

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## **Management's Responsibility**

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To the Members of Stz'uminus First Nation:

The accompanying consolidated financial statements of Stz'uminus First Nation are the responsibility of management and have been approved by Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Stz'uminus First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to both the Chief and Council and management to discuss their audit findings.

September 6, 2023

Signed by: Trevor Gatzke

Director of Administration

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## Independent Auditor's Report

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To the Members of Stz'uminus First Nation:

### Qualified Opinion

We have audited the consolidated financial statements of Stz'uminus First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2023, and the results of its consolidated operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

Canadian Public Sector Accounting Standards ("PSAS") Section PS 3280 Asset Retirements Obligations ("ARO") which was adopted by the Nation as of April 1, 2022 requires the recognition of an ARO liability when there is a legal obligation that establishes a clear responsibility to incur retirement costs in relation to a tangible capital asset. The First Nation has not identified ARO liabilities as of March 31, 2023 and we were unable to satisfy ourselves concerning those liabilities by alternative means. Consequently, we were not able to determine whether any adjustments would be necessary to liabilities, net financial assets, tangible capital assets, accumulated surplus, expenses, annual surplus, change in net financial assets for the years-ended March 31, 2023 and 2022, and accumulated surplus as of April 1, 2021 and March 31, 2022 and 2023.

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 First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### 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 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.

### 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 consolidated financial statements.

MNP LLP

400 MNP Place, 345 Wallace Street, Nanaimo B.C., V9R 5B6

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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 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Nanaimo, British Columbia

September 6, 2023

*MNP LLP*

Chartered Professional Accountants

**Stz'uminus First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2023*

|  | <b>2023</b>       | <b>2022</b>                |
|--|-------------------|----------------------------|
| <b>Financial assets</b>                                  |                   |                            |
| Cash   | <b>20,058,908</b> | 19,319,178                 |
| Accounts receivable (Note 4)                             | <b>5,387,962</b>  | 1,999,455                  |
| Funds held in trust (Note 5)                             | <b>139,310</b>    | 138,545                    |
| Restricted cash (Note 6)                                 | <b>686,511</b>    | 589,523                    |
| Investments in First Nation business entities (Note 7)   | <b>35,834,778</b> | 25,246,309                 |
| Investment in BC First Nations Gaming Revenue Sharing LP | <b>110</b>        | 110                        |
| <b>Total financial assets</b>                            | <b>62,107,579</b> | 47,293,120                 |
| <b>Liabilities</b>                                       |                   |                            |
| Accounts payable and accruals (Note 9)                   | <b>1,685,075</b>  | 2,173,933                  |
| Deferred revenue (Note 8)                                | <b>7,753,792</b>  | 5,792,083                  |
| Due to related Nation entities (Note 10)                 | <b>4,178,635</b>  | 1,966,658                  |
| Accrued sick liability (Note 11)                         | <b>330,156</b>    | 325,148                    |
| Long-term debt (Note 12)                                 | <b>4,493,262</b>  | 4,754,215                  |
| <b>Total liabilities</b>                                 | <b>18,440,920</b> | 15,012,037                 |
| <b>Net financial assets</b>                              | <b>43,666,659</b> | 32,281,083                 |
| <b>Contingencies (Note 13)</b>                           |                   |                            |
| <b>Non-financial assets</b>                              |                   |                            |
| Tangible capital assets (Schedule 1)                     | <b>42,039,724</b> | 39,075,732                 |
| Prepaid expenses   | <b>257,669</b>    | 245,726                    |
| <b>Total non-financial assets</b>                        | <b>42,297,393</b> | 39,321,458                 |
| <b>Accumulated surplus (Note 14)</b>                     | <b>85,964,052</b> | 71,602,541                 |
| <b>Approved on behalf of Chief and Council</b>           |                   |                            |
| Signed by: Chief John Elliott                            | <b>Chief</b>      | Signed by: Herbert Seymour |
|  |                   | <b>Councilor</b>           |

**Stz'uminus First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2023*

|   | <i>Schedules</i> | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>       | <b>2022</b> |
|---|------------------|--------------------------------------|-------------------|-------------|
| <b>Revenue</b>  |                  |                                      |                   |             |
| Indigenous Services Canada (Note 15)                  |                  | 13,707,552                           | <b>12,297,462</b> | 11,176,146  |
| Earnings from First Nation business entities (Note 7) |                  | -                                    | <b>10,968,530</b> | 3,610,708   |
| Other revenue   |                  | 1,861,333                            | <b>4,751,042</b>  | 2,410,941   |
| Province of British Columbia                          |                  | 92,522                               | <b>3,117,944</b>  | 1,028,925   |
| First Nations Education Steering Committee            |                  | 1,446,108                            | <b>2,992,105</b>  | 2,005,712   |
| First Nations Health Authority                        |                  | 1,737,512                            | <b>1,993,857</b>  | 2,149,542   |
| Gaming revenue  |                  | 346,306                              | <b>816,177</b>    | 346,306     |
| Coast Salish Employment and Training Society          |                  | 156,949                              | <b>457,156</b>    | 442,872     |
| Rental income   |                  | 551,196                              | <b>382,388</b>    | 384,221     |
| Canada Mortgage and Housing Corporation               |                  | -                                    | <b>164,654</b>    | 163,181     |
| ISC trust fund interest                               |                  | 5,197                                | <b>7,202</b>      | 5,653       |
|   |                  | <b>19,904,675</b>                    | <b>37,948,517</b> | 23,724,207  |
| <b>Expenses</b>                                       |                  |                                      |                   |             |
| Administration  | 3                | 1,627,700                            | <b>834,248</b>    | 1,414,924   |
| Education   | 4                | -                                    | <b>455,369</b>    | 8,669,058   |
| Health  | 5                | 1,654,066                            | <b>1,820,074</b>  | 1,386,002   |
| Income Assistance                                     | 6                | 2,290,186                            | <b>2,867,309</b>  | 2,327,100   |
| Community Infrastructure                              | 7                | 1,331,565                            | <b>1,480,863</b>  | 1,503,119   |
| Economic Development                                  | 8                | 76,868                               | <b>2,452,612</b>  | 1,089,224   |
| Natural Resources                                     | 9                | 337,878                              | <b>1,228,829</b>  | 924,467     |
| Capital Projects                                      | 10               | -                                    | <b>379,042</b>    | 366,150     |
| Community   | 11               | 1,441,095                            | <b>1,462,808</b>  | 1,260,838   |
| Stz'uminus Education Society                          | 12               | 6,781,435                            | <b>10,074,513</b> | -           |
|   |                  | <b>15,540,793</b>                    | <b>23,055,667</b> | 18,940,882  |
| <b>Annual surplus before other items</b>              |                  | <b>4,363,882</b>                     | <b>14,892,850</b> | 4,783,325   |
| <b>Distribution to members</b>                        |                  | -                                    | <b>(531,339)</b>  | (181,768)   |
| <b>Transfers</b>                                      |                  | (312,255)                            | -                 | -           |
| <b>Annual surplus</b>                                 |                  | <b>4,051,627</b>                     | <b>14,361,511</b> | 4,601,557   |
| <b>Accumulated surplus, beginning of year</b>         |                  | <b>71,602,541</b>                    | <b>71,602,541</b> | 67,000,984  |
| <b>Accumulated surplus, end of year</b>               |                  | <b>75,654,168</b>                    | <b>85,964,052</b> | 71,602,541  |

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

**Stz'uminus First Nation**  
**Consolidated Statement of Changes in Net Financial Assets**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>        | <b>2022</b> |
|--|--------------------------------------|--------------------|-------------|
| <b>Annual surplus</b>                          | <b>4,051,627</b>                     | <b>14,361,511</b>  | 4,601,557   |
| Purchases of tangible capital assets           | -                                    | <b>(4,777,221)</b> | (2,923,040) |
| Amortization of tangible capital assets        | -                                    | <b>1,813,229</b>   | 1,797,822   |
| Acquisition of prepaid expenses                | -                                    | <b>(11,943)</b>    | (11,160)    |
| <b>Increase in net financial assets</b>        | <b>4,051,627</b>                     | <b>11,385,576</b>  | 3,465,179   |
| <b>Net financial assets, beginning of year</b> | <b>32,281,083</b>                    | <b>32,281,083</b>  | 28,815,904  |
| <b>Net financial assets, end of year</b>       | <b>36,332,710</b>                    | <b>43,666,659</b>  | 32,281,083  |

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



**Stz'uminus First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2023*

|   | 2023         | 2022        |
|---|--------------|-------------|
| <b>Cash provided by (used for) the following activities</b> |              |             |
| <b>Operating activities</b>                                 |              |             |
| Annual surplus  | 14,361,511   | 4,601,557   |
| Non-cash items  |              |             |
| Amortization  | 1,813,229    | 1,797,822   |
| Earnings from First Nation business entities                | (10,968,530) | (3,610,708) |
| Decrease (increase) in funds held in trust                  | (765)        | (455)       |
|   | 5,205,445    | 2,788,216   |
| Changes in working capital accounts                         |              |             |
| Accounts receivable   | (3,388,507)  | (667,807)   |
| Accounts payable and accruals                               | (488,858)    | 1,171,242   |
| Deferred revenue  | 1,961,709    | 2,707,372   |
| Accrued sick liability                                      | 5,008        | (1,319)     |
| Prepaid expenses  | (11,943)     | (11,160)    |
|   | 3,282,854    | 5,986,544   |
| <b>Financing activities</b>                                 |              |             |
| Advances of long-term debt                                  | 41,090       | -           |
| Repayment of long-term debt                                 | (302,043)    | (299,970)   |
| Increase in due to related Nation entities                  | 2,211,977    | 866,277     |
|   | 1,951,024    | 566,307     |
| <b>Capital activities</b>                                   |              |             |
| Purchases of tangible capital assets                        | (4,777,221)  | (2,923,040) |
| Increase in restricted cash                                 | (96,988)     | (76,074)    |
|   | (4,874,209)  | (2,999,114) |
| <b>Investing activities</b>                                 |              |             |
| Distributions from First Nation business entities           | 380,061      | 288,270     |
| <b>Increase in cash</b>                                     | 739,730      | 3,842,007   |
| <b>Cash, beginning of year</b>                              | 19,319,178   | 15,477,171  |
| <b>Cash, end of year</b>                                    | 20,058,908   | 19,319,178  |

**1. Operations**

The Stz'uminus First Nation (the "First Nation") is located in the province of British Columbia, and provides various services to its members. Stz'uminus First Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

**2. Change in accounting policy**

***Financial instruments***

Effective April 1, 2022, the First Nation adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 *Financial Instruments*. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

***Asset retirement obligations***

Effective April 1, 2022, the First Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 *Asset Retirement Obligations*. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Before Section PS 3280 was issued, there was no specific guidance in PSAB addressing the accounting for various types of asset retirement obligations. Section PS 3260 Liability for Contaminated Sites deals with liabilities associated with the contamination of sites. PS 3270 Solid Waste Closure and Post-closure Liability covers closure and post-closure liabilities associated with a currently operating or closed solid waste landfill site. These two Sections did not have an effect on the Nation's consolidated financial statements in previous years. Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 3

There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

**3. Significant accounting policies**

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

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business enterprises. Trusts administered on behalf of third parties by Stz'uminus First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Stu'ate Lelum Secondary School and Chemainus Native College
- CMHC Social Housing Program
- 1089106 B.C. Ltd.
- Stz'uminus Education Society

All inter-entity balances have been eliminated on consolidation.

# Stz'uminus First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2023*

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### 3. Significant accounting policies *(Continued from previous page)*

Stz'uminus First Nation business enterprises, owned or controlled by the Nation's Chief and Council but not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Coast Salish Development Corporation
- Thuy'she'num Property Management Limited Partnership and its general partner, 0848278 B.C. Ltd.
- Deer Point Developments Limited Partnership and its general partner, 0848227 B.C. Ltd.
- Ivy Green Petroleum Limited Partnership and its general partner, 0848277 B.C. Ltd.
- Thuthiqut Resources Limited Partnership and its general partner, 0848274 B.C. Ltd.
- Thuy'she'num Investments Limited Partnership and its general partner, 0924101 B.C. Ltd.

#### ***Basis of presentation***

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

#### ***Cash and cash equivalents***

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

#### ***Tangible capital assets***

Tangible capital assets exceeding \$5,000 are recorded at cost less accumulated amortization. Contributed tangible capital assets are recorded at their fair value on the date of contribution. Amortization is provided on a straight-line basis over the estimated useful life of the assets. See below for amortization rates of specific assets categories.

All intangible assets and items inherited by the right of the Nation, such as reserve land, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements.

|  | <b><i>Rate</i></b> |
|--|--------------------|
| Outdoor lighting and land improvements | 20-40 years        |
| Buildings and leasehold improvements   | 40 years           |
| Vehicles and equipment                 | 10 years           |
| Computer hardware and software         | 4 years            |
| Roads, streets and bridges             | 25-40 years        |
| Water, sanitary and storm              | 20-80 years        |
| Band housing                           | 25 years           |
| CMHC housing                           | 25 years           |

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

***Funds held in trust***

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated operating surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the land or other First Nation capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

***Net financial assets***

The First Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of consolidated financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.

***Asset classification***

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

***Revenue recognition***

I. Government transfers

The Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

II. First Nation Capital and Revenue Trust Funds

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

III. Canada Mortgage and Housing Corporation ("CMHC")

CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

IV. Housing rental income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

V. Other revenue

Other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

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

***Measurement uncertainty***

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management 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 expenditures during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are based on the best information available regarding potentially contaminated sites that the Nation is responsible for. Accrued sick liability is based on an estimate of future sick time usage. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations in the periods in which they become known.

***Long-lived assets***

Long-lived assets consist of tangible capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when asset's service potential is reduced. Impairment is measured as the amount by which the assets' carrying amount exceeds its fair value. Any impairment is included in operations for the year. Prices for similar items are used to measure fair value of long-lived assets.

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

***Segments***

The Nation conducts its business through a number of reportable segments as described in Note 18. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

***Liability for contaminated site***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and 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 March 31, 2023.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2023 no liability for contaminated site exists.

***Asset retirement obligation***

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 there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), 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 best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

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

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Financial instruments**

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the consolidated statement of remeasurement gains and losses. The First Nation has not presented a consolidated statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the consolidated statement of operation. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the consolidated statement of remeasurement gains and losses.

**4. Accounts receivable**

|  | 2023             | 2022             |
|--|------------------|------------------|
| Indigenous Services Canada                 | 998,200          | 663,963          |
| First Nations Education Steering Committee | 830,037          | 168,755          |
| Province of British Columbia               | 1,638,400        | 33,137           |
| Fisheries and Oceans Canada                | 1,514            | 188,928          |
| First Nation Land Management               | 614,398          | -                |
| Goods and Services Tax                     | 39,341           | 33,969           |
| Other receivables                          | 1,313,630        | 952,861          |
|  | <b>5,435,520</b> | <b>2,041,613</b> |
| Less: Allowance for doubtful accounts      | 47,558           | 42,158           |
|  | <b>5,387,962</b> | <b>1,999,455</b> |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**5. Funds held in trust**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Chief and Council.

|                                    | <b>2023</b>    | 2022    |
|------------------------------------|----------------|---------|
| <b>Capital Trust</b>               |                |         |
| Balance, beginning and end of year | <b>134,122</b> | 134,122 |
| <b>Revenue Trust</b>               |                |         |
| Balance, beginning of year         | <b>4,423</b>   | 3,968   |
| Interest                           | <b>2,013</b>   | 2,619   |
| Special (BC)                       | <b>3,031</b>   | 3,034   |
| Interest transfer                  | <b>(4,279)</b> | (5,198) |
| Balance, end of year               | <b>5,188</b>   | 4,423   |
|                                    | <b>139,310</b> | 138,545 |

**Ottawa Trust Funds**

The Ottawa Trust accounts 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*.

**6. Restricted cash**

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited in the amount of \$43,282 (2022 - \$45,193) annually. 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 may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were adequately funded.

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), excess revenues over expenditures for the Post 1996 phases may be retained in an operating reserve. 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 may otherwise be approved by CMHC from time to time. At year end, the operating reserve was not adequately funded.

Restricted cash is comprised of the following:

|                     | <b>2023</b>    | 2022    |
|---------------------|----------------|---------|
| Replacement reserve | <b>480,626</b> | 423,410 |
| Operating reserve   | <b>170,834</b> | 166,113 |
| SES Endowment       | <b>35,051</b>  | -       |
|                     | <b>686,511</b> | 589,523 |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**7. Investments in First Nation business entities**

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-end of December 31, 2022 is as follows:

|  | <i>Investment<br/>cost</i> | <i>Loans /<br/>advances</i> | <i>Earnings<br/>(loss)</i> | <i>Accumulated<br/>distributions</i> | <i>2023<br/>Total<br/>investment</i> |
|--|----------------------------|-----------------------------|----------------------------|--------------------------------------|--------------------------------------|
| <b>Wholly-owned Businesses:</b>                      |                            |                             |                            |                                      |                                      |
| Coast Salish Development Corporation                 | 1,414,789                  | -                           | 49,559                     | -                                    | 1,464,348                            |
| Deer Point Developments Limited Partnership          | 524,505                    | 465,704                     | (1,196)                    | -                                    | 989,013                              |
| Ivy Green Petroleum Limited Partnership              | 461,868                    | 6,357,829                   | 594,331                    | -                                    | 7,414,028                            |
| Thuthiqut Resources Limited Partnership              | (38,717)                   | 8,694,621                   | 1,011,276                  | -                                    | 9,667,180                            |
| Thuy'she'num Investments Limited Partnership         | (1,717)                    | 3,781,678                   | 494,509                    | -                                    | 4,274,470                            |
| Thuy'she'num Property Management Limited Partnership | 42,858                     | 7,698,517                   | 8,820,051                  | -                                    | 16,561,426                           |
| 0848227 B.C. Ltd.                                    | 1                          | -                           | -                          | -                                    | 1                                    |
| 0848277 B.C. Ltd.                                    | 1                          | -                           | -                          | -                                    | 1                                    |
| 0484278 B.C. Ltd.                                    | 1                          | -                           | -                          | -                                    | 1                                    |
| 0848274 B.C. Ltd.                                    | 1                          | -                           | -                          | -                                    | 1                                    |
| 0924101 B.C. Ltd.                                    | 1                          | -                           | -                          | -                                    | 1                                    |
|  | <b>2,403,591</b>           | <b>26,998,349</b>           | <b>10,968,530</b>          | <b>-</b>                             | <b>40,370,470</b>                    |
| Less: Accumulated distributions                      | -                          | -                           | -                          | (4,535,692)                          | (4,535,692)                          |
|  | <b>2,403,591</b>           | <b>26,998,349</b>           | <b>10,968,530</b>          | <b>(4,535,692)</b>                   | <b>35,834,778</b>                    |



**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**7. Investments in First Nation business enterprises** *(Continued from previous page)*

|  | <i>Investment cost</i> | <i>Loans /<br/>advances</i> | <i>Earnings (loss)</i> | <i>Accumulated<br/>distributions</i> | <i>2022<br/>Total<br/>investment</i> |
|--|------------------------|-----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>Wholly-owned Businesses:</b>                      |                        |                             |                        |                                      |                                      |
| Coast Salish Development Corporation                 | 1,376,901              | -                           | 37,886                 | -                                    | 1,414,787                            |
| Deer Point Developments Limited Partnership          | 524,505                | 466,858                     | (1,156)                | -                                    | 990,207                              |
| Ivy Green Petroleum Limited Partnership              | 461,203                | 5,694,288                   | 664,204                | -                                    | 6,819,695                            |
| Thuthiquit Resources Limited Partnership             | (39,781)               | 7,631,246                   | 1,064,438              | -                                    | 8,655,903                            |
| Thuy'she'num Investments Limited Partnership         | (2,131)                | 3,367,110                   | 414,981                | -                                    | 3,779,960                            |
| Thuy'she'num Property Management Limited Partnership | 41,428                 | 6,269,600                   | 1,430,355              | -                                    | 7,741,383                            |
| 0848227 B.C. Ltd.                                    | 1                      | -                           | -                      | -                                    | 1                                    |
| 0848277 B.C. Ltd.                                    | 1                      | -                           | -                      | -                                    | 1                                    |
| 0484278 B.C. Ltd.                                    | 1                      | -                           | -                      | -                                    | 1                                    |
| 0848274 B.C. Ltd.                                    | 1                      | -                           | -                      | -                                    | 1                                    |
| 0924101 B.C. Ltd.                                    | 1                      | -                           | -                      | -                                    | 1                                    |
|  | 2,362,130              | 23,429,102                  | 3,610,708              | -                                    | 29,401,940                           |
| Less: Accumulated distributions                      | -                      | -                           | -                      | (4,155,631)                          | (4,155,631)                          |
|  | 2,362,130              | 23,429,102                  | 3,610,708              | (4,155,631)                          | 25,246,309                           |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**7. Investments in First Nation business entities** *(Continued from previous page)*

Summary financial information for each Nation business entity, accounted for using the modified equity method, for their respective year-end of December 31, 2022 is as follows:

|                               | <i>Coast Salish<br/>Development<br/>Corporation<br/>As at December<br/>31, 2022</i> | <i>Deer Point<br/>Developments<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2022</i> | <i>Ivy Green<br/>Petroleum<br/>Services Limited<br/>Partnership<br/>As at December<br/>31, 2022</i> | <i>Thuthiquit<br/>Resources<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2022</i> | <i>Thuy'she'num<br/>Investments<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2022</i> | <i>Thuy'she'num<br/>Property<br/>Management<br/>Limited<br/>Partnership<br/>As at December<br/>31, 2022</i> |
|-------------------------------|---|--|---|---|---|---|
| <b>Assets</b>                 |   |  |   |   |   |   |
| Cash                          | 4,158,917   | 12,737   | 2,180,562   | 936,909   | 773,211   | 740,272   |
| Accounts receivable           | 994,240   | 6  | 91,756  | 1,304   | 417   | 282,393   |
| Inventory                     | -   | -  | 378,141   | -   | -   | -   |
| Investment                    | -   | -  | 54  | -   | 4,267,523   | 6,616,315   |
| Prepaid expenses              | 4,582   | -  | 9,666   | 800   | -   | 34,771  |
| Property, plant and equipment | 83,460  | -  | 2,046,543   | 1,522,491   | -   | 7,145,448   |
| Advances to related parties   | 11,216,532  | 987,488  | 3,158,589   | 8,241,588   | 785,056   | 9,535,605   |
| Work in progress              | -   | -  | -   | -   | -   | 3,538,159   |
| <b>Total assets</b>           | <b>16,457,731</b>   | <b>1,000,231</b>   | <b>7,865,311</b>  | <b>10,703,092</b>   | <b>5,826,207</b>  | <b>27,892,963</b>   |
| <b>Liabilities</b>            |   |  |   |   |   |   |
| Accounts payable and accruals | 4,493,838   | 1,243  | 189,565   | 8,695,918   | 3,783,944   | 7,821,109   |
| Deferred revenue              | 1,538,137   | -  | 19,642  | -   | -   | 2,246,832   |
| Advances from related parties | 8,961,309   | 475,679  | 6,599,905   | 1,034,615   | 1,549,471   | 8,962,113   |
| <b>Total liabilities</b>      | <b>14,993,284</b>   | <b>476,922</b>   | <b>6,809,112</b>  | <b>9,730,533</b>  | <b>5,333,415</b>  | <b>19,030,054</b>   |
| <b>Equity</b>                 | <b>1,464,447</b>  | <b>523,309</b>   | <b>1,056,199</b>  | <b>972,559</b>  | <b>492,792</b>  | <b>8,862,909</b>  |
| <b>Total revenue</b>          | <b>4,135,773</b>  | <b>-</b>   | <b>10,750,645</b>   | <b>1,047,969</b>  | <b>500,101</b>  | <b>9,292,609</b>  |
| <b>Total expenses</b>         | <b>4,185,690</b>  | <b>1,321</b>   | <b>10,157,226</b>   | <b>48,260</b>   | <b>5,592</b>  | <b>577,458</b>  |
| <b>Income from Operations</b> | <b>(49,917)</b>   | <b>(1,321)</b>   | <b>593,419</b>  | <b>999,709</b>  | <b>494,509</b>  | <b>8,715,151</b>  |
| <b>Other income</b>           | <b>99,476</b>   | <b>125</b>   | <b>912</b>  | <b>11,567</b>   | <b>-</b>  | <b>104,900</b>  |
| <b>Net income</b>             | <b>49,559</b>   | <b>(1,196)</b>   | <b>594,331</b>  | <b>1,011,276</b>  | <b>494,509</b>  | <b>8,820,051</b>  |

The First Nation's investees have a different year-end than March 31, 2023. The First Nation uses the investees' year-end financial statements to account for its investment in these investees. There have been no significant events or transactions in the interim period.

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**8. Deferred revenue**

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

|  | <i>Balance,<br/>beginning of<br/>year</i> | <i>Contributions<br/>received</i> | <i>Amount spent</i> | <i>Balance, end<br/>of year</i> |
|--|---|-----------------------------------|---------------------|---------------------------------|
| ISC - COVID Related Funding                        | 1,742,373                                 | 295,619                           | 1,769,136           | 268,856                         |
| ISC - Adult in Home Care                           | 38,773                                    | 151,947                           | 89,584              | 101,136                         |
| ISC - Assisted Living In-Home Care                 | 28,609                                    | -                                 | 28,609              | -                               |
| ISC - Emergency Management Unit                    | 1,119                                     | -                                 | 1,119               | -                               |
| ISC - Perimeter Security                           | 260,657                                   | -                                 | -                   | 260,657                         |
| ISC - Special Needs                                | 33,911                                    | 34,498                            | 36,158              | 32,251                          |
| ISC - Waste Water Systems                          | 175,310                                   | 282,455                           | 185,097             | 272,668                         |
| ISC - Waste Diversion Program                      | 154,801                                   | -                                 | 14,193              | 140,608                         |
| ISC- Wrap Around Initiative                        | -   | 60,000                            | -                   | 60,000                          |
| ISC- CDWAI Implementation Project                  | -   | 77,695                            | -                   | 77,695                          |
| ISC- Storm Water Mgmt Project                      | -   | 102,432                           | 43,455              | 58,977                          |
| ISC - Kulleet Bay Erosion Project                  | -   | 231,360                           | -                   | 231,360                         |
| ISC - Band Admin Feasibility Study                 | -   | 200,000                           | -                   | 200,000                         |
| INAC - FN Representative Services                  | -   | 673,376                           | 259,553             | 413,823                         |
| ISC - IR#13 Water Project Funding                  | 196,681                                   | -                                 | 196,681             | -                               |
| ISC - Post-Sec Support Emergency                   | 9,662                                     | -                                 | 9,662               | -                               |
| ISC - CCP Planning                                 | 48,951                                    | -                                 | 48,951              | -                               |
| ISC - Infrastructure Funding                       | 25,000                                    | -                                 | 5,465               | 19,535                          |
| ISC - Strategic Investment                         | 62,000                                    | -                                 | -                   | 62,000                          |
| ISC - Water System funding                         | 87,480                                    | 254,846                           | 209,159             | 133,167                         |
| ISC - Solid Waste                                  | 45,317                                    | 214,776                           | 163,186             | 96,907                          |
| ISC - O&M Roads and Bridges                        | 199,107                                   | 281,281                           | 77,588              | 402,800                         |
| ISC - Service Delivery                             | 79,113                                    | 127,049                           | 105,800             | 100,362                         |
| INAC - Income Assistance - Basic Needs             | -   | 2,224,948                         | 2,016,148           | 208,800                         |
| ISC - ICMS Renovations                             | 44,600                                    | 360,000                           | 44,600              | 360,000                         |
| ISC - ACRS Funding                                 | 890,358                                   | 104,901                           | 31,834              | 963,425                         |
| ISC - O&M Community Building funding               | 35,880                                    | 51,581                            | 32,446              | 55,015                          |
| FNHA - COVID Related Funding                       | 106,480                                   | -                                 | 106,480             | -                               |
| FNHA - Mental Health & Wellness Funding            | 38,936                                    | -                                 | 600                 | 38,336                          |
| FNHA - Winter Ceremony Funding                     | 10,000                                    | -                                 | 10,000              | -                               |
| FNHA - Winter Wellness grant                       | -   | 2,500                             | -                   | 2,500                           |
| FNHA - Suicide Funding                             | 1,750                                     | -                                 | 1,750               | -                               |
| FNHA - Land-Based Quality Improvement Funding      | 16,063                                    | -                                 | -                   | 16,063                          |
| FNHA - Winter Wellness Grant                       | 3,482                                     | -                                 | 3,482               | -                               |
| FNHA - Community Wellness Liaison grant            | 54,140                                    | 55,125                            | 27,393              | 81,872                          |
| FNHA - FN Home & Community Centre                  | -   | 2,750                             | -                   | 2,750                           |
| FNHA - Healthy Medication                          | -   | 3,000                             | -                   | 3,000                           |
| FNHA - Papal Visit                                 | -   | 29,000                            | 22,310              | 6,690                           |
| Fisheries and Oceans Canada                        | 152,750                                   | 700,000                           | 516,167             | 336,583                         |
| FNESC - School Bus Purchase Program (SBPP) funding | 133,275                                   | -                                 | 133,275             | -                               |
| FNESC - COREMI funding                             | 67,187                                    | -                                 | 67,187              | -                               |
| FNESC - PSPP funding                               | 17,825                                    | -                                 | 17,825              | -                               |
| FNESC - PSPP-CILR funding                          | 26,424                                    | -                                 | 26,424              | -                               |
| Province of British Columbia                       | 63,285                                    | 60,000                            | 42,551              | 80,734                          |
| CMHC deferred revenue                              | 5,012                                     | 8,844                             | 5,012               | 8,844                           |
| Parks Canada                                       | -   | 104,170                           | 38,444              | 65,726                          |
| Tl'uqtiinus - Department 102 deferral              | 691,631                                   | -                                 | 691,631             | -                               |
| Other deferred revenue                             | 244,141                                   | 179,318                           | 244,141             | 179,318                         |
| SES deferred revenue                               | -   | 2,411,334                         | -                   | 2,411,334                       |
|  | <b>5,792,083</b>                          | <b>9,284,805</b>                  | <b>7,323,096</b>    | <b>7,753,792</b>                |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**9. Accounts payable and accruals**

Included in accounts payable and accruals at year-end are anticipated Indigenous Services Canada recoveries of \$82,204 (2022 - \$341,854).

**10. Due to related Nation entities**

Amounts due to related Nation entities are unsecured, non-interest bearing and due on demand. These entities are related by virtue of common control or joint control by the Nation.

**11. Accrued sick liability**

The Nation provides for sick leave under the following conditions:

- CUPE and exempt employees accumulate one and one quarter days of sick leave per month;
- CUPE and exempt employees are limited to accumulate the equivalent of sixty working days pay;
- Sick leave can only be used for paid time off for illness of the employee. Sick leave taken is paid at the employee's normal rate of pay at the time;
- There is no provision for payment of any unused sick bank balance on termination of employment;

The estimate for the total accumulated liability is \$330,156 (2022 - \$325,148).

Management has not conducted an actuarial valuation.

**12. Long-term debt**

|  | <b>2023</b>    | 2022    |
|--|----------------|---------|
| Phase/Subdivision 10   |                |         |
| - Interest at 2.39%, compounded semi-annually                                |                |         |
| - Monthly blended payments of \$2,001  |                |         |
| - Maturity date of January 1, 2023   |                |         |
| - Secured by buildings with a net book value of \$60,920 (2022 - \$71,467)   |                |         |
| - Balance was paid off   | -              | 19,803  |
| Phase/Subdivision 12-1   |                |         |
| - Interest at 1.83%, compounded semi-annually                                |                |         |
| - Monthly blended payments of \$2,466  |                |         |
| - Maturity date of October 1, 2029   |                |         |
| - Secured by buildings with a net book value of \$204,670 (2022 - \$231,960) |                |         |
| - Balance outstanding  | <b>183,442</b> | 209,432 |
| Phase/Subdivision 12-2   |                |         |
| - Interest at 2.14%, compounded semi-annually                                |                |         |
| - Monthly blended payments of \$2,442  |                |         |
| - Maturity date of March 1, 2039   |                |         |
| - Secured by buildings with a net book value of \$391,219 (2022 - \$416,430) |                |         |
| - Balance outstanding  | <b>396,956</b> | 417,558 |
| Phase/Subdivision 12-3   |                |         |
| - Interest at 1.72%, compounded semi-annually                                |                |         |
| - Monthly blended payments of \$2,384  |                |         |
| - Maturity date of March 1, 2040   |                |         |
| - Secured by buildings with a net book value of \$422,001 (2022 - \$447,576) |                |         |
| - Balance outstanding  | <b>421,508</b> | 442,686 |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**12. Long-term debt** *(Continued from previous page)*

|  | <b>2023</b>    | <b>2022</b> |
|--|----------------|-------------|
| Phase/Subdivision 12-4   |                |             |
| - Interest at 1.72%, compounded semi-annually                                |                |             |
| - Monthly blended payments of \$2,220  |                |             |
| - Maturity date of March 1, 2040   |                |             |
| - Secured by buildings with a net book value of \$440,664 (2022 - \$467,371) |                |             |
| - Balance outstanding  | <b>392,686</b> | 412,416     |
| Phase/Subdivision 12-5   |                |             |
| - Interest at 1.97%, compounded semi-annually                                |                |             |
| - Monthly blended payments of \$3,960  |                |             |
| - Maturity date of December 1, 2042  |                |             |
| - Secured by buildings with a net book value of \$819,687 (2022 - \$862,828) |                |             |
| - Balance outstanding  | <b>778,711</b> | 809,331     |
| Phase/Subdivision 12-6   |                |             |
| - Interest at 1.75%, compounded semi-annually                                |                |             |
| - Monthly blended payments of \$2,743  |                |             |
| - Maturity date of October 1, 2044   |                |             |
| - Secured by buildings with a net book value of \$651,461 (2022 - \$681,762) |                |             |
| - Balance outstanding  | <b>591,683</b> | 614,069     |
| Bank of Montreal   |                |             |
| - Interest at 3.80%, compounded monthly                                      |                |             |
| - Monthly blended payments of \$425  |                |             |
| - Term maturity date of July 31, 2033  |                |             |
| - Secured by a General Security Agreement and a Band Council Resolution      |                |             |
| - Balance outstanding  | <b>43,494</b>  | 46,875      |
| Bank of Montreal   |                |             |
| - Interest at 2.86%, compounded monthly                                      |                |             |
| - Monthly blended payments of \$2,006  |                |             |
| - Term maturity date of February 28, 2026                                    |                |             |
| - Secured by a General Security Agreement and a Band Council Resolution      |                |             |
| - Balance outstanding  | <b>67,201</b>  | 89,013      |
| Bank of Montreal   |                |             |
| - Interest at 2.74%, compounded monthly                                      |                |             |
| - Monthly blended payments of \$5,294  |                |             |
| - Term maturity date of February 28, 2025                                    |                |             |
| - Secured by a General Security Agreement and a Band Council Resolution      |                |             |
| - Balance outstanding  | <b>583,766</b> | 630,601     |
| Bank of Montreal   |                |             |
| - Interest at 2.59%, compounded monthly                                      |                |             |
| - Monthly blended payments of \$3,784  |                |             |
| - Term maturity date of August 30, 2025                                      |                |             |
| - Secured by a General Security Agreement and a Band Council Resolution      |                |             |
| - Balance outstanding  | <b>596,691</b> | 626,230     |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**12. Long-term debt** *(Continued from previous page)*

|  | <b>2023</b>      | <b>2022</b> |
|--|------------------|-------------|
| Bank of Montreal   |                  |             |
| - Interest at 4.37%, compounded monthly  |                  |             |
| - Monthly blended payments of \$286  |                  |             |
| - Term maturity date of February 28, 2024  |                  |             |
| - Secured by a General Security Agreement and a Band Council Resolution  |                  |             |
| - Balance outstanding  | <b>39,275</b>    | 40,948      |
| Bank of Montreal   |                  |             |
| - Interest at 4.37%, compounded monthly  |                  |             |
| - Monthly blended payments of \$177  |                  |             |
| - Term maturity date of February 28, 2024  |                  |             |
| - Secured by a General Security Agreement and a Band Council Resolution  |                  |             |
| - Balance outstanding  | <b>24,265</b>    | 25,298      |
| Bank of Montreal   |                  |             |
| - Interest at 3.80%, compounded monthly  |                  |             |
| - Monthly blended payments of \$946  |                  |             |
| - Term maturity date of June 30, 2023  |                  |             |
| - Secured by a General Security Agreement and a Band Council Resolution  |                  |             |
| - Balance outstanding  | <b>2,753</b>     | 13,775      |
| Bank of Montreal   |                  |             |
| - Interest at 3.60%, compounded monthly  |                  |             |
| - Monthly blended payments of \$3,235  |                  |             |
| - Term maturity date of May 31, 2033   |                  |             |
| - Secured by a General Security Agreement and a Band Council Resolution  |                  |             |
| - Balance outstanding  | <b>329,741</b>   | 356,180     |
| Stz'uminus Education Society Vehicle Loan, repayable in monthly payments of \$1,109 with an interest rate of 9.49%, due November 25, 2026. | <b>41,090</b>    | -           |
|  | <b>4,493,262</b> | 4,754,215   |

The Bank of Montreal prime rate at March 31, 2023 is 6.7% (2022 - 2.7%).

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

|            |                  |
|------------|------------------|
|            | Principal        |
| 2024       | 286,084          |
| 2025       | 777,662          |
| 2026       | 246,968          |
| 2027       | 227,436          |
| 2028       | 224,458          |
|            | <b>1,762,608</b> |
| Thereafter | <b>2,730,654</b> |

**Stz'uminus First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2023*

**13. Contingencies**

The Nation may be contingently liable with respect to Ministerial guarantees for "On Reserve Housing Loans" to various financial institutions in the amount of \$684,430 (2022 - \$706,657). These loan guarantees are in addition to CMHC mortgages.

These consolidated financial statements are subject to review by the First Nations funding bodies. It is possible that adjustments could be made based on results of their review. Any adjustments will be reflected in operations in the year the adjustment is required.

**14. Accumulated surplus**

Accumulated surplus consists of the following:

|   | 2023              | 2022              |
|---|-------------------|-------------------|
| Equity in Ottawa Trust funds                                    | 139,310           | 138,545           |
| Equity in operating fund  | 11,909,311        | 11,443,968        |
| Equity in tangible capital assets                               | 37,546,462        | 34,321,517        |
| Investments in First Nation business entities (enterprise fund) | 35,834,888        | 25,246,419        |
| Replacement and operating reserves                              | 534,081           | 452,092           |
|   | <b>85,964,052</b> | <b>71,602,541</b> |

**15. Indigenous Services Canada funding reconciliation**

|  | 2023              | 2022              |
|--|-------------------|-------------------|
| Revenue per confirmation               | 15,075,800        | 13,919,969        |
| Prior year deferred funding recognized | 4,159,703         | 1,679,967         |
| Funding deferred                       | (6,873,782)       | (4,159,703)       |
| Expected clawbacks                     | (64,259)          | (264,087)         |
|  | <b>12,297,462</b> | <b>11,176,146</b> |

**16. Economic dependence**

Stz'uminus First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of funding agreements entered into with the Government of Canada. These agreements are administered by ISC under the terms and conditions of the *Indian Act*. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

**17. Budget information**

The disclosed budget information has been approved by the Chief and Council of Stz'uminus First Nation. The original budget was approved at the Chief and Council meeting held on April 26, 2022.

**18. Segments**

The Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

**Administration:**

Includes general operations, support, and financial management of the Nation.

**Education:**

Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Nation

**Health:**

Includes activities related to the provision of health services within the Nation.

**Income Assistance:**

Includes revenue and expenses relating to the social assistance of the members of the Nation.

**Community Infrastructure:**

Includes the maintenance of infrastructure owned by the Nation.

**Economic Development:**

Includes activities related to the growth of revenue producing projects with the Nation.

**Natural Resources:**

Includes revenue and expenses related to conservation and stewardship of the Nation's land and resources.

**Capital Projects:**

Includes revenue and expenses related to capital projects.

**Community:**

Includes revenue and expenses related to programs put on to support the Stz'uminus First Nation community.

**Stz'uminus Education Society:**

Includes revenue and expenses of programs under the Stz'uminus Education Society



**Stz'uminus First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2023*

|  | <i>Land</i>    | <i>Outdoor<br/>lighting and<br/>land<br/>improvements</i> | <i>Buildings and<br/>leasehold<br/>improvements</i> | <i>Vehicles and<br/>equipment</i> | <i>Computer<br/>hardware and<br/>software</i> | <i>Roads, streets,<br/>and bridges</i> | <i>Subtotal</i>   |
|--|----------------|---|---|-----------------------------------|---|--|-------------------|
| <b>Cost</b>                                      |                |   |   |                                   |   |  |                   |
| Balance, beginning of year                       | 421,303        | 1,245,734   | 22,105,554  | 3,731,404                         | 870,762                                       | 6,318,875                              | 34,693,632        |
| Acquisition of tangible capital assets           | -              | -   | 3,038,475   | 584,582                           | 23,826  | 476,970                                | 4,123,853         |
| Balance, end of year                             | 421,303        | 1,245,734   | 25,144,029  | 4,315,986                         | 894,588                                       | 6,795,845                              | 38,817,485        |
| <b>Accumulated amortization</b>                  |                |   |   |                                   |   |  |                   |
| Balance, beginning of year                       | -              | 507,616   | 6,297,573   | 2,549,189                         | 657,682                                       | 3,975,404                              | 13,987,464        |
| Annual amortization                              | -              | 41,619  | 580,261   | 210,444                           | 72,382  | 170,724                                | 1,075,430         |
| Balance, end of year                             | -              | 549,235   | 6,877,834   | 2,759,633                         | 730,064                                       | 4,146,128                              | 15,062,894        |
| <b>Net book value of tangible capital assets</b> | <b>421,303</b> | <b>696,499</b>  | <b>18,266,195</b>                                   | <b>1,556,353</b>                  | <b>164,524</b>                                | <b>2,649,717</b>                       | <b>23,754,591</b> |
| 2022 Net book value of tangible capital assets   | 421,303        | 738,118   | 15,807,981  | 1,182,215                         | 213,080                                       | 2,343,471                              | 20,706,168        |

**Stz'uminus First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2023*

|  | <i>Subtotal</i>   | <i>Water, sanitary<br/>and storm</i> | <i>Band housing</i> | <i>CMHC housing</i> |          | <i>2023</i>       | <i>2022</i>       |
|--|-------------------|--------------------------------------|---------------------|---------------------|----------|-------------------|-------------------|
| <b>Cost</b>                                      |                   |                                      |                     |                     |          |                   |                   |
| Balance, beginning of year                       | 34,693,632        | 18,727,875                           | 4,736,095           | 7,466,985           | -        | 65,624,587        | 62,701,547        |
| Acquisition of tangible capital assets           | 4,123,853         | 546,548                              | 106,820             | -                   | -        | 4,777,221         | 2,923,040         |
| Balance, end of year                             | 38,817,485        | 19,274,423                           | 4,842,915           | 7,466,985           | -        | 70,401,808        | 65,624,587        |
| <b>Accumulated amortization</b>                  |                   |                                      |                     |                     |          |                   |                   |
| Balance, beginning of year                       | 13,987,464        | 5,728,178                            | 4,359,965           | 2,473,248           | -        | 26,548,855        | 24,751,033        |
| Annual amortization                              | 1,075,430         | 422,650                              | 126,377             | 188,772             | -        | 1,813,229         | 1,797,822         |
| Balance, end of year                             | 15,062,894        | 6,150,828                            | 4,486,342           | 2,662,020           | -        | 28,362,084        | 26,548,855        |
| <b>Net book value of tangible capital assets</b> | <b>23,754,591</b> | <b>13,123,595</b>                    | <b>356,573</b>      | <b>4,804,965</b>    | <b>-</b> | <b>42,039,724</b> | <b>39,075,732</b> |
| 2022 Net book value of tangible capital assets   | 20,706,168        | 12,999,697                           | 376,130             | 4,993,737           | -        | 39,075,732        |                   |

**Stz'uminus First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>       | <b>2022</b> |
|--|--------------------------------------|-------------------|-------------|
| <b>Consolidated expenses by object</b> |                                      |                   |             |
| Administration recovery                | (62,358)                             | <b>(72,828)</b>   | (43,034)    |
| Advertising                            | 13,788                               | <b>26,230</b>     | 5,433       |
| Amortization                           | -                                    | <b>1,813,229</b>  | 1,797,822   |
| Automotive                             | 108,331                              | <b>130,972</b>    | 127,495     |
| Bad debts                              | 5,400                                | <b>5,400</b>      | 5,400       |
| Band housing repairs and maintenance   | 311,303                              | <b>4,617</b>      | 6,630       |
| Bank charges and interest              | 5,550                                | <b>13,733</b>     | 5,771       |
| Community events                       | 56,684                               | <b>58,853</b>     | 18,156      |
| Consulting                             | 30,960                               | <b>322,554</b>    | 83,219      |
| Economic development transfers         | -                                    | <b>2,385,864</b>  | 962,758     |
| Economic discretionary funds           | 910,797                              | <b>627,284</b>    | 817,256     |
| Elders costs                           | 5,400                                | <b>1,415</b>      | -           |
| Fish costs                             | 62,000                               | <b>178,284</b>    | 205         |
| Funeral                                | 59,660                               | <b>95,543</b>     | 74,085      |
| Furniture and equipment                | 107,303                              | <b>104,923</b>    | 68,392      |
| Health                                 | 7,595                                | <b>10,198</b>     | 1,645       |
| Honoraria                              | 347,565                              | <b>338,890</b>    | 379,065     |
| Individual Housing Subsidy payout      | 2,000                                | -                 | -           |
| Insurance                              | 175,080                              | <b>185,257</b>    | 181,997     |
| Interest on long-term debt             | 195,330                              | <b>110,859</b>    | 112,583     |
| Meeting                                | 71,976                               | <b>43,856</b>     | 81,311      |
| Miscellaneous                          | 4,842                                | <b>2,962</b>      | 3,354       |
| Office supplies                        | 86,140                               | <b>162,882</b>    | 127,058     |
| Professional fees                      | 299,585                              | <b>962,460</b>    | 881,900     |
| Program education                      | 40,625                               | <b>194,040</b>    | 131,236     |
| Program expense                        | 100,803                              | <b>232,463</b>    | 195,649     |
| Property tax                           | 46,000                               | <b>18,779</b>     | 57,976      |
| Rent                                   | 137,404                              | <b>130,796</b>    | 144,603     |
| Repairs and maintenance                | 392,535                              | <b>599,762</b>    | 443,017     |
| Salaries and benefits                  | 8,088,238                            | <b>9,471,924</b>  | 8,016,651   |
| Social assistance                      | 1,785,624                            | <b>2,278,770</b>  | 2,218,918   |
| Stz'uminus economic fund               | 56,000                               | <b>43,624</b>     | 35,765      |
| Supplies                               | 378,411                              | <b>572,338</b>    | 408,743     |
| Telephone                              | 54,754                               | <b>55,767</b>     | 53,447      |
| Training                               | 178,878                              | <b>95,628</b>     | 99,278      |
| Travel                                 | 141,329                              | <b>207,401</b>    | 78,169      |
| Tuition                                | 736,104                              | <b>1,102,289</b>  | 775,526     |
| Utilities                              | 599,157                              | <b>538,649</b>    | 583,403     |
|  | <b>15,540,793</b>                    | <b>23,055,667</b> | 18,940,882  |

**Stz'uminus First Nation**  
**Administration**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b> |
|--|--------------------------------------|------------------|-------------|
| <b>Revenue</b>                                   |                                      |                  |             |
| Other revenue                                    | 781,674                              | <b>1,266,904</b> | 322,808     |
| Indigenous Services Canada                       | 756,540                              | <b>823,637</b>   | 853,175     |
| Province of British Columbia                     | -                                    | <b>138,405</b>   | 105,000     |
| First Nations Health Authority                   | -                                    | <b>33,253</b>    | 92,320      |
| Rental income                                    | 8,020                                | <b>8,020</b>     | 11,362      |
| ISC trust fund interest                          | 5,197                                | <b>7,202</b>     | 5,653       |
|  | <b>1,551,431</b>                     | <b>2,277,421</b> | 1,390,318   |
| <b>Expenses</b>                                  |                                      |                  |             |
| Administration (recovery)                        | (349,770)                            | <b>(496,394)</b> | (939,561)   |
| Advertising                                      | 5,500                                | <b>12,025</b>    | 3,520       |
| Amortization                                     | -                                    | <b>20,341</b>    | 26,257      |
| Automotive                                       | 500                                  | <b>679</b>       | -           |
| Bad debts  | 5,400                                | <b>5,400</b>     | 5,400       |
| Bank charges and interest                        | 5,550                                | <b>5,306</b>     | 5,514       |
| Community events                                 | 34,680                               | <b>34,505</b>    | 11,363      |
| Consulting                                       | -                                    | <b>10,200</b>    | -           |
| Contracted services                              | 109,900                              | <b>99,423</b>    | 357,725     |
| Funeral  | 7,900                                | <b>29,041</b>    | 5,135       |
| Furniture and equipment                          | 18,464                               | <b>11,569</b>    | 7,195       |
| Honoraria  | 289,322                              | <b>153,940</b>   | 266,624     |
| Insurance  | 21,003                               | <b>13,025</b>    | 20,003      |
| Meeting  | 22,196                               | <b>15,845</b>    | 6,874       |
| Office supplies                                  | 62,485                               | <b>42,251</b>    | 49,238      |
| Professional fees                                | 80,150                               | <b>117,603</b>   | 67,782      |
| Program education                                | -                                    | <b>-</b>         | 7,171       |
| Program expense                                  | -                                    | <b>25,350</b>    | 26,077      |
| Rent   | 11,256                               | <b>10,318</b>    | 9,380       |
| Repairs and maintenance                          | 13,000                               | <b>34,682</b>    | 88,470      |
| Salaries and benefits                            | 1,149,830                            | <b>616,418</b>   | 1,263,228   |
| Supplies   | 38,100                               | <b>15,778</b>    | 40,069      |
| Telephone  | 10,920                               | <b>7,511</b>     | 9,374       |
| Training   | 17,831                               | <b>5,998</b>     | 41,833      |
| Travel   | 47,800                               | <b>20,753</b>    | 13,868      |
| Utilities  | 25,683                               | <b>22,681</b>    | 22,385      |
|  | <b>1,627,700</b>                     | <b>834,248</b>   | 1,414,924   |
| <b>Annual surplus (deficit) before transfers</b> | <b>(76,269)</b>                      | <b>1,443,173</b> | (24,606)    |
| <b>Transfers</b>                                 | 213,919                              | <b>211,890</b>   | 52,117      |
| <b>Annual surplus</b>                            | <b>137,650</b>                       | <b>1,655,063</b> | 27,511      |

**Stz'uminus First Nation**  
**Education**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b>      |
|--|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                                   |                                      |                  |                  |
| Indigenous Services Canada                       | 2,055,855                            | -                | 5,750,447        |
| First Nations Education Steering Committee       | -                                    | -                | 1,984,221        |
| Province of British Columbia                     | -                                    | -                | 527,282          |
| Other revenue                                    | -                                    | -                | 383,405          |
| First Nations Health Authority                   | 125,186                              | -                | 269,020          |
| Coast Salish Employment and Training Society     | -                                    | -                | 235,335          |
|  | <b>2,181,041</b>                     | <b>-</b>         | <b>9,149,710</b> |
| <b>Expenses</b>                                  |                                      |                  |                  |
| Administration                                   | -                                    | -                | 540,420          |
| Advertising                                      | -                                    | -                | 682              |
| Amortization                                     | -                                    | <b>455,369</b>   | 518,300          |
| Automotive                                       | -                                    | -                | 64,750           |
| Bank charges and interest                        | -                                    | -                | 8                |
| Consulting                                       | -                                    | -                | 68,151           |
| Contracted services                              | -                                    | -                | 280,035          |
| Funeral  | -                                    | -                | 6,438            |
| Furniture and equipment                          | -                                    | -                | 40,806           |
| Honoraria  | -                                    | -                | 97,461           |
| Insurance  | -                                    | -                | 63,197           |
| Interest on long-term debt                       | -                                    | -                | 17,981           |
| Meeting  | -                                    | -                | 68,041           |
| Office supplies                                  | -                                    | -                | 62,841           |
| Professional fees                                | -                                    | -                | 15,253           |
| Program education                                | -                                    | -                | 91,780           |
| Program expense                                  | -                                    | -                | 112,783          |
| Property tax                                     | -                                    | -                | 13,085           |
| Rent   | -                                    | -                | 15,520           |
| Repairs and maintenance                          | -                                    | -                | 80,252           |
| Salaries and benefits                            | -                                    | -                | 4,772,862        |
| Social assistance                                | -                                    | -                | 529,363          |
| Supplies   | -                                    | -                | 245,850          |
| Telephone  | -                                    | -                | 13,728           |
| Training   | -                                    | -                | 23,223           |
| Travel   | -                                    | -                | 21,334           |
| Tuition  | -                                    | -                | 775,526          |
| Utilities  | -                                    | -                | 129,388          |
|  | <b>-</b>                             | <b>455,369</b>   | <b>8,669,058</b> |
| <b>Annual surplus (deficit) before transfers</b> | <b>2,181,041</b>                     | <b>(455,369)</b> | <b>480,652</b>   |
| <b>Transfers</b>                                 | <b>-</b>                             | <b>-</b>         | <b>(875,145)</b> |
| <b>Annual surplus (deficit)</b>                  | <b>2,181,041</b>                     | <b>(455,369)</b> | <b>(394,493)</b> |

**Stz'uminus First Nation**  
**Health**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b> |
|--|--------------------------------------|------------------|-------------|
| <b>Revenue</b>                         |                                      |                  |             |
| First Nations Health Authority         | 1,582,408                            | <b>1,802,768</b> | 1,742,266   |
| Indigenous Services Canada             | 191,061                              | <b>402,431</b>   | 152,628     |
| Other revenue                          | 44,785                               | <b>37,453</b>    | 44,903      |
| Province of British Columbia           | -                                    | <b>38</b>        | -           |
|  | <b>1,818,254</b>                     | <b>2,242,690</b> | 1,939,797   |
| <b>Expenses</b>                        |                                      |                  |             |
| Administration                         | 122,801                              | <b>193,889</b>   | 133,338     |
| Advertising                            | 8,288                                | <b>2,093</b>     | 1,231       |
| Amortization                           | -                                    | <b>61,454</b>    | 53,088      |
| Automotive                             | 19,160                               | <b>13,903</b>    | 12,336      |
| Community events                       | 20,004                               | <b>20,012</b>    | 6,273       |
| Consulting                             | 9,960                                | <b>6,640</b>     | 9,130       |
| Contracted services                    | 132,760                              | <b>141,321</b>   | 51,231      |
| Elders costs                           | 5,400                                | <b>1,215</b>     | -           |
| Funeral                                | 9,800                                | <b>5,469</b>     | 2,997       |
| Furniture and equipment                | 14,500                               | <b>21,044</b>    | 3,360       |
| Health                                 | 7,595                                | <b>10,198</b>    | 1,645       |
| Honoraria                              | 13,780                               | <b>4,213</b>     | 5,622       |
| Insurance                              | 17,921                               | <b>15,994</b>    | 16,280      |
| Meeting                                | 18,000                               | <b>3,529</b>     | 624         |
| Office supplies                        | 16,953                               | <b>6,236</b>     | 10,371      |
| Professional fees                      | 2,000                                | <b>2,717</b>     | 1,240       |
| Program education                      | 6,000                                | <b>14,005</b>    | 16,038      |
| Program expense                        | 14,860                               | <b>27,550</b>    | 37,497      |
| Rent                                   | 2,200                                | <b>-</b>         | 327         |
| Repairs and maintenance                | 11,220                               | <b>13,207</b>    | 7,497       |
| Salaries and benefits                  | 1,014,970                            | <b>1,092,739</b> | 876,886     |
| Supplies                               | 71,087                               | <b>78,595</b>    | 72,625      |
| Telephone                              | 13,978                               | <b>12,176</b>    | 11,993      |
| Training                               | 13,800                               | <b>5,993</b>     | 4,103       |
| Travel                                 | 54,859                               | <b>40,864</b>    | 25,324      |
| Utilities                              | 32,170                               | <b>25,018</b>    | 24,946      |
|  | <b>1,654,066</b>                     | <b>1,820,074</b> | 1,386,002   |
| <b>Annual surplus before transfers</b> | <b>164,188</b>                       | <b>422,616</b>   | 553,795     |
| <b>Transfers</b>                       | (36,167)                             | <b>14,952</b>    | 2,919       |
| <b>Annual surplus</b>                  | <b>128,021</b>                       | <b>437,568</b>   | 556,714     |

**Stz'uminus First Nation**  
**Income Assistance**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b> |
|--|--------------------------------------|------------------|-------------|
| <b>Revenue</b>                           |                                      |                  |             |
| Indigenous Services Canada               | 3,607,681                            | <b>3,893,081</b> | 2,231,904   |
| Other revenue                            | 151,543                              | <b>156,134</b>   | 141,557     |
| Province of British Columbia             | 20,000                               | <b>35,976</b>    | 9,782       |
| First Nations Health Authority           | 2,500                                | <b>2,130</b>     | 370         |
|  | <b>3,781,724</b>                     | <b>4,087,321</b> | 2,383,613   |
| <b>Expenses</b>                          |                                      |                  |             |
| Administration                           | 81,037                               | <b>101,570</b>   | 20,110      |
| Advertising                              | -                                    | <b>650</b>       | -           |
| Amortization                             | -                                    | <b>3,840</b>     | 4,496       |
| Automotive                               | -                                    | <b>1,785</b>     | 220         |
| Community events                         | 2,000                                | <b>385</b>       | 520         |
| Contracted services                      | 8,600                                | <b>11,293</b>    | 221         |
| Funeral                                  | 33,360                               | <b>42,340</b>    | 58,457      |
| Furniture and equipment                  | -                                    | <b>25,309</b>    | 3,490       |
| Honoraria                                | 1,000                                | <b>82,036</b>    | 1,796       |
| Meeting                                  | 16,580                               | <b>5,155</b>     | 1,809       |
| Office supplies                          | 1,410                                | <b>146</b>       | 210         |
| Professional fees                        | 2,460                                | <b>595</b>       | 1,255       |
| Program expense                          | 12,441                               | <b>17,140</b>    | 2,069       |
| Rent                                     | 108,048                              | <b>98,692</b>    | 110,856     |
| Repairs and maintenance                  | -                                    | <b>548</b>       | (1,200)     |
| Salaries and benefits                    | 381,589                              | <b>446,871</b>   | 247,454     |
| Social assistance                        | 1,450,482                            | <b>1,838,095</b> | 1,689,556   |
| Supplies                                 | 6,800                                | <b>19,076</b>    | 7,912       |
| Telephone                                | 480                                  | <b>2,157</b>     | 2,360       |
| Training                                 | 3,000                                | <b>3,664</b>     | -           |
| Travel                                   | 4,399                                | <b>8,534</b>     | 3,094       |
| Utilities                                | 176,500                              | <b>157,428</b>   | 172,415     |
|  | <b>2,290,186</b>                     | <b>2,867,309</b> | 2,327,100   |
| <b>Annual surplus before other items</b> | <b>1,491,538</b>                     | <b>1,220,012</b> | 56,513      |
| <b>Distribution to Members</b>           | -                                    | <b>(227,680)</b> | -           |
| <b>Transfers</b>                         | (181,416)                            | <b>(697,393)</b> | (49,831)    |
| <b>Annual surplus</b>                    | <b>1,310,122</b>                     | <b>294,939</b>   | 6,682       |

**Stz'uminus First Nation**  
**Community Infrastructure**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b> |
|--|--------------------------------------|------------------|-------------|
| <b>Revenue</b>                                   |                                      |                  |             |
| Indigenous Services Canada                       | 893,182                              | <b>1,065,095</b> | 1,485,696   |
| Other revenue                                    | 15,000                               | <b>479,457</b>   | 70,666      |
| Rental income                                    | 15,600                               | <b>21,100</b>    | 15,600      |
| First Nations Health Authority                   | 27,418                               | -                | 27,418      |
|  | <b>951,200</b>                       | <b>1,565,652</b> | 1,599,380   |
| <b>Expenses</b>                                  |                                      |                  |             |
| Administration                                   | 18,388                               | <b>35,711</b>    | 46,462      |
| Amortization                                     | -                                    | <b>529,475</b>   | 507,873     |
| Automotive                                       | 53,221                               | <b>59,486</b>    | 46,865      |
| Bank charges and interest                        | -                                    | <b>30</b>        | 250         |
| Consulting                                       | 8,000                                | <b>54,447</b>    | 538         |
| Contracted services                              | 35,113                               | <b>34,736</b>    | 31,217      |
| Funeral  | 1,100                                | -                | 1,058       |
| Furniture and equipment                          | 4,000                                | <b>1,042</b>     | 10,695      |
| Insurance  | 27,076                               | <b>24,114</b>    | 24,105      |
| Interest on long-term debt                       | -                                    | <b>25</b>        | 365         |
| Meeting  | 200                                  | -                | 2,551       |
| Miscellaneous                                    | 6,600                                | <b>4,720</b>     | 5,065       |
| Office supplies                                  | 1,700                                | <b>417</b>       | 558         |
| Professional fees                                | 475                                  | -                | -           |
| Program expense                                  | -                                    | <b>436</b>       | -           |
| Rent   | 4,000                                | <b>2,136</b>     | 768         |
| Repairs and maintenance                          | 140,899                              | <b>80,941</b>    | 178,664     |
| Salaries and benefits                            | 742,411                              | <b>423,215</b>   | 399,069     |
| Supplies   | 21,741                               | <b>20,467</b>    | 25,942      |
| Telephone  | 9,480                                | <b>7,842</b>     | 10,221      |
| Training   | 15,941                               | <b>697</b>       | 2,028       |
| Travel   | 6,350                                | <b>4,966</b>     | 5,258       |
| Utilities  | 234,870                              | <b>195,960</b>   | 203,567     |
|  | <b>1,331,565</b>                     | <b>1,480,863</b> | 1,503,119   |
| <b>Annual surplus (deficit) before transfers</b> | <b>(380,365)</b>                     | <b>84,789</b>    | 96,261      |
| <b>Transfers</b>                                 | 380,365                              | <b>154,139</b>   | 689,108     |
| <b>Annual surplus</b>                            | -                                    | <b>238,928</b>   | 785,369     |



**Stz'uminus First Nation**  
**Economic Development**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>       | <b>2022</b> |
|--|--------------------------------------|-------------------|-------------|
| <b>Revenue</b>                               |                                      |                   |             |
| Earnings from First Nation business entities | -                                    | <b>10,968,530</b> | 3,610,708   |
| Province of British Columbia                 | -                                    | <b>1,532,000</b>  | 263,400     |
| Other revenue                                | 323,443                              | <b>705,172</b>    | 746,651     |
| Indigenous Services Canada                   | 340,615                              | <b>490,615</b>    | 395,708     |
|  | <b>664,058</b>                       | <b>13,696,317</b> | 5,016,467   |
| <b>Expenses</b>                              |                                      |                   |             |
| Administration                               | 22,626                               | <b>23,919</b>     | 32,664      |
| Amortization                                 | -                                    | <b>53,645</b>     | 56,311      |
| Contracted services                          | -                                    | <b>318</b>        | -           |
| Economic development transfers               | -                                    | <b>2,385,864</b>  | 962,758     |
| Economic discretionary funds                 | 56,000                               | <b>42,635</b>     | 35,765      |
| Miscellaneous recovery                       | (1,758)                              | <b>(1,758)</b>    | (1,711)     |
| Program recovery                             | -                                    | <b>(52,011)</b>   | -           |
| Supplies                                     | -                                    | -                 | 3,437       |
|  | <b>76,868</b>                        | <b>2,452,612</b>  | 1,089,224   |
| <b>Annual surplus before other items</b>     | <b>587,190</b>                       | <b>11,243,705</b> | 3,927,243   |
| <b>Distribution to members</b>               | -                                    | <b>(244,404)</b>  | (181,768)   |
| <b>Transfers</b>                             | (696,393)                            | <b>(623,850)</b>  | 145,271     |
| <b>Annual surplus (deficit)</b>              | <b>(109,203)</b>                     | <b>10,375,451</b> | 3,890,746   |

**Stz'uminus First Nation**  
**Natural Resources**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b> |
|--|--------------------------------------|------------------|-------------|
| <b>Revenue</b>                         |                                      |                  |             |
| Other revenue                          | 282,878                              | <b>581,735</b>   | 480,916     |
| Province of British Columbia           | -                                    | <b>246,921</b>   | 123,461     |
|  | <b>282,878</b>                       | <b>828,656</b>   | 604,377     |
| <b>Expenses</b>                        |                                      |                  |             |
| Administration                         | -                                    | <b>25,587</b>    | 42,553      |
| Amortization                           | -                                    | <b>51,538</b>    | 24,925      |
| Automotive                             | 3,600                                | <b>4,616</b>     | 1,430       |
| Contracted services                    | 1,500                                | <b>12,282</b>    | 636         |
| Fish costs                             | 62,000                               | <b>178,284</b>   | 205         |
| Furniture and equipment                | 5,000                                | <b>673</b>       | 910         |
| Honoraria                              | -                                    | <b>2,731</b>     | -           |
| Insurance                              | 5,700                                | <b>9,525</b>     | 5,141       |
| Office supplies                        | 300                                  | <b>277</b>       | 787         |
| Professional fees                      | 200,000                              | <b>811,854</b>   | 782,018     |
| Program expense                        | 500                                  | <b>1,414</b>     | 35          |
| Property tax                           | 1,000                                | <b>622</b>       | 657         |
| Rent                                   | 2,400                                | <b>7,526</b>     | 7,753       |
| Repairs and maintenance                | 2,000                                | <b>813</b>       | 2,195       |
| Salaries and benefits                  | 53,398                               | <b>110,385</b>   | 49,541      |
| Supplies                               | -                                    | <b>60</b>        | 5,210       |
| Telephone                              | 480                                  | <b>680</b>       | 450         |
| Training                               | -                                    | <b>9,691</b>     | -           |
| Travel                                 | -                                    | <b>271</b>       | 21          |
|  | <b>337,878</b>                       | <b>1,228,829</b> | 924,467     |
| <b>Annual deficit before transfers</b> | <b>(55,000)</b>                      | <b>(400,173)</b> | (320,090)   |
| <b>Transfers</b>                       | 55,000                               | <b>(26,805)</b>  | 214,528     |
| <b>Annual deficit</b>                  | -                                    | <b>(426,978)</b> | (105,562)   |

**Stz'uminus First Nation**  
**Capital Projects**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b> |
|--|--------------------------------------|------------------|-------------|
| <b>Revenue</b>                                   |                                      |                  |             |
| Province of British Columbia                     | -                                    | <b>358,079</b>   | -           |
| Indigenous Services Canada                       | -                                    | <b>41,998</b>    | 165,057     |
|  | -                                    | <b>400,077</b>   | 165,057     |
| <b>Expenses</b>                                  |                                      |                  |             |
| Administration                                   | -                                    | -                | 13,888      |
| Amortization                                     | -                                    | <b>365,458</b>   | 359,556     |
| Contracted services (recovery)                   | -                                    | <b>8,862</b>     | (7,294)     |
| Salaries and benefits                            | -                                    | <b>4,653</b>     | -           |
| Supplies   | -                                    | <b>40</b>        | -           |
| Travel   | -                                    | <b>29</b>        | -           |
|  | -                                    | <b>379,042</b>   | 366,150     |
| <b>Annual surplus (deficit) before transfers</b> | -                                    | <b>21,035</b>    | (201,093)   |
| <b>Transfers</b>                                 | -                                    | <b>1,221,592</b> | -           |
| <b>Annual surplus (deficit)</b>                  | -                                    | <b>1,242,627</b> | (201,093)   |

**Stz'uminus First Nation  
Community**

**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>      | <b>2022</b>      |
|--|--------------------------------------|------------------|------------------|
| <b>Revenue</b>                               |                                      |                  |                  |
| Gaming revenue                               | 346,306                              | <b>816,177</b>   | 346,306          |
| Rental income                                | 527,576                              | <b>352,368</b>   | 357,260          |
| Other revenue                                | 238,530                              | <b>293,802</b>   | 220,033          |
| Coast Salish Employment and Training Society | 156,949                              | <b>209,806</b>   | 207,537          |
| Indigenous Services Canada                   | 321,069                              | <b>134,850</b>   | 141,532          |
| Province of British Columbia                 | -                                    | <b>29,901</b>    | -                |
| First Nations Health Authority (repayment)   | -                                    | <b>28,770</b>    | 18,148           |
| First Nations Education Steering Committee   | -                                    | <b>23,900</b>    | 21,491           |
| Canada Mortgage and Housing Corporation      | -                                    | <b>164,654</b>   | 163,181          |
|  | <b>1,590,430</b>                     | <b>2,054,228</b> | 1,475,488        |
| <b>Expenses</b>                              |                                      |                  |                  |
| Administration                               | 42,560                               | <b>42,890</b>    | 67,091           |
| Amortization                                 | -                                    | <b>235,731</b>   | 247,016          |
| Automotive                                   | 1,850                                | <b>7,342</b>     | 1,895            |
| Band housing repairs and maintenance         | 311,303                              | <b>4,617</b>     | 6,630            |
| Community events                             | -                                    | <b>3,950</b>     | -                |
| Consulting                                   | 13,000                               | <b>1,961</b>     | 5,400            |
| Contracted services                          | 337,012                              | <b>104,825</b>   | 103,486          |
| Furniture and equipment                      | 18,499                               | <b>2,884</b>     | 1,936            |
| Honoraria                                    | 4,800                                | <b>1,346</b>     | 7,563            |
| Insurance                                    | 24,359                               | <b>56,754</b>    | 53,270           |
| Interest on long-term debt                   | 130,306                              | <b>92,568</b>    | 94,236           |
| Meeting                                      | 1,200                                | <b>3,816</b>     | 1,412            |
| Office supplies                              | 1,200                                | <b>340</b>       | 3,052            |
| Professional fees                            | 4,500                                | <b>21,786</b>    | 14,352           |
| Program education                            | 500                                  | <b>1,515</b>     | 16,247           |
| Program expense                              | 39,582                               | <b>59,451</b>    | 17,188           |
| Property tax                                 | 45,000                               | <b>4,026</b>     | 44,234           |
| Rent   | -                                    | <b>2,630</b>     | -                |
| Repairs and maintenance                      | 13,866                               | <b>258,655</b>   | 87,138           |
| Salaries and benefits                        | 346,801                              | <b>429,832</b>   | 407,610          |
| Supplies                                     | 6,264                                | <b>7,526</b>     | 7,698            |
| Telephone                                    | 3,660                                | <b>4,959</b>     | 5,321            |
| Training                                     | 50,805                               | <b>68,109</b>    | 28,090           |
| Travel                                       | 10,365                               | <b>11,811</b>    | 9,271            |
| Utilities                                    | 33,663                               | <b>33,484</b>    | 30,702           |
|  | <b>1,441,095</b>                     | <b>1,462,808</b> | 1,260,838        |
| <b>Annual surplus before transfers</b>       | <b>149,335</b>                       | <b>591,420</b>   | 214,650          |
| <b>Distribution to members</b>               | -                                    | <b>(59,255)</b>  | -                |
| <b>Transfers</b>                             | <b>(47,562)</b>                      | <b>151,411</b>   | <b>(178,966)</b> |
| <b>Annual surplus</b>                        | <b>101,773</b>                       | <b>683,576</b>   | 35,684           |

**Stz'uminus First Nation**  
**Stz'uminus Education Society**  
**Schedule 12 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget<br/>(Note 17)</b> | <b>2023</b>       | <b>2022</b> |
|--|--------------------------------------|-------------------|-------------|
| <b>Revenue</b>                               |                                      |                   |             |
| Indigenous Services Canada                   | 5,541,550                            | 5,445,754         | -           |
| First Nations Education Steering Committee   | 1,446,108                            | 2,968,205         | -           |
| Other revenue                                | 23,479                               | 1,230,385         | -           |
| Province of British Columbia                 | 72,522                               | 776,623           | -           |
| Coast Salish Employment and Training Society | -                                    | 247,350           | -           |
| First Nations Health Authority               | -                                    | 126,936           | -           |
| Rental income                                | -                                    | 900               | -           |
|  | <b>7,083,659</b>                     | <b>10,796,153</b> | <b>-</b>    |
| <b>Expenses</b>                              |                                      |                   |             |
| Advertising                                  | -                                    | 11,463            | -           |
| Amortization                                 | -                                    | 36,378            | -           |
| Automotive                                   | 30,000                               | 43,161            | -           |
| Bank charges and interest                    | -                                    | 8,397             | -           |
| Consulting                                   | -                                    | 249,306           | -           |
| Contracted services                          | 285,913                              | 214,225           | -           |
| Elders costs                                 | -                                    | 200               | -           |
| Funeral                                      | 7,500                                | 18,694            | -           |
| Furniture and equipment                      | 46,839                               | 42,403            | -           |
| Honoraria                                    | 38,663                               | 94,623            | -           |
| Insurance                                    | 79,022                               | 65,845            | -           |
| Interest on long-term debt                   | 65,023                               | 18,266            | -           |
| Meeting                                      | 13,800                               | 15,511            | -           |
| Office supplies                              | 2,092                                | 113,215           | -           |
| Professional fees                            | 10,000                               | 7,905             | -           |
| Program education                            | 34,125                               | 178,519           | -           |
| Program expense                              | 33,420                               | 153,132           | -           |
| Property tax                                 | -                                    | 14,131            | -           |
| Rent   | 9,500                                | 9,494             | -           |
| Repairs and maintenance                      | 211,550                              | 210,916           | -           |
| Salaries and benefits                        | 4,401,239                            | 6,347,810         | -           |
| Social assistance                            | 335,142                              | 440,675           | -           |
| Stz'uminus economic fund                     | -                                    | 989               | -           |
| Supplies                                     | 234,419                              | 430,795           | -           |
| Telephone                                    | 15,756                               | 20,443            | -           |
| Training                                     | 77,500                               | 1,476             | -           |
| Travel                                       | 17,556                               | 120,173           | -           |
| Tuition                                      | 736,104                              | 1,102,289         | -           |
| Utilities                                    | 96,272                               | 104,079           | -           |
|  | <b>6,781,435</b>                     | <b>10,074,513</b> | <b>-</b>    |
| <b>Annual surplus before transfers</b>       | <b>302,224</b>                       | <b>721,640</b>    | <b>-</b>    |
| <b>Transfers</b>                             | <b>1</b>                             | <b>(405,936)</b>  | <b>-</b>    |
| <b>Annual surplus</b>                        | <b>302,225</b>                       | <b>315,704</b>    | <b>-</b>    |