

SIMPCW FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2023

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EXHIBIT A

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of SIMPCW FIRST NATION have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgements. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of SIMPCW FIRST NATION's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Band Council is responsible for ensuring that management fulfils its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility periodically through its Finance Committee. The Finance Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards.



Chief



Administrator

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INDEPENDENT AUDITOR'S REPORT

To the members of SIMPCW FIRST NATION

EXHIBIT A1

Opinion

We have audited the consolidated financial statements of SIMPCW FIRST NATION (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statement of accumulated surplus, consolidated statement of operations, consolidated statement of remeasurement gains and losses, consolidated statement of change in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2023, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matters

We draw attention to the fact the supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2, and Schedules 1 to 36 do not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

Independent Auditor's Report to the Members of SIMPCW FIRST NATION (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation (which is the group entity) to express an opinion on the 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 Chief and Council 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, Canada
July 31, 2023

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2023

FINANCIAL ASSETS	2023	2022
Cash	\$ 10,681,467	\$ 15,299,958
Term deposits	21,028,775	6,028,775
Restricted cash (Note A5)	530,741	384,737
Investments held in trust (Note A4)	3,955,193	3,892,149
Marketable securities (Note A4)	8,028,792	8,169,150
Grants and accounts receivable (Note A6)	3,771,114	1,937,488
Investment in government business enterprises (Note A7)	174,846,435	110,341,407
Investments and advances (Note A8)	<u>42,673</u>	<u>42,673</u>
	<u>222,885,190</u>	<u>146,096,337</u>
LIABILITIES		
Accounts payable and accruals	1,525,572	1,571,283
Prepaid rents	5,526	3,937
Mortgages payable (Note A9)	1,001,033	1,055,435
Deferred revenue (Note A10)	<u>3,232,595</u>	<u>3,564,140</u>
	<u>5,764,726</u>	<u>6,194,795</u>
NET FINANCIAL ASSETS	<u>217,120,464</u>	<u>139,901,542</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note A11)	10,091,561	9,863,853
Prepaid expenses	<u>598,667</u>	<u>67,204</u>
	<u>10,690,228</u>	<u>9,931,057</u>
ACCUMULATED SURPLUS (Note A12)	<u>\$ 227,810,692</u>	<u>\$ 149,832,599</u>
ACCUMULATED SURPLUS IS COMPRISED OF:		
ACCUMULATED OPERATING SURPLUS	\$ 227,415,841	\$ 149,832,599
ACCUMULATED REMEASUREMENT GAINS	394,851	-
	<u>\$ 227,810,692</u>	<u>\$ 149,832,599</u>
COMMITMENTS AND CONTINGENCIES (Note A13)		

APPROVED BY THE FIRST NATION:

 Chief

 Administrator

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
Year ended March 31, 2023

	2023	2022
ACCUMULATED SURPLUS - OPERATING, beginning of year	\$ 149,832,599	\$ 76,734,555
EXCESS OF REVENUE OVER EXPENSES	<u>77,583,242</u>	<u>73,098,044</u>
ACCUMULATED SURPLUS - OPERATING, end of year	<u>\$ 227,415,841</u>	<u>\$ 149,832,599</u>

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2023

	Budget	2023	2022
REVENUE:			
Government transfers:			
Indigenous Services Canada	\$ 4,644,799	5,789,030	\$ 4,319,456
First Nations Health Authority	1,171,071	1,204,460	1,638,396
Canada Mortgage & Housing Corporation	68,203	68,203	118,204
Province of B.C.	3,386,570	4,336,422	3,667,670
Fisheries & Oceans Canada	324,821	284,450	159,197
Other revenues:			
Rental	127,674	133,324	129,430
Impact Benefit Agreements	69,500	139,785	249,179
Investment income	413,647	1,011,210	939,528
Income - Ottawa Trust Funds	-	12,268	4,139
Income from investment in government business enterprise	-	72,755,028	72,153,567
BC First Nations Gaming Revenue Sharing			
Limited Partnership	108,805	758,467	382,360
Other	<u>6,894,092</u>	<u>5,203,403</u>	<u>5,123,012</u>
	<u>17,209,182</u>	<u>91,696,050</u>	<u>88,884,138</u>
EXPENSES:			
Band Revenue	908,235	801,273	4,277,842
Local Revenue	-	6,611	2,184
Band Government	3,175,719	2,997,849	2,484,691
Social Services	1,824,515	2,531,294	1,628,029
Education	2,260,251	1,780,472	1,902,857
Community Development	2,507,097	1,186,954	965,608
Natural Resources	4,897,308	3,275,910	2,764,157
Health	1,505,425	1,289,376	1,269,854
Housing	<u>323,609</u>	<u>243,069</u>	<u>490,872</u>
	<u>17,402,159</u>	<u>14,112,808</u>	<u>15,786,094</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ (192,977)	\$ 77,583,242	\$ 73,098,044

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
Year ended March 31, 2023

	2023
ACCUMULATED REMEASUREMENT GAINS, beginning of year	\$ 831,231
UNREALIZED LOSSES ATTRIBUTED TO:	
Portfolio investments	(329,639)
AMOUNTS RECLASSIFIED TO THE STATEMENTS OF OPERATIONS:	
Portfolio investments	<u>(106,741)</u>
ACCUMULATED REMEASUREMENT GAINS, end of year	<u>\$ 394,851</u>

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2023

	Budget	2023	2022
EXCESS OF REVENUE OVER EXPENSES	\$ (192,977)	\$ 77,583,242	\$ 73,098,044
Acquisition of tangible capital assets	(2,909,541)	(807,163)	(1,225,944)
Amortization of tangible capital assets	-	563,429	520,884
Change in prepaid expenses	-	(531,461)	(1,406)
Loss on disposal of tangible capital assets	-	16,024	141,886
Unrealized loss attributed to portfolio investments	-	394,851	-
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(3,102,518)	77,218,922	72,533,464
NET FINANCIAL ASSETS, beginning of year	<u>139,901,542</u>	<u>139,901,542</u>	<u>67,368,078</u>
NET FINANCIAL ASSETS, end of year	<u>\$ 136,799,024</u>	<u>\$ 217,120,464</u>	<u>\$ 139,901,542</u>

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2023

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 77,583,242	\$ 73,098,044
Non-cash charges to operations:		
Amortization	563,429	520,884
Loss on disposal of assets	16,024	141,886
Reinvested income / losses from marketable securities	(142,881)	(341,386)
Reinvested income from Restricted cash / investments held in trust	(12,268)	(340,652)
Equity income from government business enterprise	(72,755,028)	(72,153,567)
(Increase) decrease in:		
Grants and accounts receivable	(1,833,626)	(883,530)
Prepaid expenses	(531,461)	(1,406)
Increase (decrease) in:		
Accounts payable and accruals	(45,711)	(159,077)
Deferred revenue	(331,545)	(1,184,320)
Prepaid rents	1,589	1,310
Cash flows from (used in) operations	<u>2,511,764</u>	<u>(1,301,814)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from term loans and mortgage	-	126,067
Mortgages payable reduction	<u>(54,402)</u>	<u>(51,813)</u>
Cash flows from (used in) financing	<u>(54,402)</u>	<u>74,254</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Marketable securities	407,132	-
Drawings from partnership	8,250,000	3,850,000
Restricted cash / investments held in trust	74,178	326,338
Cash flows from investing	<u>8,731,310</u>	<u>4,176,338</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	<u>(807,163)</u>	<u>(1,225,944)</u>
Cash flows used in capital	<u>(807,163)</u>	<u>(1,225,944)</u>
INCREASE IN CASH RESOURCES	<u>10,381,509</u>	<u>1,722,834</u>
CASH RESOURCES, beginning of year	<u>21,328,733</u>	<u>19,605,899</u>
CASH RESOURCES, end of year	<u>\$ 31,710,242</u>	<u>\$ 21,328,733</u>
CASH RESOURCES IS REPRESENTED BY:		
Cash	\$ 10,681,467	\$ 15,299,958
Term deposits	<u>21,028,775</u>	<u>6,028,775</u>
	<u>\$ 31,710,242</u>	<u>\$ 21,328,733</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A1. ADOPTION OF NEW STANDARDS:

Effective April 1, 2022, Simpcw First Nation adopted new Public Sector Accounting Standards Sections PS 3450 *Financial Instruments*, PS 3041 *Portfolio Investments*, PS 2601 *Foreign Currency Translation* and Section 1201 *Financial Statement Presentation* along with the related amendments. New Section PS 3450 requires the fair value measurement of derivatives and portfolio investments in equities quoted in an active market. All other financial assets and liabilities are measured at cost or amortized cost (using the effective interest method), or, by policy choice, at fair value when the entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis. For items denominated in a foreign currency, unrealized foreign exchange gains and losses between the transaction date and subsequent financial statement dates are recognized in the statement of remeasurement gains and losses until they are settled, upon which they are recognized in the statement of operations.

The measurement requirements were applied prospectively. The recognition, derecognition, and measurement policies followed in the comparative period were not reversed and the comparative figures have not been restated.

The adjustments to accumulated remeasurement gains and losses at the beginning of the fiscal period were as follows:

	2023
Differences between financial instruments' previous carrying amounts and fair value on transition	<u>\$ 831,231</u>
Opening accumulated remeasurement gains as at April 1, 2022	<u>\$ 831,231</u>

NOTE A2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

a) Reporting Entity and Principles of Financial Reporting:

The Simpcw First Nation reporting entity includes the Band government and all related entities which are controlled by the First Nation. Control is defined as the power to govern the financial and operating policies of another with expected benefits or the risk of loss to the government from the other organizations' activities. Control exists regardless of whether the government chooses to exercise its power to govern so long as it has the ability to govern. Control must exist at the financial statement date, without the need to amend agreements.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Simpcw First Nation Band Operations Fund
- Simpcw First Nation Trust Fund
- Simpcw First Nation Capital Fund
- Simpcw First Nation Social Housing Fund
- Simpcw Holdings Limited

All inter-entity balances have been eliminated on consolidation.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

Government business entities owned or controlled by the Simpcw First Nation and which are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. This includes:

- Simpcw Resources LLP (including the entity's interest in Estsek' Environmental Services LLP, Tmicw-kt Cultural Services (TCS) LLP, and Simpcw Ledcor Limited Partnership)
- Simpcw Resources 2020 LLP
- Simpcw Resources Ltd.

All investments in entities that are not controlled are considered to be portfolio investments. They are reported at cost less any write-downs associated with a loss in value that is other than a temporary decline. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Revenues and expenses have been translated at the average rates of exchange during the year.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

b) Asset classification

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

c) 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:

Major Asset Category:

Roads and trails	10 to 75 years
Buildings and other	20 to 70 years
Water Systems	50 to 80 years
Automotive	5 to 10 years
Equipment	5 to 10 years

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

The First Nation 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 First Nation's ability to provide services. When assets no longer have any long-term service potential to the First Nation, 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.

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

d) Contributions of Tangible Capital Assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

e) Leases:

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. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

f) Government Transfers:

Government transfers (revenue from non-exchange transactions with governments) are recognized as revenues when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made, except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

g) Revenue Recognition:

The Simpcw First Nation derives revenues from a number of sources. Revenue is recognized on the accrual basis as it is earned, or as services are provided, and is measurable and becomes receivable under the terms of the applicable funding agreements.

Amounts received from Indigenous Services Canada (ISC) are reported in accordance with the terms of the funding arrangement. Amounts specified as set funding are reported as revenue as program terms and conditions are met and delivered. Any resulting surpluses are repayable to ISC and any deficits incurred are refundable by ISC. Amounts specified as fixed funding are recognized as revenue as program terms and conditions are met and delivered. Any resulting surpluses may be retained by the First Nation provided delivery of the program is complete at March 31. Any resulting deficits are the responsibility of the First Nation. Grants received from ISC are unconditional and are reported as revenue when received or receivable and collection is reasonably assured. Amounts received under block funding arrangements are reported as revenue when received or receivable and collection is reasonably assured.

Revenues, other than government transfers, that are externally restricted through stipulations imposed by an agreement with an external party, legislation, or regulation that specify the purpose or purpose for which the resources are to be used are deferred on the consolidated statement of financial position. The revenue is recognized in the year in which it is used for the specified purpose.

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

Rental income is recognized when earned. Deposits recorded in advance are deferred until they are repaid or applied against outstanding accounts.

Own source revenues derived from such sources as housing rents, resource based revenues, interest income, and property taxes, etc. are recognized upon transfer of title of the product or upon performance of the service and when collectability is reasonably assured.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

h) Financial instruments

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

i) Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the 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. 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.

NOTE A3. FUTURE ACCOUNTING CHANGES:

PS 3400 Revenues

This section establishes standards on how to account for and report on revenue. This section applies to fiscal years beginning on or after April 1, 2023, with early adoption permitted.

PS 3160 Public Private Partnerships

New Section PS 3160 Public Private Partnerships establishes standards on how to account for public private partnerships between public and private sector entities where infrastructure is procured by a public sector entity using a private sector partner that is obligated to design, build, acquire or better infrastructure; finance the infrastructure past the point where the infrastructure is ready for use and operate and/or maintain the infrastructure. This section applies to fiscal years beginning on or after April 1, 2023, with early adoption permitted.

PS 1000 Financial Statement Concepts

Section PS 1000 has been amended to remove the prohibition of recognition of purchased intangibles in public sector financial statements. This section applies to fiscal years beginning on or after April 1, 2023, with early adoption permitted.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A4. FINANCIAL INSTRUMENTS:

Classification

The following table provides the carrying amount information of the First Nation's financial instruments by category. The maximum exposure to credit risk for the financial assets would be the carrying values shown below.

Financial Instrument	2023		2022	
	Amortized cost / cost	Fair value	Amortized cost / cost	Fair value
Cash	\$ 10,681,467	\$ -	\$ 15,299,958	\$ -
Term deposits	21,028,775	-	6,028,775	-
Restricted cash	530,741	-	384,737	-
Investments held in trust	-	3,955,193	-	3,892,149
Marketable securities	-	8,028,792	-	8,169,150
Grants and accounts receivable	3,771,114	-	1,937,488	-
Accounts payable and accruals	1,525,572	-	1,571,283	-
Mortgages payable	1,001,033	-	1,055,435	-

The following provides an analysis of financial instruments that are subsequently measure at fair value, where the fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities using the last bid price;

	2023
Investments held in trust	
Fixed income	\$ 1,638,716
Short term deposits	33,829
Common stocks and equivalents	1,387,445
Common shares (Foreign Dollar account)	895,203
	<u>\$ 3,955,193</u>
Marketable securities	
Medium-term bonds	\$ 891,733
Long-term bonds	3,377,270
Other fixed income	265,764
Common stocks and equivalents	1,644,728
Common shares (Foreign Dollar account)	1,575,557
Other income	273,740
	<u>\$ 8,028,792</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A4. FINANCIAL INSTRUMENTS (continued):

Credit risk

Credit risk is the risk of financial loss to the First Nation if a debtor fails to discharge their obligation (e.g., pay the accounts receivable owing to the First Nation). The First Nation is exposed to this risk arising from its cash, investments, grants receivable and accounts receivable. The First Nation holds its cash accounts with two federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the First Nation's cash accounts are insured up to \$100,000 with each bank.

Accounts receivable is primarily due from government corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The First Nation measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the First Nation's historical experience regarding collections. In the current and prior years, all of the impairment allowance related to the other receivables. There were no changes in exposures to credit risk during the period. The amounts outstanding at year end were as follows:

	Current	1-30 days	31-60 days	61-90 days	Over 90 days	Total
Government receivables	\$ 2,515,806	\$ -	\$ -	\$ -	\$ 282,370	\$ 2,798,176
Other accounts receivable	721,021	(1,993)	29,767	26,214	323,790	1,098,799
Total	3,236,827	(1,993)	29,767	26,214	606,160	3,896,975
Less impairment allowance	-	-	-	-	(125,861)	(125,861)
Net receivable	\$ 3,236,827	\$ (1,993)	\$ 29,767	\$ 26,214	\$ 480,299	\$ 3,771,114

The First Nation has also provided a loan guarantee to Simpcw Resources LLP. The maximum exposure to credit risk in the amount the First Nation could be called up to pay if the guarantee is called upon which is \$900,000 (2022 - \$900,000).

Liquidity risk

Liquidity risk is the risk that the First Nation will not be able to meet all cash outflow obligations as they come due. The First Nation mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The investment portfolio is monitored by management, the investment managers, and Chief and Council.

Currency risk

The First Nation is exposed to foreign currency exchange risk on investments held in trust and marketable securities held in U.S. and other foreign dollars. The First Nation does not use derivative instruments to reduce its exposure to foreign currency risk.

Other Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk). The First Nation is exposed to other price risk related to its investments in equity instruments. If market prices had changed by 10% during the year, the First Nation's net income would have changed by \$10,674.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A4. FINANCIAL INSTRUMENTS (continued):

Simpcw First Nation has entered into various accommodation agreements with proponents wishing to develop projects in Simpcw First Nation's traditional territory. Simpcw Trust (the "Trust") was established on January 1, 2009 to hold payments received pursuant to the agreements and any income therefrom for the benefit of current and future generations of Simpcw First Nation. 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 interest of the First Nation and its members.

Distributions from the trust may only be made in areas of community development which includes social services, transportation for members, support for families for hardship, housing, elders, children, youth and family development, health, education and training, economic development, disaster relief and fire control, cultural awareness, recreation and recreational infrastructure, improvement to reserve lands, preparation and advancement of claims, justice and police and acquisition of fee simple lands for community benefits.

NOTE A5. RESTRICTED CASH:

	2023	2022
Operating reserve	\$ 18,588	\$ 610
Replacement reserve	242,824	127,066
Ottawa Trust Funds	<u>269,329</u>	<u>257,061</u>
	<u><u>\$ 530,741</u></u>	<u><u>\$ 384,737</u></u>

a) Operating Reserve Fund:

Under the terms of the agreement with Canada Mortgage & Housing Corporation, after the payment of all costs and expenditures including the allocation of the Replacement Reserve, any surplus revenue 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 Project's 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 First Nation 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 First Nation and CMHC.

b) Replacement Reserve Fund:

Under the terms of the agreement with Canada Mortgage & Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$13,320 annually plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts of instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Mortgage & Housing Corporation from time to time. Withdrawals are credited to interest first and then principal.

c) 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 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.

NOTE A6. GRANTS AND ACCOUNTS RECEIVABLE:

	2023	2022
Grants and Accounts Receivable	\$ 3,896,975	\$ 2,111,145
Less: Allowance for doubtful accounts	<u>(125,861)</u>	<u>(173,657)</u>
	<u><u>\$ 3,771,114</u></u>	<u><u>\$ 1,937,488</u></u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES:	2023	2022	
Simpcw Resources LLP, unsecured, noninterest bearing, no stated terms of repayment. No amounts are due within the year.			
Partnership units (99.99%)	\$ 999	\$ 999	
Partnership interest:			
Balance, beginning of year	110,340,407	42,036,840	
Net income allocation	72,984,918	72,153,567	
Drawings	(8,250,000)	(3,850,000)	
Balance, end of year	<u>175,075,325</u>	<u>110,340,407</u>	
	<u>175,076,324</u>	<u>110,341,406</u>	
Simpcw Resources 2020 LLP, unsecured, noninterest bearing, no stated terms of repayment. No amounts are due within the year.			
Partnership units (99.99%)	100	100	
Partnership interest:			
Balance, beginning of year	(100)	-	
Net income allocation	(242,187)	-	
Drawings	-	(100)	
Balance, end of year	<u>(242,287)</u>	<u>(100)</u>	
	<u>(242,187)</u>	<u>-</u>	
Simpcw Resources Ltd.:			
Common shares (100%)	1	1	
Equity interest:			
Balance, beginning of year	-	-	
Net income allocation	12,297	-	
Balance, end of year	<u>12,297</u>	<u>-</u>	
	<u>12,298</u>	<u>1</u>	
	<u>\$ 174,846,435</u>	<u>\$ 110,341,407</u>	
Summarized financial information is as follows:			
	Simpcw Resources Ltd.	Simpcw Resources LLP	Simpcw Resources 2020 LLP
Assets	\$ 13,964	\$ 196,406,782	\$ 5,766,836
Liabilities	<u>1,666</u>	<u>21,316,460</u>	<u>6,009,025</u>
Equity	<u>\$ 12,298</u>	<u>\$ 175,090,322</u>	<u>\$ (242,189)</u>
Revenues	\$ 7,268	\$ 258,342,957	\$ 643,040
Expenses	<u>2,258</u>	<u>185,350,740</u>	<u>885,229</u>
Net income	<u>\$ 5,010</u>	<u>\$ 72,992,217</u>	<u>\$ (242,189)</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A8. INVESTMENTS AND ADVANCES:	2023	2022
a) <u>All Nations Trust Company:</u> 2,057 Common shares, par value \$10.01	<u>\$ 20,570</u>	<u>\$ 20,570</u>
b) <u>Community Futures Development Corporation of Central Interior First Nations:</u> Loan Administration Agreement, direct loans to a maximum of \$5,000 and Micro Lending Circles of up to \$4,000, direct loans at 12% per annum and on Micro Lending Circles interest at a percentage of prime per annum		
Cash and equivalents	<u>21,993</u>	<u>21,993</u>
c) <u>BC First Nations Gaming Revenue Sharing Limited Partnership:</u> Partnership interest in BC First Nations Gaming Revenue Sharing Limited Partnership. 0.47% partnership interest in the entity at March 31, 2023	100	100
Share in the General Partner, BCFN GRS GP Inc., a corporation incorporated under the BC Business Corporations Act. Share represents a 0.47% interest in the Company at March 31, 2023.	<u>10</u>	<u>10</u>
TOTAL INVESTMENTS AND ADVANCES	<u>\$ 42,673</u>	<u>\$ 42,673</u>

NOTE A9. MORTGAGES PAYABLE:	2023	2022
<u>Social Housing Operations:</u> Canada Mortgage and Housing Corporation, repayable in monthly installments of \$1,583 including interest at 1.13% per annum, secured by buildings with a carrying value of \$154,194 due May 2026.	\$ 59,066	\$ 77,285
Canada Mortgage and Housing Corporation, repayable in monthly installments of \$285 including interest at 1.83% per annum, secured by a building with a carrying value of \$56,231, due December 2024.	36,201	38,939
Canada Mortgage and Housing Corporation, repayable in monthly installments of \$3,785 including interest at 1.30% per annum, secured by a building with a carrying value of \$1,191,290, due April 2026.	<u>905,766</u>	<u>939,211</u>
	<u>\$ 1,001,033</u>	<u>\$ 1,055,435</u>

The mortgages are guaranteed by Indigenous Services Canada.

Principal repayments due in the ensuing 4 years are approximately as follows:

2024	\$ 55,062
2025	86,342
2026	53,587
2027	<u>806,042</u>
	<u>\$ 1,001,033</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A10. DEFERRED REVENUE:	2023	2022
Amounts deferred are summarized below:		
Kinder Morgan Canada Inc.	\$ 164,822	\$ 164,822
Province of B.C. - Land Selection Agreement	406,550	406,550
Trans Mountain Emergency Operation Centre	265,060	404,845
Minister of Transportation and Infrastructure	1,209,824	1,349,141
Ministry of Children and Family Development	814,279	1,034,334
Miscellaneous projects	<u>372,060</u>	<u>204,448</u>
	<u><u>\$ 3,232,595</u></u>	<u><u>\$ 3,564,140</u></u>

- a) Kinder Morgan Canada Inc.:
The First Nation has received \$595,533 in prior years as a result of signing a Mutual Benefits Agreement with Kinder Morgan Canada Inc. The payments are to be applied towards program costs as they are incurred. As of March 31, 2023, \$430,711 in costs have been incurred.
- b) Province of B.C. - Land Selection Agreement
The Province of B.C. and the First Nation have signed a Land Selection Agreement as part of accommodation measures for the Valemount Glacier Destination resort. The Province has agreed to transfer \$1.5 million worth of Crown land to the First Nation. At March 31, 2023, the parcels to be transferred have been identified and valued at \$1,093,450. The First Nation has accepted an amendment to the original agreement whereby the remaining value of the transfer (\$406,550) has been accepted in cash as "residual funds" to be used for survey costs and property transfer taxes to be paid by the First Nation as part of the legal transfer of the identified parcels. This amount has been deferred and will be applied towards these costs as they are incurred.
- c) Trans Mountain Emergency Operation Centre
The First Nation has received \$950,189 in prior years as a result of signing a Mutual Benefits Agreement with Trans Mountain Pipeline LP. The payments are to be applied towards program costs as they are incurred. As of March 31, 2023, \$685,129 in costs have been incurred.
- d) Minister of Transportation and Infrastructure
The First Nation has signed a Memorandum of Agreement with the Province of BC related to tenure to certain road areas within the Reserve that form part of Dunn Lake Road. Under this Agreement they have received \$1,497,851 for additional benefits to Simpcw First Nation. These additional benefits are for various specific projects and have been deferred and will be applied towards the costs of these projects as they are incurred. As of March 31, 2023 \$288,027 in costs have been incurred.
- e) Ministry of Children and Family Development
The First Nation has signed a Funding Agreement with the Province of B.C. for a child care space creation project. Under this Agreement the First Nation is eligible to receive up to \$1,591,283. As of March 31, 2023, the First Nation has received \$1,034,334 and \$220,055 of costs have been incurred.
- g) Miscellaneous projects
The First Nation has received contributions for various projects that have not commenced as of March 31, 2023. These projects will be completed in the next fiscal year and the payments will be applied towards project costs as they are incurred.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A11. TANGIBLE CAPITAL ASSETS:	2023	2022
Tangible capital assets at net book value consist of the following:		
Roads and trails	\$ 388,048	\$ 399,558
Buildings and other	2,885,909	2,999,409
Buildings under construction	1,865,196	1,676,753
Water systems	2,792,907	2,812,144
Land	605,577	605,577
Automotive	1,033,472	885,947
Equipment	<u>520,452</u>	<u>484,465</u>
	<u><u>\$ 10,091,561</u></u>	<u><u>\$ 9,863,853</u></u>

For additional information, see the Consolidated Schedule of Tangible Capital assets (Appendix 1).

NOTE A12. ACCUMULATED SURPLUS:	2023	2022
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	\$ 206,973,357	\$ 129,829,570
Surplus from remeasurement gain (loss)	<u>394,851</u>	<u>-</u>
	<u><u>207,368,208</u></u>	<u><u>129,829,570</u></u>
Invested in tangible capital assets	<u><u>9,090,528</u></u>	<u><u>8,808,418</u></u>
Funded Reserves:		
Operating Reserve Fund (CMHC)	31,651	18,588
Replacement Reserve Fund (CMHC)	204,698	190,303
Ottawa Trust Funds	<u>269,329</u>	<u>257,061</u>
	<u><u>505,678</u></u>	<u><u>465,952</u></u>
Committed Reserves (Note A14):		
Own source revenue reserves	6,949,869	6,832,250
Simpcw Trust	<u>3,896,409</u>	<u>3,896,409</u>
	<u><u>10,846,278</u></u>	<u><u>10,728,659</u></u>
	<u><u>\$ 227,810,692</u></u>	<u><u>\$ 149,832,599</u></u>

NOTE A13. COMMITMENTS AND CONTINGENCIES:

Lease Commitments:

The First Nation leases office equipment and automobiles under long-term agreements which expire between March 2024 and May 2027.

Future minimum lease payments as at March 31, 2023, are as follows:

2024	\$ 48,096
2025	1,152
2026	1,152
2027	1,152
2028	<u>192</u>
	<u><u>\$ 51,744</u></u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A13. COMMITMENTS AND CONTINGENCIES (continued):

Other Commitments:

Planning and design has started on a new multi-purpose facility. The budget for construction of the facility is \$30,932,690. The planning and design phase began in January 2020 and no expected completion date has been established. As at March 31, 2023, \$1,734,383 of costs have been incurred. Grants from various sources have been secured totaling approximately \$6,614,955. The remaining costs are to be paid from cash on hand.

Contingencies:

- a) The First Nation receives a portion of its funding under a contribution authority with Indigenous Services Canada which, if unexpended, may be refundable to Indigenous Services Canada. Further, amounts which are overexpended may be reimbursed by Indigenous Services Canada to the First Nation. No amounts have been recorded in the financial statements as refundable or reimbursable.
- b) Social Housing Mortgages:
The First Nation is guarantor of various Capital Housing mortgages, secured by Ministerial guarantees, totaling \$1,214,732.
- c) Pension Plan:
The First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee. Total contributions to the plan during the year were \$56,721 (2022 - \$45,167). The pension rate for employees is 5.5%.
- d) Guarantee:
The First Nation has guaranteed a loan to the Royal Bank of Canada on behalf of Simpcw Resources LLP in the amount of \$900,000. The balance of the loan as of March 31, 2023 is \$622,283 (2022 - \$677,217). The First Nation has not charged a guarantee fee for this loan.

NOTE A14. COMMITTED RESERVES:

The First Nation has set up reserves for future education, social development, health and other needs of Band members. These reserves are funded from Health surpluses and funds received from Kinder Morgan Canada Inc. under the Mutual Benefits Agreement and Canadian Hydro Developer's Inc. under the Impact Benefit Agreement.

The reserves are summarized as follows:

Own source revenue reserves:

Future Generations	\$ 564,054
Legal Defense	497,887
Rights & Titles Research	590,121
Community Development	1,998,514
Heritage	219,914
School	44,592
Band Administration	1,076,991
Health Board	1,169,785
Unfunded Programs	555,511
TransAlta	232,500
	<hr/>
	\$ 6,949,869

Simpcw Trust:

These funds consist of monies received from Kinder Morgan Canada Inc. under the Mutual Benefits Agreement and Canadian Hydro Developer's Inc. under the Impact Benefit Agreement. See Note A4 for further detail.

\$ 3,896,409

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A15. SEGMENTED INFORMATION:

The Simpcw First Nation is a First Nation government institution that provides a range of programs and services to its members, including band revenue, administration, social development, education, community development, capital works and natural resources. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Band Revenue:

The Band Revenue department is responsible for administering projects the First Nation is involved in annually and on an on-going basis relating to the overall objectives of the First Nation.

Band Government:

Administration supports 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.

Local Revenue:

Local Revenue assists in the maintenance of roads, streets and facilities through revenue raised under local revenue laws. Local Revenues have been prepared by management in accordance with Local Revenue Financial Reporting Standards.

Social Services:

Social Services 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.

Education:

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.

Community Development:

Community development 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.

Natural Resources:

Natural Resources is responsible for the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, as well as research and advocacy. It also manages economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2023

NOTE A15. SEGMENTED INFORMATION (continued):

Health:

Health supports the concept of promoting holistic health, and the Community Health Plan, which is based on health needs identified by a community needs assessment. It provides services to the community with programs such as home and community care, addictions counselling and public health services, as well as children, adult and elder wellness prevention and education programs.

Housing:

Housing is responsible for the administration and management of Social Housing units, Band-owned housing units and renovation projects for private homeowners.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note A2. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

NOTE A16. ECONOMIC DEPENDENCE:

The First Nation receives a major portion of its core program revenues pursuant to a Funding Arrangement with Indigenous Services Canada.

NOTE A17. RELATED PARTY TRANSACTIONS:

The First Nation paid \$637,181 (2022 - \$250,664) for environmental services to Estsek' Environmental Services LLP, a partnership owned 50% by Simpcw Resources LLP. As at March 31, 2023, an amount payable of \$319,741 (2022 - \$156,980) is owing to Estsek' Environmental Services LLP and is subject to normal trade terms.

The First Nation paid \$99,989 (2022 - \$38,521) for archaeological services and earned revenue of \$23,664 from Tmicw-Kt Cultural Services LLP, a partnership owned 50% by Simpcw Resources LLP. As at March 31, 2023, an amount payable of \$Nil (2022 - \$20,720) is owing to Tmicw-Kt Cultural Services LLP and an amount receivable of \$20,417 (2022 - \$Nil) is owed. Both amounts are subject to normal trade terms.

NOTE A18. LINE OF CREDIT

Under a line of credit arrangement with The Toronto-Dominion Bank, the First Nation may borrow up to \$2,500,000 on such terms as the First Nation and the bank may mutually agree upon. This arrangement does not have a termination date and can be withdrawn at the bank's option. As of March 31, 2023, the unused portion of the credit line was \$2,500,000.

SIMPCW FIRST NATION
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2023

	Band Operations								Simpcw Holdings Limited	Social Housing Operations	Totals	
	Roads and trails		Land	Buildings and other	Buildings under construction	Water Systems	Automotive	Equipment	Land	Buildings	2023	2022
	Cost											
Balance, beginning of year	\$ 816,089	\$ 297,423	\$ 3,898,678	\$ 1,676,753	\$ 3,764,131	\$ 2,361,314	\$ 1,492,285	\$ 308,154	\$ 1,754,338	\$ 16,369,165	\$ 15,285,107	
Add: Additions during the year	-	-	11,492	188,443	48,484	334,488	224,256	-	-	807,163	1,225,944	
Less: Disposals during the year	-	-	-	-	-	(516,419)	(551,174)	-	-	(1,067,593)	(141,886)	
Balance, end of year	<u>816,089</u>	<u>297,423</u>	<u>3,910,170</u>	<u>1,865,196</u>	<u>3,812,615</u>	<u>2,179,383</u>	<u>1,165,367</u>	<u>308,154</u>	<u>1,754,338</u>	<u>16,108,735</u>	<u>16,369,165</u>	
Accumulated amortization												
Balance, beginning of year	416,531	-	2,355,183	-	951,987	1,475,367	1,007,820	-	298,426	6,505,314	5,984,428	
Add: Amortization	11,510	-	70,793	-	67,721	186,963	172,245	-	54,197	563,429	520,884	
Less: Disposals during the year	-	-	-	-	-	(516,419)	(535,150)	-	-	(1,051,569)	-	
Balance, end of year	<u>428,041</u>	<u>-</u>	<u>2,425,976</u>	<u>-</u>	<u>1,019,708</u>	<u>1,145,911</u>	<u>644,915</u>	<u>-</u>	<u>352,623</u>	<u>6,017,174</u>	<u>6,505,312</u>	
Net Book Value of Tangible Capital Assets	<u>\$ 388,048</u>	<u>\$ 297,423</u>	<u>\$ 1,484,194</u>	<u>\$ 1,865,196</u>	<u>\$ 2,792,907</u>	<u>\$ 1,033,472</u>	<u>\$ 520,452</u>	<u>\$ 308,154</u>	<u>\$ 1,401,715</u>	<u>\$ 10,091,561</u>	<u>\$ 9,863,853</u>	

Buildings under construction are not amortized until they are put into use.

SIMPCW FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2023

	Band Revenue	Local Revenue	Band Government	Social Services	Education	Community Development	Natural Resources	Health	Housing	Other	Total 2023	Total 2022
REVENUE:												
Indigenous Services												
Canada	\$ 3,688,467	\$ -	\$ 303,565	\$ 981,982	\$ -	\$ 605,699	\$ -	\$ 3,768	\$ 205,549	\$ -	\$ 5,789,030	\$ 4,319,456
First Nations												
Health Authority	-	-	-	-	-	-	-	1,204,460	-	-	1,204,460	1,638,396
CMHC	-	-	-	-	-	-	-	-	68,203	-	68,203	118,204
Province of B.C.	3,077,982			391,780	219,342	139,317	508,001	-	-	-	4,336,422	3,667,670
Fisheries & Oceans Canada	-	-	-	-	-	-	284,450	-	-	-	284,450	159,197
Rental	-	-	28,750	-	-	-	-	-	104,574	-	133,324	129,430
Impact Benefit Agreements	-	-	139,785	-	-	-	-	-	-	-	139,785	249,179
Investment income	-	-	1,008,047	-	-	-	-	-	3,163	12,268	1,023,478	943,667
Income from G.B.E.'s	-	-	-	-	-	-	72,755,028	-	-	-	72,755,028	72,153,567
BC First Nations Gaming Revenue												
Sharing Limited Partnership	758,467	-	-	-	-	-	-	-	-	-	758,467	382,360
Other	219,874	69,482	988,329	548,826	663,070	208,581	2,357,917	146,249	1,075	-	5,203,403	5,123,012
	<u>7,744,790</u>	<u>69,482</u>	<u>2,468,476</u>	<u>1,922,588</u>	<u>882,412</u>	<u>953,597</u>	<u>75,905,396</u>	<u>1,354,477</u>	<u>382,564</u>	<u>12,268</u>	<u>91,696,050</u>	<u>88,884,138</u>
EXPENSES:												
Administration fees (recovery)	-	-	42,604	(600)	391	-	(341)	600	-	-	42,654	46,931
Amortization	-	-	247,921	-	33,247	130,733	64,799	17,373	69,357	-	563,430	520,884
Assistance (recovery)	-	-	(800)	377,466	-	-	-	-	-	-	376,666	241,787
Contract services	-	3,539	147,295	40,393	-	-	16,169	-	-	-	207,396	240,784
Distributions	693,554	-	-	-	-	-	-	-	-	-	693,554	745,000
Fees and tuition	-	-	-	-	328,488	-	-	-	-	-	328,488	525,004
Honorarium	-	-	445,022	-	-	-	9,583	-	-	-	454,605	295,945
Insurance	-	-	14,522	-	-	116,519	8,470	-	15,399	-	154,910	122,182
Interest and bank charges	-	-	10,143	-	-	-	-	-	13,387	-	23,530	24,704
Loss on disposal of assets	-	-	16,024	-	-	-	-	-	-	-	16,024	-
Materials and supplies	1,108	922	389,473	1,317,970	243,826	282,072	179,101	197,826	80,411	-	2,692,709	5,367,994
Office and other (recovery)	828	500	219,136	24,531	-	(500)	-	800	-	-	245,295	259,800
Professional fees (recovery)	15,959	-	206,345	98,067	(4,540)	196,659	1,359,047	112,469	62,809	-	2,046,815	1,554,185
Repairs and maintenance (recovery)	-	-	56,697	(2,542)	42,135	7,360	-	10,519	1,176	-	115,345	198,055
Training	-	-	84,437	52,481	137,568	-	8,179	87,665	-	-	370,330	400,101
Travel	655	-	115,151	93,268	9,839	791	243,710	44,857	530	-	508,801	366,832
Utilities	-	-	47,818	34,129	-	99,671	50,085	17,172	-	-	248,875	206,177
Wages and benefits	89,169	1,650	956,061	496,131	989,518	353,649	1,337,108	800,095	-	-	5,023,381	4,669,729
	<u>801,273</u>	<u>6,611</u>	<u>2,997,849</u>	<u>2,531,294</u>	<u>1,780,472</u>	<u>1,186,954</u>	<u>3,275,910</u>	<u>1,289,376</u>	<u>243,069</u>	<u>-</u>	<u>14,112,808</u>	<u>15,786,094</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES												
	<u>6,943,517</u>	<u>62,871</u>	<u>(529,373)</u>	<u>(608,706)</u>	<u>(898,060)</u>	<u>(233,357)</u>	<u>72,629,486</u>	<u>65,101</u>	<u>139,495</u>	<u>12,268</u>	<u>77,583,242</u>	<u>73,098,044</u>
INTERFUND TRANSFERS												
	<u>(5,161,242)</u>	<u>-</u>	<u>507,218</u>	<u>639,235</u>	<u>1,617,027</u>	<u>683,206</u>	<u>1,473,158</u>	<u>10,262</u>	<u>113,519</u>	<u>-</u>	<u>(117,617)</u>	<u>(281,745)</u>
ANNUAL SURPLUS												
	<u>\$ 1,782,275</u>	<u>\$ 62,871</u>	<u>\$ (22,155)</u>	<u>\$ 30,529</u>	<u>\$ 718,967</u>	<u>\$ 449,849</u>	<u>\$ 74,102,644</u>	<u>\$ 75,363</u>	<u>\$ 253,014</u>	<u>\$ 12,268</u>	<u>\$ 77,465,625</u>	<u>\$ 72,816,299</u>

SIMPCW FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2022

	Band Revenue	Local Revenue	Band Government	Social Services	Education	Community Development	Natural Resources	Health	Housing	Other	Total 2022
REVENUE:											
Indigenous Services											
Canada	\$ 2,754,314	\$ -	\$ 324,473	\$ 416,064	\$ 149,041	\$ 431,198	\$ 35,280	\$ 89,426	\$ 119,660	\$ -	\$ 4,319,456
First Nations											
Health Authority	-	-	-	-	-	-	-	1,638,396	-	-	1,638,396
CMHC	-	-	-	-	-	-	-	-	118,204	-	118,204
Province of B.C.	2,842,952	-	-	65,651	212,436	24,662	517,474	4,495	-	-	3,667,670
Fisheries & Oceans Canada	-	-	-	-	-	-	159,197	-	-	-	159,197
Rental	-	-	28,750	-	-	-	-	-	100,680	-	129,430
Impact Benefit Agreements	-	-	249,179	-	-	-	-	-	-	-	249,179
Investment income	-	-	938,302	-	-	-	-	-	1,226	4,139	943,667
Income from G.B.E.'s	-	-	-	-	-	-	72,153,567	-	-	-	72,153,567
BC First Nations Gaming Revenue											
Sharing Limited Partnership	382,360	-	-	-	-	-	-	-	-	-	382,360
Other	218,464	67,905	391,154	552,548	641,145	59,709	2,421,325	638,892	131,870	-	5,123,012
	6,198,090	67,905	1,931,858	1,034,263	1,002,622	515,569	75,286,843	2,371,209	471,640	4,139	88,884,138
EXPENSES:											
Administration fees	-	-	46,568	-	363	-	-	-	-	-	46,931
Amortization	-	-	241,508	-	28,662	130,270	33,671	17,416	69,357	-	520,884
Assistance	-	-	-	241,787	-	-	-	-	-	-	241,787
Contract services	-	2,037	146,228	33,197	11,384	-	47,938	-	-	-	240,784
Distributions	745,000	-	-	-	-	-	-	-	-	-	745,000
Fees and tuition	-	-	-	-	525,004	-	-	-	-	-	525,004
Honorarium	-	-	295,820	-	-	-	125	-	-	-	295,945
Insurance	-	-	11,589	-	-	86,631	10,695	-	13,267	-	122,182
Interest and bank charges	-	-	9,546	-	-	-	-	-	15,158	-	24,704
Loss on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Materials and supplies	3,500,000	147	209,329	775,175	134,771	135,058	121,893	200,506	291,115	-	5,367,994
Office and other	-	-	224,083	23,647	-	600	1,270	10,200	-	-	259,800
Professional fees	32,511	-	267,615	122,386	5,107	140,194	958,024	21,933	6,415	-	1,554,185
Repairs and maintenance	-	-	37,890	-	26,163	60,049	-	10,633	63,320	-	198,055
Training	-	-	13,610	46,422	171,892	-	20,863	145,990	1,324	-	400,101
Travel	-	-	50,527	45,077	6,035	415	229,619	32,794	2,365	-	366,832
Utilities	331	-	43,786	12,801	-	108,165	27,677	13,417	-	-	206,177
Wages and benefits	-	-	886,592	327,537	993,476	304,226	1,312,382	816,965	28,551	-	4,669,729
	4,277,842	2,184	2,484,691	1,628,029	1,902,857	965,608	2,764,157	1,269,854	490,872	-	15,786,094
EXCESS (SHORTFALL) OF REVENUE											
OVER EXPENSES	1,920,248	65,721	(552,833)	(593,766)	(900,235)	(450,039)	72,522,686	1,101,355	(19,232)	4,139	73,098,044
INTERFUND TRANSFERS	(4,115,928)	-	308,960	378,878	1,231,899	576,464	1,083,616	110,300	144,066	-	(281,745)
ANNUAL SURPLUS (DEFICIT)	\$ (2,195,680)	\$ 65,721	\$ (243,873)	\$ (214,888)	\$ 331,664	\$ 126,425	\$ 73,606,302	\$ 1,211,655	\$ 124,834	\$ 4,139	\$ 72,816,299

See accompanying notes to financial statements