

Skeetchestn Indian Band
Consolidated Financial Statements
For the year ended March 31, 2024

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the Skeetchestn Indian Band (the "Group") are the responsibility of management and have been approved by the Chief and another Councilor of the Government.

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

The Group maintains systems of internal accounting and administrative controls. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Government's assets are appropriately accounted for and adequately safeguarded.

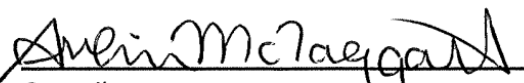
The Group is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council review the Government's consolidated financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the 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 Chief and Council take this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also appoint the engagement of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. BDO Canada LLP has full access to the Government.



Chief



Councilor

Independent Auditor's Report

To the Chief and Council of Skeetchestn Indian Band
Skeetchestn Indian Band - Consolidated

Qualified Opinion

We have audited the consolidated financial statements of Skeetchestn Indian Band and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of changes in net assets, operations and cash flows for the year then ended, and the 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 financial position of the Group as at March 31, 2024 and the results of its operations, change in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As noted in the Summary of Significant Accounting Policies regarding tangible capital assets, the Social Housing tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of tangible capital assets as at March 31, 2024 and 2023, the related amortization expense and annual surplus for the year ended March 31, 2024 and 2023 and equity in tangible capital assets as at April 1 and March 31 for both the 2024 and 2023 years

Effective April 1, 2022, the Group was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended March 31, 2024 and 2023, tangible capital assets and the asset retirement obligation as at March 31, 2024 and 2023, and accumulated surplus as at April 1 and March 31 for both the 2024 and 2023 years.

The financial statements for the certain Government Business Enterprises or Government Business Partnership have not been prepared under a standard financial reporting framework. Canadian public sector accounting standards require that a Government Business Enterprise prepare its financial statements in accordance with international financial reporting standards (IFRS). We have not been engaged to audit the differences that may arise under IFRS. Therefore, we are unable to determine the impact of this departure from Canadian public sector accounting standards on investments in Government Business Enterprises as at March 31, 2024 and 2023, Government Business Enterprises income and annual surplus (deficit) for the years ended March 31, 2024 and 2023, and the accumulated surplus as at April 1 and March 31 for both the 2024 and 2023 years.

Our audit opinion on the consolidated financial statements for the year ended March 31, 2022 was modified for the above matters.

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 Group 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 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Consolidated Group'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.

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 Group'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 Group'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 Group's 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.

Chartered Professional Accountants

Kamloops, British Columbia

October 15, 2024

Skeetchestn Indian Band
Exhibit A - Consolidated Statement of Financial Position

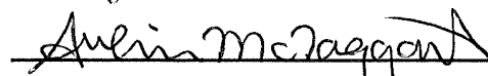
March 31	2024	2023
Financial Assets		
Cash	\$ 7,970,060	\$ 1,964,285
Portfolio Investments (Note 3)	19,475,000	17,542,268
Accounts receivable (Note 4)	4,920,477	1,384,219
Restricted cash (Note 5)	1,900,964	1,602,040
Funds held in trust (Note 6)	6,735,635	6,258,300
Long-term investments (Note 7)	3,372	3,372
Investments in government partnerships (Note 8)	19,406,467	12,149,959
Investments in government business enterprises (Note 9)	4,250,598	3,626,246
Due from related parties (Note 10)	-	1,167,945
	<u>64,662,573</u>	<u>45,698,634</u>
Liabilities		
Accounts payable and accruals	1,033,977	650,830
Deferred revenue (Note 11)	1,152,357	1,244,617
Long-term debt (Note 12)	1,967,172	2,102,479
Due to related parties (Note 10)	1,874,631	-
	<u>6,028,137</u>	<u>3,997,926</u>
Net Financial Assets	<u>58,634,436</u>	<u>41,700,708</u>
Non-Financial Assets		
Prepaid expenses	16,279	57,671
Tangible capital assets (Note 13)	14,535,320	14,300,694
	<u>14,551,599</u>	<u>14,358,365</u>
Accumulated Surplus (Note 14)	<u>\$ 73,186,035</u>	<u>\$ 56,059,073</u>
Accumulated surplus is comprised of:		
Accumulated operating surplus	71,810,584	55,026,780
Accumulated remeasurement gains	1,375,451	1,032,293
	<u>\$73,186,035</u>	<u>\$ 56,059,073</u>

Commitments and contingencies (Note 15)

Approved on behalf of the Skeetchestn Indian Band:



Chief



Councilor

Skeetchestn Indian Band

Exhibit B - Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	Budget 2024	2024	2023
	(Note 19)		
Surplus - Exhibit C	\$ 2,294,060	\$17,126,962	\$ 12,144,581
Acquisition of tangible capital assets	(344,000)	(961,625)	(3,780,047)
Amortization of tangible capital assets	-	726,999	747,429
	(344,000)	(234,626)	(3,032,618)
Change in prepaid expenses	-	41,392	(13,600)
Increase in net financial assets	1,950,060	16,933,728	9,098,363
Net financial assets, beginning of year	41,700,708	41,700,708	32,602,345
Net financial assets, end of year	\$ 43,650,768	\$58,634,436	\$ 41,700,708

Skeetchestn Indian Band
Exhibit C - Consolidated Statement of Operations

For the year ended March 31	Budget (Note 19)	2024	2023
Revenue			
Indigenous Services Canada	\$ 4,088,302	\$ 6,177,473	\$ 4,691,184
Aboriginal Skills Employment & Training Strategy	14,472	-	99,599
BC First Nations Gaming	350,000	482,404	524,759
CMHC	4,046,569	366,554	3,757,256
Contract revenue	724,553	2,020,437	334,976
FCRSA	497,594	1,285,515	995,189
First Peoples' Cultural Council	279,500	279,500	36,444
First Nations Education Steering Committee	810,896	682,581	693,301
First Nations Health Authority	42,715	607,233	69,148
First Nations and Inuit Child Care	-	170,124	22,920
Fundraising	20,000	11,368	23,439
Government business entities & partnerships	450,000	9,833,769	6,070,521
Interest and other	190,638	1,673,322	553,011
Leases and rentals	323,356	318,396	260,170
New Relationship Trust	-	260,000	2,400
Other income	236,501	1,657,564	1,356,350
Ottawa Trust Fund	60,000	-	88,488
Province of BC	481,148	949,523	490,929
Qwemtsin Health Society	257,172	332,734	282,587
Secwépemc Child & Family Services	-	-	582,668
Shuswap Nation Tribal Council	540,000	534,250	529,163
Specific Claims	39,573	83,451	538,623
Stk'emlupsemc te Secwepemc Nation	2,850,000	4,606,260	25,000
Taxation	625,000	654,055	602,526
Trust and reserve fund	226,200	144,742	122,798
	17,154,189	33,131,255	22,753,449
Expenses (Note 17)			
Administration	4,225,468	7,507,332	4,857,214
School	2,170,742	1,456,899	1,377,049
Education	1,434,489	1,302,506	950,120
Social Development	733,387	715,808	509,243
Health	476,442	567,357	242,161
Public Works	1,337,176	1,913,836	1,399,646
Wellness	543,810	810,831	462,288
Housing	3,819,951	1,471,750	475,837
Social Housing	118,664	257,974	335,310
	14,860,129	16,004,293	10,608,868
Surplus	2,294,060	17,126,962	12,144,581
Accumulated surplus, opening	56,059,071	56,059,071	43,914,490
Accumulated surplus, ending	\$ 58,353,131	\$73,186,033	\$ 56,059,071

Skeetchestn Indian Band

Exhibit D - Consolidated Statement of Remeasurement Gains and Losses

For the year ended March 31	2024	2023
Adoption of PSAS 3450 Financial instruments	\$ -	\$ 1,351,569
Unrealised gains (losses) attributable to:		
Funds held in trust	477,573	(216,855)
Amounts reclassified to the statement of operations:		
Funds held in trust	(134,415)	(102,421)
Net remeasurement gains for the year	343,158	1,032,293
Net remeasurement gains, beginning of year	<u>1,032,293</u>	<u>-</u>
Accumulated remeasurement gains, end of year	<u>\$ 1,375,451</u>	<u>\$ 1,032,293</u>

Skeetchestn Indian Band
Exhibit E - Consolidated Statement of Cash Flows

For the year ended March 31	2024	2023
Cash flows from operating transactions		
Excess of revenue over expenses	\$17,126,962	\$ 12,144,581
Adjustments for items not affecting cash:		
Amortization of tangible capital assets	726,999	747,429
Equity income from partnerships	(9,209,417)	(5,694,044)
Equity income from government business enterprises	(624,352)	(376,477)
	8,020,192	6,821,489
Change in non-cash working capital:		
Accounts receivable	(3,536,258)	1,206,657
Prepaid expenses	41,392	(13,600)
Accounts payable and accruals	383,147	(1,753,537)
Deferred revenue	(92,260)	(3,709,199)
Cash flows from operating transactions	(3,203,979)	(4,269,679)
Capital transactions		
Acquisition of tangible capital assets	(961,625)	(3,780,047)
Cash flows from capital transactions	(961,625)	(3,780,047)
Investing transactions		
Drawings from partnerships	1,952,909	1,308,678
Portfolio Investments	(1,932,732)	(17,542,268)
Funds held in trust	(477,335)	(1,134,952)
Repayment from (advances to) related parties	3,042,576	(251,288)
Cash flows from investing transactions	2,585,418	(17,619,830)
Financing transactions		
Repayment of long-term debt	(135,307)	(136,295)
Cash flows from financing transactions	(135,307)	(136,295)
Net increase (decrease) in cash	6,304,699	(18,984,362)
Cash, beginning of year	3,566,325	22,550,687
Cash, end of year	\$ 9,871,024	\$ 3,566,325
Represented By:		
Cash	\$ 7,970,060	\$ 1,964,285
Restricted Cash	1,900,964	1,602,040
	\$ 9,871,024	\$ 3,566,325

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS") as prescribed by the Public Sector Accounting Board.

The significant accounting policies are summarized as follows:

Reporting Entity and Principles of Financial Reporting

The Skeetchestn Indian Band reporting entity includes the Skeetchestn Indian Band government and all related entities which are accountable to the Skeetchestn Indian Band and are either owned or controlled by the Skeetchestn Indian Band.

The Skeetchestn Indian Band consolidates Social Housing operations as Skeetchestn Indian Band administers services to provide social housing to the Groups members.

All controlled entities are consolidated in the Skeetchestn Indian Band's financial statements according to the Skeetchestn Indian Band's percentage ownership except for entities that meet the definition of a government business enterprises or a government business partnership, which are included in the financial statements on a modified equity basis. Under this method, the Skeetchestn Indian Band's investment in the business enterprise and its net income and other changes in equity are recorded in proportion to its percentage ownership. No adjustment is made to conform the accounting policies of the government business enterprises or partnership to those of the Skeetchestn Indian Band. Inter-organizational transactions and balances are not eliminated, except for any profit or loss on transactions of assets that remain within the consolidated First Nation entity.

The following organizations and partnerships are owned or controlled by the Skeetchestn Indian Band and which are not dependent on the Group for their continuing operations, are included in the consolidated financial statements using the modified equity method:

- Knucwentwecw Development Corporation.
- Big Sky Station Ltd.
- Skeetchestn Natural Resources Corporation
- Ckukutusem Utility Services (2021) Limited Liability Partnership
- Stk'emlupsemc Limited Partnership
- Skeetchestn Holdings Limited Liability Partnership
- Painted Rock Aggregates & Contracting LLP
- Skeetchestn Natural Resources LLP

The Group's interest in reserve lands is not reflected in these financial statements, as no consideration was paid by the Group to acquire these lands.

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash equivalents include instruments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

Use of Estimates

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to determining the allowance for doubtful accounts, the useful lives of non-financial assets for amortization, liability for contaminated sites, and provision for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Long-term Investments

Long-term investments are recorded in non-controlled entities, which are not subject to significant interest are recorded at cost.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	25 years
Bridges and cattle guards	25 years
Water system	25 years
Automotive equipment	7 years
Office equipment	7 years
Equipment	7 years
Farm irrigation equipment	7 years
Property and equipment	10 to 25 years
Roads	10 years

Assets under construction are not amortized until the asset is available for productive use.

Under the terms of the agreement with CMHC amortization is provided annual in amounts equal to the principal reduction of the mortgage on the related housing project. Each project will therefore be amortized over the amortization period of the related mortgage.

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

The Skeetchestn Indian Band reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Skeetchestn Indian Band's ability to provide services. When assets no longer have any long-term service potential, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt except in unusual circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Revenue Recognition

The Skeetchestn Indian Band derives revenues from a number of sources. Revenue is recognized on the accrual basis as it is earned, is measurable, and becomes receivable under the terms of the applicable funding agreement.

Own source revenues derived from such sources as property taxes, housing rents, resource based revenues, and interest income are reported when received or receivable and collection is reasonably assured.

All other revenues are recognized in the period in which the events that give rise to the revenue occurs.

Ottawa Trust Funds

The Skeetchestn Indian Band uses the accrual method of accounting for Ottawa Trust Fund revenues earned in the Fund. Trust monies are recognized as revenue of the Group upon authorized withdrawal from the Ottawa Trust Funds.

Deferred Revenue

Funds received for a specific purpose which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statements of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purposes.

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

Leased Assets

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. Capital leases are amortized in a manner consistent with the tangible capital asset type, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Non-financial Assets

Non- financial assets are not available to discharge existing liabilities and are held for use in the provision of services or consumed in normal operations. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Segmented Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the Group. The Group identifies segments based on specific projects and funding arrangements. Revenue and expenses are allocated to these segments according to methods of identification.

Budget

Budget information for individual programs has been included in the consolidated financial statements when the information is available and represents the 2023/2024 operating and capital budgets approved by Chief and Council.

Financial Instruments

Cash, restricted cash, funds held in trust and equity instruments quoted in an active market are measured at fair value. The Group has elected to measure other specific financial instruments at fair value, to correspond with how they are evaluated and managed. These financial instruments include the fixed income securities held in the fund held in trust as disclosed in Note 6.

All other financial assets and financial liabilities are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

2. Financial Instruments

Financial Instrument Fair Value Measurement

Fair value is determined by the current market price of the guaranteed investment certificates and bonds that are held as fixed income securities as disclosed in Note 6.

Financial instruments that are measured at fair value are grouped into Levels 1 to 3. The levels reflect the significance of the inputs used in the making the fair value measurements, as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

All items measured at fair value are classified at Level 2.

Financial Instrument Risk Management

The Group is exposed to credit risk, liquidity risk, market and interest rate risk from its financial instruments. The Group's objectives, policies and processes for managing those risks and the methods used to measure them are described below. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements. There have not been any changes from the prior year in the Group's exposure to above risks or the policies, procedures and methods it uses to manage and measure the risks.

Credit Risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group is exposed to a credit risk by its customers. However, because the majority of revenues is from government agencies, credit risk concentration is reduced to the minimum. The organization's maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as presented on the statement of financial position.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

2. Financial Instruments (continued)

Liquidity risk:

The organization manages its liquidity risk by monitoring cash activities and expected outflows through budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash flows arise. It is management's opinion that the Group is not exposed to significant liquidity risk arising from its financial instruments.

Market and Interest Rate Risk:

Market risk is the risk that changes in market prices, such as interest rates, will affect the Group's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on investments. The Group is exposed to interest rate risk through its portfolio investments, funds held in trust and long-term debt.

Both portfolio investments and funds held in trust are deemed to be low risk and are not subject to significant changes in market prices or interest rates. Long-term debt has fixed rates; therefore interest expense will decrease with principal repayment of the mortgage and interest risk is reduced to the minimum.

3. Portfolio Investments

Skeetchestn Indian Band holds various short-term GIC's totalling \$19,475,000 (2023 - 17,542,268). These GIC's have varying maturity dates within one year and have interest rates ranging from 5.02% to 5.66%.

4. Accounts Receivable

Band Operations	2024	2023
Grants receivable	\$ -	\$ 117,197
Other accounts receivable	5,206,675	1,485,740
Social housing	10,380	105,527
Band members	131,915	127,848
	<u>5,348,970</u>	<u>1,836,312</u>
Allowance for doubtful accounts:		
Other accounts receivable	(299,996)	(317,503)
Band members	(128,497)	(134,590)
	<u>(428,493)</u>	<u>(452,093)</u>
	<u>\$ 4,920,477</u>	<u>\$ 1,384,219</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

5. Restricted Cash

	2024	2023
Ottawa trust funds	\$ 1,580,276	\$ 1,315,985
Replacement reserve	307,700	256,171
Operating reserve	12,988	29,885
	<u>\$ 1,900,964</u>	<u>\$ 1,602,041</u>

a) 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.

b) Replacement Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$30,975 (2023- \$ 134,475) annually plus interest. 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 Canada Mortgage and Housing Corporation from time to time.

	2024	2023
Balance, beginning of year	\$ 324,123	\$ 218,016
Allocation for the year	30,975	134,475
Expenses for the year	(71,761)	(35,549)
Interest earned	13,163	7,181
Balance, end of year	<u>\$ 296,500</u>	<u>\$ 324,123</u>

The Replacement Reserve is represented by:
Cash

\$ 307,700	\$ 256,171
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Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

5. Restricted Cash (continued)

c) Operating Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, after the payment of all costs and expenses, including the allocation of the Replacement Reserve, any surplus revenue related to Social Housing Operation Phase 6 - 11 will be retained by the First Nation within an Operating Reserve fund. Interest earnings must accrue to and be maintained in the Operating Reserve fund. The Operating Reserve fund may only be used for the ongoing operating costs of the housing projects committed under the On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. The Skeetchestn Indian Band agrees to maintain Operating Reserve funds 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 mutually agreed to by the Skeetchestn Indian Band and Canada Mortgage and Housing Corporation.

	2024	2023
Balance, beginning of year	\$ 11,991	\$ 29,278
Allocation for the year	14,387	(17,894)
Interest	998	607
Balance, end of year	<u>\$ 27,376</u>	<u>\$ 11,991</u>

The Operating Reserve is represented by:

Cash	\$ 12,988	\$ 29,885
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Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

6. Funds Held in Trust

On March 21, 2007, Her Majesty the Queen in Right of Canada (Canada) signed the Smith/ Curtis Specific Claim Settlement Agreement (Settlement Agreement) with the Skeetchestn Indian Band. Under the terms of the Settlement Agreement, Canada agreed to pay compensation to the Band for damages and losses caused by the alienation of land within the Skeetchestn Reserve without the Skeetchestn Indian Band's consent or approval. As compensation for this settlement, Canada paid \$4,777,000 less \$249,865 in outstanding loans extended to the Skeetchestn Indian Band for the purposes of negotiations and settlement.

The trust agreement was established to hold the compensation and any income there from for the benefit of current and future generations of members of the Skeetchestn Indian Band. Royal Trust Corporation of Canada will administer the trust in accordance with the trust agreement. The trust agreement governs the distribution of income earned and distributed from the trust in the best interests of the Band and its members.

Under the terms of the trust agreement, the core capital of the trust may never be less than \$3,000,000, indexed to inflation. The expenses from the trust fund may only be made in areas of education, health, economic development, community infrastructure and land purchases. An amount may also be drawn for a reasonable management fee.

	Cost	Unrealized Gain (loss)	Fair Market Value 2024	Fair Market Value 2023
Common stock & equivalents	\$ 3,992,102	\$ 1,435,634	\$ 5,427,736	\$ 5,022,685
Fixed income securities	1,012,626	(60,183)	952,443	911,366
Cash & equivalents	355,446	-	355,446	324,239
Other	10	-	10	10
	<u>\$ 5,360,184</u>	<u>\$ 1,375,451</u>	<u>\$ 6,735,635</u>	<u>\$ 6,258,300</u>

Fixed income securities consist of guaranteed investment certificates and government bonds with interest rates ranging from 22.2% to 5.7% and maturity dates ranging from June 2024 through June 2030.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

7. Long-term Investments

	2024	2023
All Nations Trust Company, at cost: 3,750 Common shares, par value \$1.00	\$ 3,251	\$ 3,251
BC First Nations Gaming Revenue Sharing Limited Partnership 0.52% interest in partnership	110	110
Stk'emlupsemc Enterprises Inc. Shares: Common - 50%	10	10
Stk'emlupsemc te Secwepemc Nation. Shares: Common - 50%	1	1
	\$ 3,372	\$ 3,372

8. Investments in Partnerships

	2024	2023
Stk'emlupsemc Limited Partnership	\$ 1,256,456	\$ 618,630
Skeetchestn Holdings Limited Liability Partnership	703,579	714,615
Painted Rock Aggregates & Contracting LLP 30,251,680		31,560,554
Skeetchestn Natural Resources LLP	9,625,558	5,625,012
Ckukutusem Utility Services (2021) LLP	2,671,545	1,349,897
Investment balance, end of year	\$45,817,692	\$ 38,559,834

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

8. Investments in Partnerships (continued)

Investment in Stk'emlupsemc Limited Partnership

Stk'emlupsemc Limited Partnership	2024	2023
Interest		
Units - 49.995%	\$ -	\$ -
Partnership interest:		
Opening balance	618,630	83,240
Net income allocation	2,392,735	1,646,068
Contributions (drawings)	(1,754,909)	(1,110,678)
Balance, end of year	<u>\$ 1,256,456</u>	<u>\$ 618,630</u>

Financial information for Stk'emlupsemc Limited Partnership is as follows:

		The Groups portion	
	Total	2024	2023
Cash	\$ 1,602,565	\$ 801,202	\$ 126,264
Other assets	531,313	265,630	413,457
Due from related parties	10,015,458	5,007,228	3,016,891
	<u>12,149,336</u>	<u>6,074,060</u>	<u>3,556,612</u>
Accounts payable	3,869,174	1,934,394	47,206
Deferred revenue	5,764,540	2,881,982	2,889,722
	<u>9,633,714</u>	<u>4,816,376</u>	<u>2,936,928</u>
Equity	<u>\$ 2,515,622</u>	<u>\$ 1,257,811</u>	<u>\$ 619,684</u>
Revenues	8,394,658	4,196,909	3,047,872
Expenses	3,608,709	1,804,174	1,401,804
Net income	<u>\$ 4,785,949</u>	<u>\$ 2,392,735</u>	<u>\$ 1,646,068</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

8. Investments in Partnerships (continued)

Investment in Skeetchestn Holdings Limited Liability Partnership

	2024	2023
Interest:		
Units - 99%	\$ 9,900	\$ 9,900
Advances	137,823	137,823
	147,723	147,723
Partnership interest:		
Opening balance	566,892	553,006
Net gain (loss) allocation	(11,036)	13,886
	555,856	566,892
Balance, end of year	\$ 703,579	\$ 714,615

Financial information for Skeetchestn Holdings Limited Liability Partnership is as follows:

	2024	2023
Current assets	\$ 1,486	\$ 4,582
Property and equipment	405,688	-
Due from related party	304,320	757,858
	711,494	762,440
Current liabilities	2,200	1,999
Long term debt	-	40,000
	2,200	41,999
Equity	\$ 709,294	\$ 720,441
Revenues	\$ -	\$ 20,974
Expenses	11,147	6,948
Net gain (loss)	\$ (11,147)	\$ 14,026

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

8. Investments in Partnerships (continued)

Investment in Painted Rock Aggregates and Contracting LLP

	2024	2023
Interest:		
Units - 99%	\$ 9,900	\$ 9,900
Partnership interest:		
Opening balance	30,241,780	29,343,549
Net gain (loss) allocation	1,308,874	898,231
Balance, end of year	31,550,654	30,241,780
	<u>\$31,560,554</u>	<u>\$ 30,251,680</u>

Financial information for Painted Rock Aggregates & Contracting LLP is as follows:

	2024	2023
Cash	\$ 137	\$ 137
Accounts receivable	299,311	638,770
Inventory	4,150,604	4,325,630
Due from partners	6,728	6,728
Other assets	1,297,582	47,602
Property and equipment	5,590,630	5,201,283
	<u>11,344,992</u>	<u>10,220,150</u>
Accounts payable	792,404	789,851
Other current liabilities	375	840
Due to related parties	1,791,898	2,472,004
Debt and capital lease obligations	3,497,609	3,016,161
Reclamation cost obligations	60,000	60,000
	<u>6,142,286</u>	<u>6,338,856</u>
Equity (deficiency)	\$ <u>5,202,706</u>	\$ <u>3,881,294</u>
Revenues	\$ 8,497,474	\$ 6,776,466
Expenses	7,175,379	5,869,162
Net gain (loss)	\$ <u>1,322,095</u>	\$ <u>907,304</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

8. Investments in Partnerships (continued)

Investment in Skeetchestn Natural Resources LLP

	2024	2023
Partnership units - 99.9%	\$ 9,900	\$ 9,900
Advances	137,823	137,823
	<u>147,723</u>	<u>147,723</u>
Partnership interest:		
Opening balance	5,477,289	3,668,466
Net gain (loss) allocation		4,000,546
1,808,823		
	<u>9,477,835</u>	<u>5,477,289</u>
Balance, end of year	<u>\$ 9,625,558</u>	<u>\$ 5,625,012</u>

Financial information for Skeetchestn Natural Resources LLP is as follows:

	2024	2023
Cash	\$ 5,208,794	\$ 3,080,703
Accounts receivable	1,057,915	1,238,824
Due from related parties	3,351,389	1,251,704
Property and equipment	1,532,169	1,189,134
	<u>11,150,267</u>	<u>6,760,365</u>
Current liabilities	1,125,406	498,147
Other liabilities	389,999	631,907
	<u>1,515,405</u>	<u>1,130,054</u>
Equity	<u>\$ 9,634,862</u>	<u>\$ 5,630,311</u>
Revenues	\$12,566,201	\$ 10,347,464
Expenses	8,561,650	8,536,830
Net gain (loss)	<u>\$ 4,004,551</u>	<u>\$ 1,810,634</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

8. Investments in Partnerships (continued)

Investment in Ckukutusem Utility Services (2021) Limited Liability Partnership

	2024	2023
Partnership interest - 99%:		
Opening balance	\$ 1,349,897	\$ 438,833
Net gain (loss) allocation	1,519,648	1,109,064
Withdrawal	(198,000)	(198,000)
	<u>2,671,545</u>	<u>1,349,897</u>
Balance, end of year	<u>\$ 2,671,545</u>	<u>\$ 1,349,897</u>

Financial information for Ckukutusem Utility Services (2021) Limited Liability Partnership is as follows:

	2024	2023
Cash	\$ 1,781,176	\$ 1,125,015
Accounts receivable	974,597	390,755
Other current assets	54,245	138,060
Property and equipment	2,376,906	1,675,329
	<u>5,186,924</u>	<u>3,329,159</u>
Current liabilities	1,307,347	834,642
Other liabilities	859,255	809,003
Due to related parties	-	190
	<u>2,166,602</u>	<u>1,643,835</u>
Equity	<u>\$ 3,020,322</u>	<u>\$ 1,685,324</u>
Revenues	\$15,916,305	\$ 12,129,393
Expenses	14,381,307	11,009,126
Net gain (loss)	<u>\$ 1,534,998</u>	<u>\$ 1,120,267</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Government Business Enterprises

	2024	2023
Knucwentwecw Development Corporation	\$ 1,426,225	\$ 1,306,537
Big Sky Station Ltd.	2,742,769	2,315,290
Skeetchestn Natural Resources Corporation		85,602
6,417		
Investment balance, end of year	<u>\$ 4,254,596</u>	<u>\$ 3,628,244</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Government Business Enterprises (continued)

Investment in Knucwentwecw Development Corporation:

	2024	2023
Shares:		
Common - 100%	\$ 1	\$ 1
Preferred - 100%	100,000	100,000
	100,001	100,001
Accumulated equity:		
Opening balance	1,206,536	1,112,307
Net gain (loss) allocation	119,688	94,229
Balance, end of year	1,326,224	1,206,536
	<u>\$ 1,426,225</u>	<u>\$ 1,306,537</u>

Financial information for Knucwentwecw Development Corporation is as follows:

	2024	2023
Cash	\$ 68,462	\$ 3,618
Accounts receivable	67,517	87,680
Due from related parties	-	459,655
Property and equipment	3,449,454	2,781,065
Other assets	232	232
	3,585,665	3,332,250
Current liabilities	78,837	82,808
Long term & callable debt	225,177	392,729
Due to related parties	1,855,426	1,550,176
	2,159,440	2,025,713
Equity	<u>\$ 1,426,225</u>	<u>\$ 1,306,537</u>
Revenues	\$ 329,368	\$ 288,092
Expenses	209,680	193,863
Net gain (loss)	<u>\$ 119,688</u>	<u>\$ 94,229</u>

Knucwentwecw Development Corporation ("KDC") is a company domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Skeetchestn Indian Band holds 100% of the outstanding shares in KDC. KDC is engaged in providing management and consulting services.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Government Business Enterprises (continued)

Investment in Big Sky Station Ltd:

	2024	2023
Shares:		
Common shares - 100%	\$ 120	\$ 120
Preferred shares - 100%	179,695	179,695
	179,815	179,815
Accumulated equity:		
Opening balance	2,135,475	1,850,568
Net gain (loss) allocation	427,479	284,907
Balance, end of year	2,562,954	2,135,475
	<u>\$ 2,742,769</u>	<u>\$ 2,315,290</u>

Financial information for Big Sky Station Ltd is as follows:

	2024	2023
Cash	\$ 702,429	\$ 497,748
Accounts receivable	22,891	25,214
Inventory	173,710	185,113
Other current assets	1,704,623	1,406,044
Property and equipment	351,548	360,770
	2,955,201	2,474,889
Current liabilities	212,432	159,599
Other liabilities	179,695	179,695
	392,127	339,294
Equity	<u>\$ 2,563,074</u>	<u>\$ 2,135,595</u>
Revenues	\$ 6,786,245	\$ 6,080,276
Expenses	6,358,766	5,795,369
Net gain	<u>\$ 427,479</u>	<u>\$ 284,907</u>

Financial information for Big Sky Station Ltd. has been consolidated into the financial statements of KDC. Big Sky Station Ltd. is a company domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The company is engaged in the operation of a retail store and fuel sales outlet on reservation land near Savona, BC.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Government Business Enterprises (continued)

Investment in Skeetchestn Natural Resources Corporation:

	2024	2023
Shares:		
Common shares - 100%	\$ 1	\$ 1
	1	1
Accumulated equity:		
Opening balance	6,416	7,196
Net gain (loss) allocation	79,185	(780)
Balance, end of year	85,601	6,416
	\$ 85,602	\$ 6,417

Financial information for Skeetchestn Natural Resources Corporation is as follows:

	2024	2023
Cash	\$ 236,252	\$ 165,836
Capital assets	18,902	23,628
Other assets	563,447	546,222
Total Assets	818,601	735,686
Current liabilities	1,729	8,877
Due to related parties	731,270	722,392
	732,999	731,269
Equity	85,602	4,417
Revenues	\$ 85,945	\$ 14,288
Expenses	6,760	15,068
Net gain (loss)	\$ 79,185	\$ (780)

Skeetchestn Natural Resources Corporation ("SNR") is a company domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. SNR is engaged in holding the partnership interest in SNRLLP.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

10. Due (to) from Related Party

	2024	2023
Skeetchestn Indian Band		
Ckukutusem Utility Services LLP	\$ 198,000	\$ 198,000
Skeetchestn Natural Resources LLP	(2,620,119)	(446,738)
Big Sky Station Ltd	(3,485)	(2,463)
Painted Rock Aggregates and Contracting LLP	(877,455)	-
Knucwentwecw Development Corporation	1,428,428	1,419,146
	<u>\$ (1,874,631)</u>	<u>\$ 1,167,945</u>

The amounts advanced to related entities are non-interest bearing, unsecured and have no specified terms of repayment.

11. Deferred Revenue

Deferred revenue represents amounts received that relate to a subsequent period. A breakdown of deferred revenue is as follows:

	2023	Recognized Revenue	Funding Received	2024
ISC contributions:				
Q387 - Other Facilities O&M	\$ 46,933	\$ (46,933)	\$ -	\$ -
Q38M - MJR Renos	272,757	(272,757)	-	-
Q3FQ - Recovery	20,613	(20,613)	-	-
Q2N1 - Pathways Safe Indigen Comm	-	-	91,440	91,440
QA1V - FNFCs On-Res O&M Housing	-	-	89,727	89,727
Q40Z - Post Secondary Education	-	-	8,771	8,771
	<u>340,303</u>	<u>(340,303)</u>	<u>189,938</u>	<u>189,938</u>
Other Contributions:				
BC Hydro - Property Taxes	239,400	(56,000)	-	183,400
CMHC	314,530	(26,937)	-	287,593
FNESC	14,950	-	100,388	115,338
New Gold	200,000	(25,000)	-	175,000
Province of BC	110,434	-	65,654	176,088
Qwelmintecw-Secwepmc	25,000	-	-	25,000
	<u>904,314</u>	<u>(107,937)</u>	<u>166,042</u>	<u>962,419</u>
	<u>\$ 1,244,617</u>	<u>\$ (448,240)</u>	<u>\$ 355,980</u>	<u>\$ 1,152,357</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

12. Long Term Debt

Social Housing

	2024	2023
All Nations Trust Company, repayable in monthly installments of \$1,919, including interest at 1.69% per annum, secured by promissory notes of the Ministry and the Band and buildings, due May 2024.	\$ 3,828	\$ 26,582
All Nations Trust Company, repayable in monthly installments of \$976, including interest at 1.13% per annum, secured by promissory notes of the Ministry and the Band and buildings, due May 2026	25,056	36,415
All Nations Trust Company, repayable in monthly installments of \$368, including interest at 0.69% per annum, secured by promissory notes of the Ministry and the Band and buildings, due June 2026	26,642	30,856
All Nations Trust Company, repayable in monthly installments of \$4,646, including interest at 5.00% per annum, secured by promissory notes of the Ministry and the Band and buildings, due September 2028	418,975	455,486
All Nations Trust Company, repayable in monthly installments of \$1,767, including interest at 1.30% per annum, secured by promissory notes of the Ministry and the Band and buildings, due April 2027.	324,787	341,652
All Nations Trust Company, repayable in monthly installments of \$3,257, including interest at 4.66% per annum, secured by promissory notes of the Ministry and the Band and buildings, due November 2028.	504,569	522,501
All Nations Trust Company, repayable in monthly installments of \$2,827, including interest at 1.22% per annum, secured by promissory notes of the Ministry and the Band and buildings, due July 2026.	663,315	688,987
Total	\$ 1,967,172	\$ 2,102,479

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

12. Long Term Debt (continued)

The estimated principal repayments on the above long term debt required which takes into consideration the renewed terms over the next 4 years and thereafter are as follows:

2025	\$ 105,478
2026	11,598
2027	942,878
2028	34,851
2029	<u>767,981</u>
Total	<u>\$ 1,862,786</u>

13. Tangible Capital Assets

	2024	2023
Buildings	\$ 6,346,191	\$ 6,640,217
Bridges and cattle guards	30,674	35,541
Water system	314,108	344,027
Automotive equipment	164,546	176,055
Office equipment	107,745	88,117
Equipment	52,190	53,052
Farm and irrigation equipment	14,440	15,960
Appraised property and equipment	3,819	3,989
Roads	3,290	3,729
Assets under construction	4,703,880	4,010,262
Social housing operations phase 6 - 12	<u>2,794,437</u>	<u>2,929,745</u>
	<u>\$ 14,535,320</u>	<u>\$ 14,300,694</u>

The tangible capital assets have not been assessed for asset retirement obligations as required by PS 3280 Asset Retirement Obligations. The assets listed may be understated by the amounts of any existing asset retirement obligations.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

13. Tangible Capital Assets (Continued)

												Totals	
	Buildings	Bridges & Cattle Guards	Water System	Automotive Equipment	Office Equipment	Equipment	Farm & Irrigation Equipment	Appraised Property & Equipment	Roads	Assets Under Construction	Social Housing	2023	2022
Cost, beginning of year	\$12,592,075	\$ 614,324	\$ 2,150,103	\$ 1,707,112	\$ 543,027	\$ 371,186	\$ 181,062	\$ 672,952	\$ 169,234	\$ 4,010,262	\$ 4,233,023	\$ 27,244,360	\$ 23,464,313
Additions	134,261	-	-	52,477	69,354	11,915	-	-	-	693,618	-	961,625	3,780,047
Cost, end of year	12,726,336	614,324	2,150,103	1,759,589	612,381	383,101	181,062	672,952	169,234	4,703,880	4,233,023	28,205,985	27,244,360
Accumulated amortization, beginning of year	5,951,858	578,783	1,806,077	1,531,056	454,910	318,134	165,102	668,963	165,505	-	1,303,278	12,943,666	12,196,239
Amortization	428,287	4,867	29,918	63,987	49,726	12,777	1,520	170	439	-	135,308	726,999	747,429
Accumulated amortization, end of year	6,380,145	583,650	1,835,995	1,595,043	504,636	330,911	166,622	669,133	165,944	-	1,438,586	13,670,665	12,943,668
Net carrying amount, end of year	\$ 6,346,191	\$ 30,674	\$ 314,108	\$ 164,546	\$ 107,745	\$ 52,190	\$ 14,440	\$ 3,819	\$ 3,290	\$ 4,703,880	\$ 2,794,437	\$ 14,535,320	\$ 14,300,692

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

14. Accumulated Surplus

	2024	2023
	<hr/>	<hr/>
Unrestricted surplus	\$ 49,849,370	\$ 34,164,889
Accumulated remeasurement gains	1,375,451	1,032,293
Contributed surplus	826,788	826,788
Equity in Capital Assets	11,740,882	11,370,947
Equity in Trust Funds	8,315,910	7,574,284
Equity in Investments	753,756	753,756
Equity in Social Housing Reserves	<hr/> 323,876	<hr/> 336,114
	<hr/> \$ 73,186,033	<hr/> \$ 56,059,071

March 31, 2024

15. Commitments and Contingencies

Commitment:

The Group leases photocopiers under long-term leases which expire May 2028.

Future minimum lease payments as at March 31, 2024, are as follows:

2025	\$	8,964
2026		8,964
2027		8,964
2028		8,964
Thereafter		<u>10,458</u>
	\$	<u>46,314</u>

a) Funding agreement:

The Group receives a portion of its funding under a contribution authority with ISC which, if unexpended, may be refundable to ISC. Further, amounts which are over expensed may be reimbursed by ISC to the Group. No amounts have been recorded in the financial statements as refundable or reimbursable.

b) Pension Plan:

The Group and its employees contribute to a defined contribution pension plan. There is no obligation for past service or periods in which an employee was not employed. Total contributions to the plan during the year were \$60,623 (2023 - \$69,279).

c) Environmental Renewal:

The Group is engaged in logging operations which will result in silviculture costs and other potential environmental renewal and recovery costs. Estimated costs in connection with current operations have been accrued; however, the total costs cannot be determined with certainty at year-end due to potential external events such as changes in regulations and advances in remediation technology.

d) Site Restoration:

The Group has contracted Painted Rock LLP to operate a gravel pit. In this agreement, Painted Rock LLP is responsible for any site restoration costs. Should Painted Rock LLP default on the agreement, the Group may be responsible for any site restoration not performed by Painted Rock LLP. The net present value of such a liability is not determinable at this time.

e) Lawsuits:

The Group may be subject to lawsuits from time to time. It is the opinion of management that any lawsuits against the Group are not material in the aggregate.

March 31, 2024

15. Commitments and Contingencies (continued)

f) Guarantee:

The Group has provided a guarantee for the credit facility of SNRLLP. At March 31, 2024, the outstanding loan balance was \$Nil. The maximum liability to the First Nation with respect to these loans is \$510,000.

The Group has provided a guarantee for the credit facility of KDC. As at March 31, 2024, the outstanding loan balance was \$565,431. The maximum liability to the First Nation with respect to these loans is \$650,000.

The Group has provided a guarantee for the credit facility of SHLLP. As at March 31, 2024, the outstanding loan balances were \$159,643. The maximum liability to the First Nation with respect to these loans is \$850,000.

The Group has provided a guarantee for the credit facility of Painted Rock LLP. As at March 31, 2024, the outstanding loan balance was \$Nil. The maximum liability to the First Nation with respect to these loans is \$150,000.

16. Related Party Transactions

During the year, the Group made purchases of \$132,401 (2023 - \$120,474) from Big Sky Station Ltd. for fuel and supplies. The Group also earned \$35,000 (2023 - \$35,000) in rent and received \$5,000 (2023 - \$5,000) in donations from Big Sky Station Ltd.

During the year, the Group paid \$25,000 (2023 - \$25,000) for community economic development services to KDC and earned \$4,394 (2023 - \$4,468) in interest.

During the year, the Group paid \$877,455 (2023 - \$130,970) for management fees and paid \$62,491 (2023 - \$31,078) for services to Painted Rock Aggregates & Contracting LLP. The group earned \$7,463 (2023 - \$14,743) in sales from the partnership.

During the year, the Group paid \$4,668,041 (2023 - \$1,432,641) in contract services to SNRLLP. Included in accounts payable is \$980,659 (2023 - \$326,264) due to SNRLLP.

During the year, the Group received \$340,946 (2023 - \$208,677) for supplies and vehicle operating costs from SNRLLP.

These transactions are in the normal course of operations and are measured at the carrying amount, which is the amount of consideration established and agreed to by the related parties.

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

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17. Expenses by Object

	2024	2023
Amortization	\$ 726,999	\$ 747,429
Bad debts (recovery)	(7,110)	(3,891)
Construction costs	-	2,668
Contract services	4,987,559	2,437,075
Debt servicing, interest & bank charges	56,576	47,716
Donations	59,719	38,040
Education and training	613,223	657,508
Equipment	109,719	108,912
Fuel	168,526	119,059
Program costs	2,242,964	712,478
Honoraria	379,646	329,914
Insurance	238,208	186,933
Materials and supplies	992,921	692,612
Municipal services agreements	35,017	29,999
Office	89,266	28,187
Professional fees	449,308	310,949
Property taxation	24,343	-
Repairs and maintenance	171,756	421,169
Reserve fund appropriations	126,862	145,587
Social assistance	565,497	412,838
Travel	264,030	158,700
Utilities and telephone	139,134	145,939
Wages and benefits	3,570,130	2,879,047
	<u>\$ 16,004,293</u>	<u>\$ 10,608,868</u>

Skeetchestn Indian Band
Notes to Consolidated Financial Statements

March 31, 2024

18. Funds Held in Trust - Ministry of Transportation and Highways

The Group has funds held in trust by Morelli Chertkow LLP, Lawyers, regarding compensation received from the Ministry of Transportation and Highways for lands, as follows:

	2024
Deadman - Vidette Road No. 1247	\$ 63,707
Deadman - Vidette Road Intersection - District Plan 215-1427-20	\$ 5,406

The funds are to be held in trust until the lands are transferred to the Ministry by passage of a Federal Privy Council Order, and will be recognized as a revenue upon transfer.

19. Budget

An annual budget was presented by the Chief and Council of the First Nation and approved by the members on May 16, 2023. The budget information presented in these consolidated financial statements is based upon this approved budget. Adjustments to the budgeted amounts are required to comply with PSAS for inclusion in the Consolidated Statement of Operations and Consolidated Statement of Changes in Net Financial Assets.

	<u>Budgeted Amount</u>
Approved consolidated budgeted revenues	\$ 17,626,885
Less:	
Inter-department revenue	<u>(472,696)</u>
Total consolidated budgeted revenues per statement of operations	<u>\$ 17,154,189</u>
Approved consolidated budgeted expenses	\$ 16,711,752
Less:	
Transfers between funds	(783,709)
Repayment of long-term debt	(176,997)
Acquisition of capital assets	(344,000)
Inter-department expense	<u>(546,917)</u>
Total consolidated budgeted expenses per statement of operations	<u>\$ 14,860,129</u>

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20. Segmented Information

The Group provides a range of programs and services to its members. For the purposes of segment disclosure, these services are grouped and reported under services areas/departments that are responsible for providing such services, as follows below.

Administration

Administration supports the development of stable, legitimate and accountable community governments. It also provides overall support of the Group including advisory services relating to financial management, band government, economic development, community services and technical services.

School

School is responsible for the administration and management of the on-reserve Skeetchestn Community School. The school is dedicated to providing outstanding educational programming meeting the BC Provincial academic standards and culturally enriched with Secwepemc Culture. A safe, caring and community oriented environment prepares each child with deep confidence in their own learning process, having a deep sense of wonder and respect for life and learning.

Education

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of Group 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

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.

Health

Health is responsible for the management and operation of the on-reserve Health Clinic. They help provide access to services to the Skeetchestn community members.

Public Works

Public Works supports the construction, operation and basic maintenance of community facilities and services such as water and sewage, roads, electrification, schools and fire protection. It is also responsible for ensuring that the facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Wellness

Wellness supports creating, managing and delivering programs, services and activities focused on mental, cultural, spiritual and physical well-being for Skeetchestn members and community members.

Housing

Housing manages capital projects within the community undertaken to support the growth and or maintenance of the Groups infrastructure. They provide sustainable, affordable housing choices by instituting: quality control, safety measures and continued education with open communication and knowledge.

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20. Segmented Information (continued)

Social Housing

Social Housing department is responsible for the administration and management of Social Housing units.

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20. Segmented Information (continued)

<u>2024</u>	Social																			
	Administration		School	Education	Development		Health	Public Works		Wellness	Housing	Social Housing	Total							
Revenue																				
ISC	\$	627,179	\$	-	\$	1,598,494	\$	643,452	\$	-	\$	1,234,609	\$	925,409	\$	1,355,273	\$	-	\$	6,384,416
Other		22,329,003		745,321		1,386,341		-		818,092		514,122		264,147		368,565		321,248		26,746,839
Total		22,956,182		745,321		2,984,835		643,452		818,092		1,748,731		1,189,556		1,723,838		321,248		33,131,255
Expenses																				
Wages & benefits		677,905		1,007,800		287,962		132,864		194,089		558,669		251,587		459,255		-		3,570,131
Purchases		6,237,736		449,099		1,014,544		582,944		373,268		1,355,167		559,244		1,012,495		122,666		11,707,163
Amortization		591,691		-		-		-		-		-		-		-		135,308		726,999
Total		7,507,332		1,456,899		1,302,506		715,808		567,357		1,913,836		810,831		1,471,750		257,974		16,004,293
Surplus (deficit)	\$	15,448,850	\$	(711,578)	\$	1,682,329	\$	(72,356)	\$	250,735	\$	(165,105)	\$	378,725	\$	252,088	\$	63,274	\$	17,126,962

March 31, 2023

20. Segmented Information (Continued)

<u>2023</u>	Administration	School	Education	Social Development	Health	Public Works	Wellness	Housing	Social Housing	Total
Revenue										
ISC	\$ 632,780	\$ 635,389	\$ 1,274,209	\$ 642,481	\$ 3,914	\$ 1,170,158	\$ 188,648	\$ 143,605	\$ -	\$ 4,691,184
Other	10,735,814	1,074,716	342,757	2,880	464,469	577,135	784,943	3,667,571	411,980	18,062,265
Total	11,368,594	1,710,105	1,616,966	645,361	468,383	1,747,293	973,591	3,811,176	411,980	22,753,449
Expenses										
Wages & benefits	582,698	913,131	120,475	77,386	94,580	472,299	246,176	372,303	-	2,879,048
Purchases	3,663,382	463,918	829,645	431,857	147,581	927,347	216,112	103,534	199,015	6,982,391
Amortization	611,134	-	-	-	-	-	-	-	136,295	747,429
Total	4,857,214	1,377,049	950,120	509,243	242,161	1,399,646	462,288	475,837	335,310	10,608,868
Surplus (deficit)	\$ 6,511,380	\$ 333,056	\$ 666,846	\$ 136,118	\$ 226,222	\$ 347,647	\$ 511,303	\$ 3,335,339	\$ 76,670	\$ 12,144,581

Skeetchestn Indian Band
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21. Cash Flow Information

During the year, the Group paid interest on long-term debt of \$48,214 (2023 - \$40,490) and received interest of \$1,673,322 (2023 - \$553,011) from various sources.

22. Comparative Information

Certain prior year information in the comparative figures have been reclassified to conform to the current year presentation.