

DITIDAHT FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

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DITIDAHT FIRST NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 31, 2025

The accompanying consolidated financial statements of Ditidaht First Nation and all the information in this annual report for the year ended March 31, 2025 are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgement. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

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

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

The Council reviews the Nation's financial statements and recommends their approval. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report. The Council approves the financial statements for issuance to the Members. The Council also considers, for review and approval by the Members, the engagement of the external auditors.

The consolidated financial statements have been audited by Reid Hurst Nagy Inc. in accordance with Canadian generally accepted auditing standards on behalf of their members. Reid Hurst Nagy Inc. has full access to the books and records of the Nation. Reid Hurst Nagy Inc. have full and free access to the council for information purposes.

John H. H. Hurst
Chief

John H. H. Hurst
Band Administrator

29 AUG 2025

Date

29 AUG 2025

Date

Independent Auditors' Report

To the Members of
Ditidaht First Nation

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2025, and the results of its consolidated operations, its changes in its consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Public Sector Accounting Standards (PSAS).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAB, 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.

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

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



Reid Hurst Nagy Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

Richmond, B.C.
August 29, 2025

DITIDAHT FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<u>As at March 31</u>	<u>2025</u>	<u>2024</u>
FINANCIAL ASSETS		
Cash	\$ 24,897,054	\$ 21,306,104
Accounts receivable (Note 3)	1,379,118	2,111,149
<u>Investment in Government Businesses (Note 4)</u>	<u>21,168,316</u>	<u>20,909,123</u>
	47,444,488	44,326,376
LIABILITIES		
Accounts payable (Note 7)	1,689,113	876,057
Deferred revenue (Note 8)	5,429,749	8,301,887
<u>Loans payable (Note 9)</u>	<u>2,248,085</u>	<u>1,818,124</u>
	9,366,947	10,996,068
NET FINANCIAL ASSETS	38,077,541	33,330,308
NON-FINANCIAL ASSETS		
Capital assets (Note 10)	11,885,104	6,679,263
<u>Prepaid expenses</u>	<u>-</u>	<u>1,130</u>
	11,885,104	6,680,393
ACCUMULATED SURPLUS (Note 11)	\$ 49,962,645	\$ 40,010,701

APPROVED ON BEHALF OF THE DITIDAHT FIRST NATION

, Chief

, Band Administrator

DITIDAHT FIRST NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended March 31	2025 Budget	2025 Actual	2024 Actual
ANNUAL SURPLUS	\$ 327,256	\$ 9,951,944	\$ 7,636,519
Acquisition of tangible capital assets	-	(6,057,102)	(3,030,155)
Amortization of tangible capital assets	-	851,261	961,825
	-	(5,205,841)	(2,068,330)
Acquisition of prepaid asset	-	-	(1,130)
Use of prepaid asset	-	1,130	9,875
	-	1,130	8,745
INCREASE IN NET FINANCIAL ASSETS	327,256	4,747,233	5,576,934
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	-	33,330,308	27,753,374
NET FINANCIAL ASSETS AT END OF YEAR	\$ -	\$ 38,077,541	\$ 33,330,308

DITIDAHT FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31	2025 Budget	2025 Actual	2024 Actual
REVENUE			
Nuu-Chah-Nulth Tribal Council	\$ 3,314,361	\$ 5,181,162	\$ 8,859,389
Province of British Columbia	1,970,102	3,132,824	1,748,378
Crown Indigenous Relations & Northern Affairs	1,466,567	1,418,840	477,601
First Nations Health Authority	313,394	1,210,094	179,022
Other	1,665,057	1,042,763	2,018,227
Interest income	670,000	1,037,114	786,904
Indigenous Coastal Waters Stewardship Society	-	1,000,000	-
BCTC Contribution	840,000	840,000	780,000
Government of Canada	160,000	627,711	2,667,526
Kinder Morgan	-	612,500	-
First Nations Education Steering Committee	309,666	573,724	581,101
New Relations Trust	260,000	260,000	260,000
Indigenous Service Canada	290,770	238,594	1,219,657
Rental Income	-	176,545	200,728
Share of income (loss) of government businesses	-	(569,149)	2,073,444
	11,259,917	16,782,722	21,851,977
EXPENSES			
Band Programs	2,718,823	3,066,738	3,081,188
Community Services	2,177,215	517,035	391,943
Health	553,727	389,883	352,402
Social Development	148,000	261,579	195,614
Education	1,784,303	1,701,421	1,617,325
Job Creation	545,724	413,228	355,623
Capital Programs	1,554,312	1,437,637	528,894
Treaty Related Measures	416,954	252,078	609,135
Social Housing	-	73,732	68,331
Capital Fund	-	823,526	937,225
Treaty Negotiation Support Agreement	1,033,603	766,060	810,050
	10,932,661	9,702,917	8,947,730
ANNUAL SURPLUS BEFORE OTHER	327,256	7,079,805	12,904,247
OTHER			
Transfer from deferred revenue	-	8,301,888	3,034,160
Transfer to deferred revenue	-	(5,429,749)	(8,301,888)
	-	2,872,139	(5,267,728)
ANNUAL SURPLUS	327,256	9,951,944	7,636,519
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	-	40,010,701	32,374,182
ACCUMULATED SURPLUS AT END OF YEAR	\$ -	\$ 49,962,645	\$ 40,010,701

DITIDAHT FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2025	2025	2024
OPERATING ACTIVITIES		
ANNUAL SURPLUS	\$ 9,951,944	\$ 7,636,519
Items not affecting cash		
Amortization	851,261	961,825
Share of (income) loss of government businesses	569,149	(2,073,444)
	11,372,354	6,524,900
Change in non-cash operating working capital	(1,325,922)	4,387,727
	10,046,432	10,912,627
CAPITAL ACTIVITIES		
Aquisition of tangible capital assets	(6,057,102)	(3,030,155)
Investment in government businesses	(881,984)	-
	(6,939,086)	(3,030,155)
FINANCING ACTIVITIES		
Repayment of loans payable	(452,023)	(146,625)
Loan advances	881,984	999,467
	429,961	852,842
INVESTING ACTIVITIES		
Advances from (to) government businesses	53,643	(7,697)
INCREASE IN CASH AND CASH EQUIVALENTS	3,590,950	8,727,617
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	21,306,104	12,578,487
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 24,897,054	\$ 21,306,104

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

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

(a) Reporting Entity

The Ditidaht First Nation reporting entity includes the Ditidaht First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Ditidaht First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Ditidaht First Nation.

Organizations consolidated in Ditidaht First Nation's financial statements include:

1. Ditidaht First Nation Operating Fund
2. Ditidaht First Nation Capital Fund
3. Ditidaht First Nation Negotiation Support Agreement Fund
4. Ditidaht First Nation Enterprise Fund

Organizations accounted for on a modified equity basis include:

5. Ditidaht Economic Development Limited Partnership
6. Ditidaht Economic Development General Partnership Inc.
7. Ts'aa7ukw Holdings Ltd.

(c) Fund Accounting

The Ditidaht First Nation maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the tangible capital assets of the First Nation not included in other funds, together with their related activities.
- The First Nation Negotiation Support Agreement Fund which reports activity regarding the First Nation's Negotiation Support Agreement.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Revenue Recognition

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

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

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

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

(e) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

(f) Cash

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

(g) Long-term Debt

Proceeds from long-term debt are recorded as program revenue. Payments of principal and interest are treated as program expenditures. Long-term debt is recorded as a liability on the balance sheet. Reductions of long-term debt are offset with an increase to Equity in Tangible Capital Assets.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Tangible Capital Assets

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

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

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

Buildings	20 years Straight line
Automotive equipment and vessels	5 years Straight line
Computer equipment	3 years Straight line
Equipment	5 years Straight line
Water system	20 years Straight line
Infrastructure	20 years Straight line
Assets under construction	NIL

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

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

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

Tangible capital assets under construction are not depreciated until the asset is available for productive use.

(i) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) Ditidaht First Nation is directly responsible or accepts responsibility
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at March 31, 2024 and 2025, no liability for contaminated sites has been recorded.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(j) Asset classification

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

(k) Financial Instruments

(i) Measurement of Financial instruments

The First Nation initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount as appropriate.

The First Nation subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value are not recognized in the statement of operations in the period incurred in accordance with PSAS.

Financial assets measured at amortized cost include cash, accounts receivables, funds held in trust.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The First Nation has not designated any financial asset or financial liability to be measured at fair value.

(ii) Impairment

For financial assets measured at cost or amortized cost, the First Nation Corporation determines whether there are indications of possible impairment. When there is an indication of impairment, and the First Nation determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(ii) Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of operations in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized costs are included in the original cost of the asset or liability and recognized in the statement of operations over the life of the instrument using the straight-line method.

(l) Budget

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Council.

(m) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

(n) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees." The administration fees have been eliminated upon consolidation.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

(o) Measurement Uncertainty

In preparing the consolidated financial statements for the First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include collectability of accounts receivable, useful life of tangible assets and accounts payable and accruals. Actual results could differ from these estimates.

(p) 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 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, 2025. 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.

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. As at March 31, 2025, the First Nation has not identified any asset retirement obligations, therefore no liability has been recorded.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

2. FINANCIAL INSTRUMENTS

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

a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the First nation is a going concern and thus expects to fully repay the outstanding amounts.

b) Liquidity risk

The First Nation does have liquidity risk in accounts payable and accruals of \$1,680,044 (2024 - \$876,057). Liquidity risk is the risk that the First Nation cannot repay its obligations when they become due to creditors. The First Nation reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due, maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure of the First Nation is low and is not material.

c) Credit risk

The First Nation does have credit risk in accounts receivable of \$1,379,118 (2024 - \$2,111,149). Credit risk is the risk that one party to a transaction with fail to discharge an obligation and cause the other party to incur a financial loss. The First Nation reduces its exposure to credit risk by performing credit valuations on a regular basis, granting credit upon review of the credit history of the applicant and creating an allowance for bad debts when applicable. The First Nation maintains strict credit policies and limits in respect to counterparties. In the opinion of management the credit risk exposure to the First Nation is low and is not material.

d) Interest rate risk

The First Nation is exposed to interest rate risk due to the variable rate interest on their loans payable. Changes in the lending rates may cause fluctuations in cash flows and interest expense.

3. ACCOUNTS RECEIVABLE

	2025	2024
Accounts receivable - general	\$ 288,262	\$ 1,205,596
Nuu-Chah-Nulth Tribal Council	1,073,202	1,010,481
First Nations Education Steering Committee	88,807	-
GST/HST receivable	77,520	43,745
Allowance for doubtful accounts	1,527,791 (148,673)	2,259,822 (148,673)
	<hr/> \$ 1,379,118	<hr/> \$ 2,111,149

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

4. INVESTMENT IN GOVERNMENT BUSINESSES

	2025	2024
Investment in Nuu-Chah-Nulth Seafood Development Corporation Shares	\$ 1	\$ 1
Investment in Ditidaht Cedar Salvage Ltd. Advances	(2,320)	(2,320)
Investment in Ditidaht Development Corporation Advances	(255,499)	(201,856)
Investment in Ts'aa7ukw Holdings Ltd. Advances	1,034	1,034
Accumulated equity in earnings	871,959	-
Investment in Ditidaht Economic Development General Partner Inc. Advances	(100)	(100)
Accumulated equity in earnings	1,306	(23,312)
Investment in Ditidaht Economic Development Limited Partnership Capital contribution	1,206	(23,412)
Advances	1	1
Accumulated equity in earnings	178,858	178,858
	20,373,076	20,956,817
	20,551,935	21,135,676
	\$ 21,168,316	\$ 20,909,123

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

5. GOVERNMENT BUSINESS ENTERPRISES

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of CPA Canada. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

- ◆ Ditidaht Economic Development General Partner Inc.
- ◆ Ditidaht Economic Development Limited Partnership
- ◆ Ts'aa7ukw Holdings Ltd.

	Ditidaht Economic Development General Partner Inc.	Ditidaht Economic Development Limited Partnership	Ts'aa7ukw Holdings Ltd.
Cash	\$ -	\$ 4,668,867	\$ 379,625
Investments	1,206	10,584,157	1
Capital assets	-	10,563,625	-
Loan receivable	-	881,984	2,318,292
Due from related parties	-	4,857,396	656,551
Other assets	100	20,422	9,209
Total assets	\$ 1,306	\$ 31,576,451	\$ 3,363,678
Accounts payable	\$ -	\$ 128,580	\$ 4,658
Long-term debt	-	11,073,589	-
Due to related parties	-	-	540,456
Other liabilities	-	-	20,600
Total liabilities	-	11,202,169	565,714
Equity	1,306	20,374,282	2,797,964
Total liabilities and equity	\$ 1,306	\$ 31,576,451	\$ 3,363,678
	Ditidaht Economic Development General Partner Inc.	Ditidaht Economic Development Limited Partnership	Ts'aa7ukw Holdings Ltd.
Revenue			
Income (loss) from limited partnerships	\$ (57)	\$ 1,666,946	\$ -
Interest income	-	200,786	18,540
Gain (loss) on disposal of investments	-	(1,926,005)	362,640
Other	24,676	-	-
	24,619	(58,273)	381,180
Expenses	-	512,783	370,605
	\$ 24,619	\$ (571,056)	\$ 10,575

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

6. RELATED PARTY TRANSACTIONS

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

7. ACCOUNTS PAYABLE

	2025	2024
Accounts payable - general	\$ 1,559,384	\$ 705,857
Receiver General - payroll deductions	23,453	74,608
<u>Wages payable</u>	<u>106,276</u>	<u>95,592</u>
	\$ 1,689,113	\$ 876,057

8. DEFERRED REVENUE

	March 31, 2024	Funding received, 2025	Revenue recognized, 2025	March 31, 2025
Nuu-Chah-Nulth Tribal Council	\$ 5,055,415	\$ 309,392	\$ (4,576,805)	\$ 788,002
Department of Fisheries and Oceans	1,324,815	320,111	(575,642)	1,069,284
Province of BC	1,711,027	667,116	(97,806)	2,280,337
First Nations Education Steering Committee	-	934,788	(146,463)	788,325
New Relationship Trust	181,830	260,000	(104,579)	337,251
Other	28,800	137,750	-	166,550
	\$ 8,301,887	\$ 2,629,157	\$ (5,501,295)	\$ 5,429,749

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2025

9. LOANS PAYABLE

	2025	2024
Bank of Montreal - repayable in monthly installments of \$3,342 including interest at 2.95%, maturing June 30, 2025. Secured by a Ministerial Guarantee and a first mortgage on 5 housing units. Subsequent to the year end, the loan was renewed for another 2 years, maturing June 30, 2027.	\$ 334,430	\$ 364,219
Ditidaht Economic Development Limited Partnership - repayable within 30 days after demand, bearing no interest with no specific terms of repayment.	881,984	-
Ford Credit - vehicle loan repayable in monthly installments of \$1,178 including interest at 5.87%, maturing November 26, 2026. Secured by the 2021 Ford F150.	22,399	34,825
Bank of Montreal - repaid in full during the year.	-	365,661
Bank of Montreal - repayable in monthly installments of \$578 including interest at BMO prime rate plus 0.50%, maturing December 2032. The interest rate in effect at March 31, 2025 is 5.45%. Secured by a 2018 Outdoors RV Glacier Peak.	49,731	54,096
Ford Credit - vehicle loan repayable in monthly installments of \$1,051 including interest at 2.99%, maturing March 12, 2026. Secured by the 2021 Ford F150.	12,411	24,457
All Nations Trust Company - repayable in blended monthly installments of \$4,792.00 including interest at 3.12% per annum; secured by a Ministerial Guarantee from Indigenous Services Canada; term due April 1, 2028.	947,130	974,866
	<hr/> \$ 2,248,085	<hr/> \$ 1,818,124

Principal portion of loans payable due within the next five years:

2026	\$ 79,977
2027	73,171
2028	317,794
2029	864,782
2030 and thereafter	912,361
	<hr/> \$ 2,248,085

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

10. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization				2025 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	
Buildings	\$ 11,268,239	\$ -	\$ -	\$ 11,268,239	\$ 7,921,046	\$ 292,118	\$ 8,213,164	\$ 3,055,075
Automotive equipment	3,055,049	239,503	-	3,294,552	1,997,335	411,943	2,409,278	885,274
Community infrastructure	2,067,635	-	-	2,067,635	1,320,256	39,336	1,359,592	708,043
Capital water	344,399	-	-	344,399	342,985	706	343,691	708
Equipment and furniture	1,251,453	44,494	-	1,295,947	943,838	107,158	1,050,996	244,951
Land development	101,490	-	-	101,490	-	-	-	101,490
Assets under construction	1,116,458	5,773,105	-	6,889,563	-	-	-	6,889,563
	\$ 19,204,723	\$ 6,057,102	\$ -	\$ 25,261,825	\$ 12,525,460	\$ 851,261	\$ 13,376,721	\$ 11,885,104
	Balance, beginning of year			Balance, beginning of year				2024 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	
Buildings	\$ 9,753,135	\$ 1,515,104	\$ -	\$ 11,268,239	\$ 7,500,572	\$ 420,474	\$ 7,921,046	\$ 3,347,193
Automotive equipment	2,345,581	709,468	-	3,055,049	1,599,143	398,192	1,997,335	1,057,714
Community infrastructure	1,280,920	786,715	-	2,067,635	1,280,920	39,336	1,320,256	747,379
Capital water	344,399	-	-	344,399	342,279	706	342,985	1,414
Equipment and furniture	995,446	256,007	-	1,251,453	840,721	103,117	943,838	307,615
Land development	101,490	-	-	101,490	-	-	-	101,490
Assets under construction	1,353,597	549,576	(786,715)	1,116,458	-	-	-	1,116,458
	\$ 16,174,568	\$ 3,816,870	\$ (786,715)	\$ 19,204,723	\$ 11,563,635	\$ 961,825	\$ 12,525,460	\$ 6,679,263

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

11. ACCUMULATED SURPLUS

	2025	2024
Unrestricted		
Operating Fund	\$ 22,525,213	\$ 17,381,271
Capital Fund	10,183,861	4,891,658
	<hr/> 32,709,074	<hr/> 22,272,929
Restricted		
Social Housing	378,818	367,810
Treaty Negotiation Support Agreement	267,541	193,601
Enterprise Fund	16,607,212	17,176,361
	<hr/> 17,253,571	<hr/> 17,737,772
	<hr/> \$ 49,962,645	<hr/> \$ 40,010,701

12. ECONOMIC DEPENDENCE

Ditidaht First Nation receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by the Nuu-Chah-Nulth Tribal Council, its member First Nations and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

13. CONTINGENT LIABILITIES

a) Indigenous Services Canada

Under the terms of the contribution agreements with Indigenous Services Canada and other governmental departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the Band.

b) On-Reserve Housing Loan

The Ditidaht First Nation is contingently liable for up to \$2,250,000 available to qualified borrowers for the construction, renovation, refinance or purchase of a single family home on Ditidaht First Nation Reserve to a maximum of \$175,000 per borrower.

c) Visa Account Loan

The Ditidaht First Nation is contingently liable for a Bank of Montreal Mastercard account equalling \$35,000.

14. COMPARATIVE AMOUNTS

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current period.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

15. SEGMENTED INFORMATION

As previously discussed in note 1 (e) the First Nation conducts its business through reportable segments as follows:

The Band Programs department is responsible for administering projects the Band is involved in annually and on an on-going basis relating to the overall objectives of the First Nation and the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs, it also provides services for students at the elementary/secondary and post secondary level, including; instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

Social Development provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

The Health department oversees the delivery of health programs and initiatives for the betterment of the lives of the members of the First Nation.

Job Creation supports the development of employment opportunities for members of the First Nation.

Capital Projects manages capital projects within the community undertaken to support the growth and/or maintenance of the First Nation's infrastructure.

Other operations include Capital Fund, Ottawa Trust Fund, First Nation Negotiation Support Agreement Fund and Enterprise Fund transactions.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

15. SEGMENTED INFORMATION, continued

	Band Programs		Community Services		Health		2025 Budget	2025 Actual	2024 Actual
	2025 Budget	2025 Actual	2024 Actual	2025 Budget	2025 Actual	2024 Actual			
Revenues									
Nuu-Chah-Nulth Tribal Council	\$ 927,554	\$ 863,266	\$ 842,444	\$ 908,442	\$ 1,484,115	\$ 1,195,451	\$ 346,372	\$ 326,946	\$ 144,121
First Nations Education Steering Committee	-	-	96,137	-	123,254	144,483	-	-	-
Province of British Columbia	1,970,102	2,914,383	1,428,728	-	172,941	170,758	-	-	-
Rental Income	-	29,150	-	-	-	-	-	-	-
Other revenue	2,278,302	3,568,810	3,037,462	9,845	152,179	124,140	-	25,099	69,108
Total revenue	5,175,958	7,375,609	5,404,771	918,287	1,932,489	1,634,832	346,372	352,045	213,229
Expenses									
Contracted services	439,275	370,627	570,406	414,041	157,771	92,264	60,500	44,169	54,131
Materials and supplies	247,459	216,394	107,969	200,410	41,868	25,513	4,700	4,607	57
Professional fees	420,000	784,598	561,758	2,238	(2,239)	-	22,912	4,640	-
Travel	87,967	100,325	94,560	56,321	38,853	15,686	225,150	187,568	199,913
Utilities and telephone	59,600	68,959	50,752	5,000	16,079	4,929	3,950	3,029	6,122
Wages and benefits	489,452	854,942	822,606	685,438	110,170	156,088	157,927	106,504	49,173
Other expenses	975,070	670,893	873,137	813,767	154,533	97,463	78,588	39,366	43,006
Total expenses	2,718,823	3,066,738	3,081,188	2,177,215	517,035	391,943	553,727	389,883	352,402
Other	2,457,135 654,644	4,308,871 (936,362)	2,323,583 (62,227)	(1,258,928) 371,608	1,415,454 (172,941)	1,242,889 (481,662)	(207,355) -	(37,838) -	(139,173) 27,544
Annual surplus (deficit)	\$ 3,111,779	\$ 3,372,509	\$ 2,261,356	\$ (887,320)	\$ 1,242,513	\$ 761,227	\$ (207,355)	\$ (37,838)	\$ (111,629)

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

15. SEGMENTED INFORMATION, continued

	Social Development		Education		Job Creation				
	2025 Budget	2025 Actual	2024 Actual	2025 Budget	2025 Actual	2024 Actual	2025 Budget	2025 Actual	2024 Actual
Revenues									
Nuu-Chah-Nulth Tribal Council	\$ 148,000	\$ 113,782	\$ 277,740	\$ 78,050	\$ -	\$ 457,804	\$ 103,932	\$ 189,194	\$ 205,974
First Nations Education Steering Committee	-	-	-	309,666	450,470	340,481	-	-	-
Other revenue	-	41,592	-	1,757,337	1,770,801	1,650,128	275,000	1,298,931	309,490
Total revenue	148,000	155,374	277,740	2,145,053	2,221,271	2,448,413	378,932	1,488,125	515,464
Expenses									
Contracted services	-	-	-	200,640	244,631	156,602	125,000	96,475	262,205
Materials and supplies	-	-	-	73,101	87,855	121,848	119,106	102,386	78,414
Professional fees	-	-	4,075	-	-	37,892	1,000	27,296	-
Travel	-	-	-	17,771	21,754	26,689	16,000	9,223	15,392
Utilities and telephone	-	-	-	44,495	56,870	56,429	2,774	1,641	3,392
Wages and benefits	-	58,818	-	878,126	843,214	883,201	125,749	125,070	82,846
Other expenses	148,000	202,761	191,539	570,170	447,097	334,664	156,095	51,137	(86,626)
Total expenses	148,000	261,579	195,614	1,784,303	1,701,421	1,617,325	545,724	413,228	355,623
Other	-	(106,205)	82,126	360,750	519,850	831,088	(166,792)	1,074,897	159,841
Annual surplus (deficit)	\$ -	\$ (106,205)	\$ 82,126	\$ 360,750	\$ 519,850	\$ 884,188	\$ (166,792)	\$ 937,147	\$ 159,841

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

15. SEGMENTED INFORMATION, continued

	Capital Programs			Treaty Related Measures			Capital Fund		
	2025 Budget	2025 Actual	2024 Actual	2025 Budget	2025 Actual	2024 Actual	2025 Budget	2025 Actual	2024 Actual
Revenues									
Nuu-Chah-Nulth Tribal Council	\$ 453,267	\$ 1,661,075	\$ 5,345,165	\$ 348,744	\$ 542,784	\$ 390,690	-	\$ -	\$ -
Province of British Columbia	-	45,500	133,892	-	-	15,000	-	-	-
Rental Income	-	108,935	161,128	-	-	-	-	-	-
Other revenue	505,304	234,326	1,783,419	-	304,948	584,260	-	-	-
Total revenue	958,571	2,049,836	7,423,604	348,744	847,732	989,950	-	-	-
Expenses									
Amortization	-	-	-	-	-	-	-	823,526	937,225
Contracted services	831,039	312,745	(231,831)	118,000	63,047	216,768	-	-	-
Principal payments on loans	-	6,988	6,437	-	-	-	-	-	-
Materials and supplies	25,000	212,675	138,640	17,000	22,260	4,917	-	-	-
Professional fees	-	-	-	110,000	35,030	106,421	-	-	-
Travel	2,400	9,948	12,287	8,000	1,298	12,889	-	-	-
Utilities and telephone	35,600	67,798	52,638	-	-	2,842	-	-	-
Wages and benefits	266,832	355,117	292,537	75,642	60,444	127,759	-	-	-
Other expenses	393,441	472,366	258,186	88,312	69,999	137,539	-	-	-
Total expenses	1,554,312	1,437,637	528,894	416,954	252,078	609,135	-	823,526	937,225
Other	(595,741)	612,199	6,894,710	(68,210)	595,654	380,815	-	(823,526)	(937,225)
Annual surplus (deficit)	\$ (586,603)	\$ 4,911,877	\$ 2,316,737	\$ (68,210)	\$ 415,168	\$ 154,305	-	\$ (823,526)	\$ (937,225)

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

15. SEGMENTED INFORMATION, continued

	Treaty Negotiation Support Agreement			2025 Budget	Enterprise Fund			Social Housing		
	2025 Budget	2025 Actual	2024 Actual		2025 Budget	2025 Actual	2024 Actual	2025 Budget	2025 Actual	2024 Actual
Revenues										
CMHC subsidies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,930	\$ 50,930
Rental Income	-	-	-	-	-	-	-	-	38,460	39,600
Other revenue	840,000	840,000	780,000	-	(569,149)	2,073,444	-	-	-	-
Total revenue	840,000	840,000	780,000	-	(569,149)	2,073,444	-	89,390	90,530	
Expenses										
Amortization	-	-	-	-	-	-	-	-	27,736	24,601
Professional fees	232,354	156,100	145,892	-	-	-	-	-	9,000	5,000
Travel	28,000	641	1,765	-	-	-	-	-	-	-
Utilities and telephone	8,000	8,336	6,594	-	-	-	-	-	1,590	1,590
Wages and benefits	-	140	27,792	-	-	-	-	-	-	-
Other expenses	765,249	600,843	628,007	-	-	-	-	-	35,406	37,140
Total expenses	1,033,603	766,060	810,050	-	-	-	-	73,732	68,331	
Other	(193,603)	73,940	(30,050)	-	(569,149)	2,073,444	-	15,658	22,199	
Annual surplus (deficit)	\$ (193,603)	\$ 73,940	\$ (30,050)	-	\$ (569,149)	\$ 2,073,444	-	\$ 15,658	\$ 22,199	

DITIDAHT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

15. SEGMENTED INFORMATION, continued

			Consolidated totals
	2025 Budget	2025 Actual	2024 Actual
Revenues			
Nuu-Chah-Nulth Tribal Council	\$ 3,314,361	\$ 5,181,162	\$ 8,859,389
First Nations Education Steering Committee	309,666	573,724	581,101
CMHC subsidies	-	50,930	50,930
Province of British Columbia	1,970,102	3,132,824	1,748,378
Rental Income	-	176,545	200,728
Other revenue	5,665,788	7,667,537	10,411,451
Total revenue	11,259,917	16,782,722	21,851,977
Expenses			
Amortization	-	851,262	961,826
Contracted services	2,188,495	1,289,465	1,120,545
Principal payments on loans	-	6,988	6,437
Materials and supplies	686,776	688,045	477,358
Professional fees	788,504	1,014,425	861,038
Travel	441,609	369,610	379,181
Utilities and telephone	159,419	224,302	185,288
Wages and benefits	2,679,166	2,514,419	2,442,002
Other expenses	3,988,692	2,744,401	2,514,055
Total expenses	10,932,661	9,702,917	8,947,730
Other	327,256	7,079,805	12,904,247
	-	2,872,139	(5,267,728)
Annual surplus (deficit)	\$ 327,256	\$ 9,951,944	\$ 7,636,519