

**Boston Bar First Nation**  
**Financial Statements**  
*March 31, 2023*

**Boston Bar First Nation**  
**Contents**  
*For the year ended March 31, 2023*

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|   | Page     |
|---|----------|
| <b>Independent Auditors' Report</b>                   |          |
| <b>Financial Statements</b>                           |          |
| Statement of Financial Position.....                  | 1        |
| Statement of Operations and Accumulated Surplus.....  | 2        |
| Statement of Changes in Net Financial Assets.....     | 3        |
| Statement of Cash Flows.....                          | 4        |
| <b>Notes to the Financial Statements.....</b>         | <b>5</b> |
| <b>Schedules</b>                                      |          |
| Schedule 1 - Schedule of Tangible Capital Assets..... | 13       |
| Schedule 2 - Segmented Information .....              | 14       |

To the Members of Boston Bar First Nation:

## Opinion

We have audited the financial statements of Boston Bar First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the 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 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, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Qualified Opinion

The financial information for one of the First Nation's government business enterprises ("GBE") was not available and has not been accounted for in the financial statements for the current year. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the First Nation's investment in the GBE and the First Nation's share of income (loss) from the GBE. Consequently, we were unable to determine the adjustments, if any, to the investment in the GBE for the year ended March 31, 2023 and net income (loss) from the GBE reported in the statement of operations and accumulated surplus for the year ended March 31, 2023.

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

## Responsibilities of Management and Those Charged with Governance for the 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 related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of the 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.

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.

Chilliwack, British Columbia

December 23, 2024

  
Chartered Professional Accountants

**Boston Bar First Nation**  
**Statement of Financial Position**  
*As at March 31, 2023*

|   | 2023              | 2022       |
|---|-------------------|------------|
| <b>Financial assets</b>                                 |                   |            |
| Cash and cash equivalents                               | 3,047,040         | 1,754,008  |
| Accounts receivable (Note 3)                            | 610,257           | 470,346    |
| Portfolio investments (Note 4)                          | 110               | 110        |
| Inventory for resale (Note 5)                           | 57,985            | 62,152     |
| Restricted cash (Note 6)                                | 126,047           | 113,362    |
| Investments (Note 7)                                    | 1,818,383         | 1,780,897  |
| Investments in government business enterprises (Note 8) | 2,033,411         | 1,921,937  |
| Funds held in trust (Note 9)                            | 487,839           | 467,689    |
| <b>Total financial assets</b>                           | <b>8,181,072</b>  | 6,570,501  |
| <b>Liabilities</b>                                      |                   |            |
| Accounts payable and accruals                           | 265,906           | 376,278    |
| Long-term debt (Note 10)                                | 346,238           | 375,631    |
| <b>Total of liabilities</b>                             | <b>612,144</b>    | 751,909    |
| <b>Net financial assets</b>                             | <b>7,568,928</b>  | 5,818,592  |
| <b>Contingencies (Note 11)</b>                          |                   |            |
| <b>Non-financial assets</b>                             |                   |            |
| Tangible capital assets (Schedule 1)                    | 8,041,749         | 8,089,140  |
| Prepaid expenses  | 7,590             | 16,319     |
| <b>Total non-financial assets</b>                       | <b>8,049,339</b>  | 8,105,459  |
| <b>Accumulated surplus (Note 12)</b>                    | <b>15,618,267</b> | 13,924,051 |

**Approved on behalf of the Council**

Original signed by Pamela Robertson

**Chief**

Original signed by Dawn Angus

**Councilor**

**Boston Bar First Nation**  
**Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget</b> | <b>2023</b>       | 2022       |
|--|------------------------|-------------------|------------|
| <b>Revenue</b>   |                        |                   |            |
| Indigenous Services Canada   | <b>831,220</b>         | <b>1,628,560</b>  | 1,381,003  |
| First Nation Health Authority  | -                      | <b>71,200</b>     | 64,000     |
| Canada Mortgage and Housing Corporation                              | -                      | <b>68,858</b>     | 34,361     |
| Other funding  | <b>135,319</b>         | <b>629,781</b>    | 294,619    |
| Store sales and campsite revenue                                     | <b>48,040</b>          | <b>554,857</b>    | 496,151    |
| Investment income  | -                      | <b>431,147</b>    | 182,020    |
| Property tax and land use fees                                       | -                      | <b>425,073</b>    | 381,892    |
| Fraser Thompson Indian Services Society                              | <b>194,532</b>         | <b>249,760</b>    | 271,886    |
| Other revenue  | -                      | <b>240,570</b>    | 492,494    |
| First Nations Education Steering Committee                           | <b>166,857</b>         | <b>168,963</b>    | 208,935    |
| Earnings from investment in government business enterprises (Note 8) | -                      | <b>111,474</b>    | 47,285     |
| Hell's Gate Reserve Claim  | -                      | <b>81,418</b>     | -          |
| Rental income  | -                      | <b>66,755</b>     | 50,800     |
| Interest income  | -                      | <b>61,941</b>     | 47,705     |
| Nlaka'pamux Nation Tribal Council                                    | -                      | <b>19,559</b>     | 12,847     |
|  | <b>1,375,968</b>       | <b>4,809,916</b>  | 3,965,998  |
| <b>Expenses</b>  |                        |                   |            |
| Finance & Administration   | <b>326,275</b>         | <b>945,989</b>    | 1,404,696  |
| Social Development   | <b>203,404</b>         | <b>770,178</b>    | 696,795    |
| Capital Projects   | <b>115,103</b>         | <b>153,980</b>    | 185,957    |
| Education  | <b>41,024</b>          | <b>372,146</b>    | 432,658    |
| Forestry and Resource Management                                     | -                      | <b>413,931</b>    | 169,323    |
| Health   | <b>154,560</b>         | <b>162,233</b>    | 128,749    |
| Social Housing   | -                      | <b>42,009</b>     | 100,568    |
| Other  | -                      | <b>255,234</b>    | 247,872    |
|  | <b>840,366</b>         | <b>3,115,700</b>  | 3,366,618  |
| <b>Surplus</b>   |                        |                   |            |
|  | <b>535,602</b>         | <b>1,694,216</b>  | 599,380    |
| <b>Accumulated surplus, beginning of year</b>                        | <b>13,924,051</b>      | <b>13,924,051</b> | 13,324,671 |
| <b>Accumulated surplus, end of year (Note 12)</b>                    | <b>14,459,653</b>      | <b>15,618,267</b> | 13,924,051 |

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

**Boston Bar First Nation**  
**Statement of Changes in Net Financial Assets**  
*For the year ended March 31, 2023*

|  | <b>2023<br/>Budget</b> | <b>2023</b>      | <b>2022</b> |
|--|------------------------|------------------|-------------|
| <b>Surplus</b>                                 | <b>535,602</b>         | <b>1,694,216</b> | 599,380     |
| Purchases of tangible capital assets           | -                      | (207,843)        | (202,607)   |
| Amortization of tangible capital assets        | -                      | 255,234          | 247,872     |
|  | -                      | 47,391           | 45,265      |
| Acquisition of prepaid expenses                | -                      | (7,590)          | (16,319)    |
| Use of prepaid expenses                        | -                      | 16,319           | 17,936      |
| <b>Increase in net financial assets</b>        | <b>535,602</b>         | <b>1,750,336</b> | 646,262     |
| <b>Net financial assets, beginning of year</b> | <b>5,818,592</b>       | <b>5,818,592</b> | 5,172,330   |
| <b>Net financial assets, end of year</b>       | <b>6,354,194</b>       | <b>7,568,928</b> | 5,818,592   |

**Boston Bar First Nation**  
**Statement of Cash Flows**  
*For the year ended March 31, 2023*

|   | <b>2023</b>      | 2022      |
|---|------------------|-----------|
| <b>Cash provided by (used for) the following activities</b> |                  |           |
| <b>Operating activities</b>                                 |                  |           |
| Surplus   | 1,694,216        | 599,380   |
| Non-cash items  |                  |           |
| Amortization  | 255,234          | 247,872   |
| Earnings from investment in government business enterprises | (111,474)        | (47,285)  |
|   | <b>1,837,976</b> | 799,967   |
| Changes in working capital accounts                         |                  |           |
| Accounts receivable   | (139,911)        | (230,995) |
| Inventory for resale  | 4,167            | (21,404)  |
| Prepaid expenses  | 8,729            | 1,617     |
| Accounts payable and accruals                               | (110,372)        | 200,813   |
| Funds held in trust   | (20,150)         | (14,392)  |
| Restricted cash   | (12,685)         | (113,362) |
| Investments   | (37,486)         | (38,742)  |
|   | <b>1,530,268</b> | 583,502   |
| <b>Financing activities</b>                                 |                  |           |
| Repayment of long-term debt                                 | (29,393)         | (28,961)  |
| <b>Capital activities</b>                                   |                  |           |
| Purchases of tangible capital assets                        | (207,843)        | (202,607) |
| <b>Increase in cash resources</b>                           | <b>1,293,032</b> | 351,934   |
| <b>Cash resources, beginning of year</b>                    | <b>1,754,008</b> | 1,402,074 |
| <b>Cash resources, end of year</b>                          | <b>3,047,040</b> | 1,754,008 |

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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**1. Operations**

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

**2. Significant accounting policies**

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

***Basis of presentation***

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

***Asset classification***

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

***Net financial assets***

The First Nation's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation are determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

***Cash and cash equivalents***

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

***Investments***

The First Nation uses the modified equity method to account for its investments in Nlaka'pamux Resources Limited Partnership, Nlaka'pamux Resources Ltd. and K'en T'em Limited Partnership as the entities are not dependent on the Nation for their continuing operations. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in this entity is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received to the extent that retained earnings is above zero.

***Inventory***

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2023, the First Nation has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the First Nation can reasonably be expected within one year.

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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

***Tangible capital assets***

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

***Amortization***

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

|  | <b>Rate</b>             |
|--|-------------------------|
| Buildings, infrastructure and social housing | declining balance 2.5 % |
| Vehicles, machinery and equipment            | declining balance 10 %  |

***Long-lived assets***

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

When the First Nation determines that a long-lived asset no longer has any long-term service potential to the First Nation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

***Funds held in Ottawa Trust Fund***

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

***Revenue recognition***

***Funding***

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

***Government transfers***

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

***Housing rental income***

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

***Funds held in Ottawa Trust Fund***

Due to uncertainty, the First Nation recognizes revenue at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

***Other revenue***

Other revenue is recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Store sales, campsite fees, and property tax and land use fees are reported as revenue in the month to which the amounts relate and collection is reasonably assured. Interest revenue is recognized when earned.

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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

***Other investment Income***

Interest and dividend income earned on portfolio investments are recognized as revenue when received.

***Measurement uncertainty***

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

***Segments***

The First Nation conducts its operations through eight reportable segments: Finance and Administration, Social Development, Capital Projects, Education, Forestry and Resource Management, Health, Social Housing, and Other. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

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

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

***Liability for contaminated site***

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

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

***Asset retirement obligation***

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

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

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

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

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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

**3. Accounts receivable**

|   | <b>2023</b>     | 2022      |
|---|-----------------|-----------|
| Housing rent receivable                 | <b>147,005</b>  | 195,987   |
| Trade receivables                       | <b>386,836</b>  | 285,050   |
| GST receivable                          | <b>56,081</b>   | 51,601    |
| Accrued interest                        | <b>36,419</b>   | 27,319    |
| Canada Mortgage and Housing Corporation | <b>2,863</b>    | 2,863     |
| Member loans                            | <b>8,244</b>    | 12,444    |
|   | <b>637,448</b>  | 575,264   |
| Less: Allowance for doubtful accounts   | <b>(27,191)</b> | (104,918) |
|   | <b>610,257</b>  | 470,346   |

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**4. Portfolio investments**

|  | <b>2023</b> | 2022 |
|--|-------------|------|
| Measured at cost:                                    |             |      |
| BC First Nations Gaming Revenue Sharing LP           | <b>100</b>  | 100  |
| BC First Nations Gaming Sharing General Partner Ltd. | <b>10</b>   | 10   |
|  | <b>110</b>  | 110  |

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**5. Inventory for resale**

Inventory consists of the following:

|                         | <b>2023</b>   | 2022   |
|-------------------------|---------------|--------|
| Bear Essentials Gas Bar | <b>57,985</b> | 62,152 |

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**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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**6. Restricted Cash**

Under agreements with CMHC the Nation established a replacement reserve, funded by an annual allocation of \$8,400 (2022 - \$8,400) to ensure maintenance and replacement of buildings financed by CMHC. In addition to the annual allocation, the First Nation was required to allocate a supplemental assistance amount totalling \$34,500. At March 31, 2023, \$117,197 (2022 - \$92,530) has been set aside to fund this reserve. The replacement reserve is fully funded at March 31, 2023 (2022 - fully funded).

In accordance with terms of the agreements, CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the Nation established an operating reserve. At March 31, 2023, \$8,850 (2022 - \$20,832) has been set aside to fund this reserve. At March 31, 2023, the reserve is fully funded (2022 - fully funded).

In accordance with terms of the agreements, CMHC operating reserve funds are held in separate interest-bearing accounts guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

**7. Investments**

Investments consist of non-redeemable term deposits.

|   | 2023             | 2022      |
|---|------------------|-----------|
| Term deposit #5 bearing interest at 3.80% maturing July 8, 2025 | 584,518          | 574,183   |
| Term deposit #6 bearing interest at 2.25% maturing July 8, 2023 | 1,233,865        | 1,206,714 |
|   | <b>1,818,383</b> | 1,780,897 |

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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**8. Investments in Government Business Enterprises**

The First Nation has investments in the following entities:

|   | Opening<br>Partner's<br>Capital | Net Income     | Withdrawals /<br>Contributions | 2023<br>Total<br>investment |
|---|---------------------------------|----------------|--------------------------------|-----------------------------|
| <b>Government Business Enterprises – Modified Equity:</b> |                                 |                |                                |                             |
| Nlaka'pamux Resources Limited Partnership (17.9%)         | 1,346,755                       | -              | -                              | 1,346,755                   |
| K'en T'em Limited Partnership (12.5%)                     | 575,182                         | 111,474        | -                              | 686,656                     |
|   | <b>1,921,937</b>                | <b>111,474</b> | -                              | <b>2,033,411</b>            |
|   | Opening<br>Partner's<br>Capital | Net Income     | Withdrawals                    | 2022<br>Total<br>investment |
| <b>Government Business Enterprises – Modified Equity:</b> |                                 |                |                                |                             |
| Nlaka'pamux Resources Limited Partnership (17.9%)         | 1,346,755                       | -              | -                              | 1,346,755                   |
| K'en T'em Limited Partnership (12.5%)                     | 527,897                         | 47,285         | -                              | 575,182                     |
|   | <b>1,874,652</b>                | <b>47,285</b>  | -                              | <b>1,921,937</b>            |

The First Nation's investments in Nlaka'pamux Resources Limited Partnership and K'en T'em Limited Partnership were established for the purpose of pursuing commercial economic development opportunities.

Nlaka'pamux Resources Ltd. is the general partner of Nlaka'pamux Resources Limited Partnership and its financial activity has been included in the consolidated financial information above.

Summary financial information for each First Nation, accounted for using the modified equity method, for their respective year-end is as follows (Note: Financial information for Nlaka'pamux Resources Limited Partnership for the year ended December 31, 2021 and 2022 were not available as of the date of the financial statements):

|  | Nlaka'pamux<br>Resources<br>Limited<br>Partnership<br>As at December<br>31, 2020 | K'en T'em<br>Limited<br>Partnership<br>As at December<br>31, 2022 | K'en T'em<br>Limited<br>Partnership<br>As at December<br>31, 2021 |
|--|--|---|---|
| <b>Assets</b>                                    |  |   |   |
| Current assets                                   | 288,113  | 1,451,474   | 828,071   |
| Long-term assets                                 | 7,306,503  | 5,630,610   | 3,810,083   |
| Property, plant and equipment                    | -  | -   | 49,341  |
| <b>Total assets</b>                              | <b>7,594,616</b>   | <b>7,082,084</b>  | <b>4,687,495</b>  |
| <b>Liabilities &amp; Partners' Capital</b>       |  |   |   |
| Current liabilities                              | 76,608   | 137,134   | 85,901  |
| Partners' Capital                                | 7,518,008  | 5,493,476   | 4,601,594   |
| <b>Total liabilities &amp; Partners' Capital</b> | <b>7,594,616</b>   | <b>5,630,610</b>  | <b>4,687,495</b>  |
|  | <b>-</b>   | <b>1,451,474</b>  | <b>-</b>  |
| <b>Total revenue</b>                             | <b>448,987</b>   | <b>2,080,690</b>  | <b>1,114,521</b>  |
| <b>Total expenses</b>                            | <b>5,242</b>   | <b>1,188,808</b>  | <b>736,206</b>  |
| <b>Net income</b>                                | <b>443,745</b>   | <b>891,882</b>  | <b>378,315</b>  |

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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**9. Funds held in trust**

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

|                                    | 2023           | 2022    |
|------------------------------------|----------------|---------|
| <b>Capital Trust</b>               |                |         |
| Balance, beginning and end of year | <b>48,126</b>  | 48,126  |
| <b>Revenue Trust</b>               |                |         |
| Balance, beginning of year         | 419,563        | 405,171 |
| Additions                          | 20,150         | 14,392  |
| Balance, end of year               | <b>439,713</b> | 419,563 |
| Fund Total                         | <b>487,839</b> | 467,689 |

**10. Long-term debt**

|   | 2023           | 2022    |
|---|----------------|---------|
| All Nations Trust Company - Non-profit Housing Project VIII mortgage payable in monthly payments of \$1,954, including interest at 1.13% per annum, renewal date of June 1, 2026, maturity date of June 1, 2036     | 288,468        | 308,541 |
| All Nations Trust Company - Non-profit Housing Project VII mortgage payable in monthly payments of \$892, including interest at 2.22% per annum, renewal date of January 1, 2024, maturity date of December 1, 2028 | 57,770         | 67,090  |
|   | <b>346,238</b> | 375,631 |

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

|      |         |
|------|---------|
| 2024 | 29,811  |
| 2025 | 30,255  |
| 2026 | 30,707  |
| 2027 | 31,165  |
| 2028 | 31,632  |
|      | <hr/>   |
|      | 153,570 |

The non-profit housing loans are secured by ministerial guarantee of Indigenous Services Canada.

**11. Contingencies**

The First Nation has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

**Boston Bar First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2023*

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**12. Accumulated surplus**

Accumulated surplus is comprised of the following:

|   | <b>2023</b>       | <b>2022</b> |
|---|-------------------|-------------|
| Unrestricted surplus                                  | <b>5,275,459</b>  | 3,707,554   |
| Equity in tangible capital assets                     | 7,695,511         | 7,713,509   |
| Equity in investments in Government business entities | 2,033,411         | 1,921,937   |
| Equity in Ottawa Trust Funds                          | 487,839           | 467,689     |
| Equity in CMHC replacement and operating reserve      | 126,047           | 113,362     |
|   | <b>15,618,267</b> | 13,924,051  |

**13. Economic dependence**

The First Nation receives a significant portion of its revenue from the federal government. These funds are administered by the federal government under the terms and conditions of the *Indian Act*. The ability of the First Nation to continue operations is dependent upon the continued financial commitments as guaranteed by the funding agreements held.

**14. Segments**

The First Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficit are organized by segments. Schedule 2 discloses the First Nation's revenue and expenses in the following segments:

*Finance and Administration*

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

*Social Development*

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

*Capital Projects*

Includes revenue and expenditures related to capital projects.

*Education*

Includes revenue and expenses related to various levels of education programs and growth and revenue producing projects for the members of the First Nation.

*Forestry and Resource Management*

Includes revenue and expenses related to forestry projects.

*Health*

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

*Social Housing*

Includes rent collection and maintenance related to the mortgaged and non-mortgaged homes owned by the First Nation.

*Other*

Includes funds held in trust by the Government of Canada on behalf of the First Nation and non-housing amortization expenses.

**Boston Bar First Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2023*

|  | <i>Land,<br/>buildings, and<br/>infrastructure</i> | <i>Vehicles,<br/>machinery,<br/>and equipment</i> | <i>Social housing</i> | 2023              | 2022              |
|--|--|---|-----------------------|-------------------|-------------------|
| <b>Cost</b>                                      |  |   |                       |                   |                   |
| Balance, beginning of year                       | 11,203,729   | 1,531,865   | 907,137               | 13,642,731        | 13,440,124        |
| Acquisition of tangible capital assets           | 43,717   | 164,126   | -                     | 207,843           | 202,607           |
| Balance, end of year                             | <b>11,247,446</b>                                  | <b>1,695,991</b>                                  | <b>907,137</b>        | <b>13,850,574</b> | <b>13,642,731</b> |
| <b>Accumulated amortization</b>                  |  |   |                       |                   |                   |
| Balance, beginning of year                       | 4,204,173  | 1,058,186   | 291,232               | 5,553,591         | 5,305,719         |
| Annual amortization                              | 176,056  | 63,780  | 15,398                | 255,234           | 247,872           |
| Balance, end of year                             | <b>4,380,229</b>                                   | <b>1,121,966</b>                                  | <b>306,630</b>        | <b>5,808,825</b>  | <b>5,553,591</b>  |
| <b>Net book value of tangible capital assets</b> | <b>6,867,217</b>                                   | <b>574,025</b>                                    | <b>600,507</b>        | <b>8,041,749</b>  | <b>8,089,140</b>  |
| Net book value of tangible capital assets 2022   | 6,999,556  | 473,679   | 615,905               | 8,089,140         |                   |

**Boston Bar First Nation**  
**Schedule 2 - Segmented Information**  
*For the year ended March 31, 2023*

|                                    | Finance and Administration | Social Development | Capital Projects | Education         | Forestry & Resource Management | Health           | Social Housing   | Other              | 2023                |
|------------------------------------|----------------------------|--------------------|------------------|-------------------|--------------------------------|------------------|------------------|--------------------|---------------------|
| <b>Revenue</b>                     |                            |                    |                  |                   |                                |                  |                  |                    |                     |
| Indigenous Services Canada         | \$ 227,371                 | \$ 879,854         | \$ 198,232       | \$ 323,103        | \$ -                           | \$ -             | \$ -             | \$ -               | \$ 1,628,560        |
| Other government                   | 667,760                    | 113,455            | 27,397           | 270,272           | 475,972                        | 195,417          | 68,858           | 5,624              | 1,824,754           |
| Economic activities and other      | 1,255,512                  | 20,000             | -                | 33,096            | -                              | -                | 33,467           | 14,526             | 1,356,601           |
|                                    | <b>2,150,643</b>           | <b>1,013,309</b>   | <b>225,629</b>   | <b>626,471</b>    | <b>475,972</b>                 | <b>195,417</b>   | <b>102,325</b>   | <b>20,150</b>      | <b>4,809,916</b>    |
| <b>Expenses</b>                    |                            |                    |                  |                   |                                |                  |                  |                    |                     |
| Amortization                       | -                          | -                  | -                | -                 | -                              | -                | -                | 255,234            | 255,234             |
| Operating expenses                 | 236,159                    | 349,059            | 41,894           | 17,920            | 58,334                         | 23,450           | 38,361           | -                  | 765,178             |
| Salaries, wages and benefits       | 155,795                    | 172,590            | 68,441           | 28,004            | 100,772                        | 120,112          | 2,888            | -                  | 648,601             |
| Program and services expenses      | 554,035                    | 248,529            | 43,645           | 326,222           | 254,825                        | 18,671           | 760              | -                  | 1,446,686           |
|                                    | <b>945,989</b>             | <b>770,178</b>     | <b>153,980</b>   | <b>372,146</b>    | <b>413,931</b>                 | <b>162,233</b>   | <b>42,009</b>    | <b>255,234</b>     | <b>3,115,700</b>    |
| Surplus (deficit) before transfers | <b>1,204,655</b>           | <b>243,132</b>     | <b>71,649</b>    | <b>254,325</b>    | <b>62,041</b>                  | <b>33,184</b>    | <b>60,317</b>    | <b>(235,084)</b>   | <b>1,694,216</b>    |
| Transfers between segments         | <b>(148,933)</b>           | <b>(14,831)</b>    | <b>-</b>         | <b>(25,000)</b>   | <b>-</b>                       | <b>-</b>         | <b>(19,080)</b>  | <b>207,843</b>     | <b>-</b>            |
| <b>Annual surplus (deficit)</b>    | <b>\$ 1,055,722</b>        | <b>\$ 228,301</b>  | <b>\$ 71,649</b> | <b>\$ 229,325</b> | <b>\$ 62,041</b>               | <b>\$ 33,184</b> | <b>\$ 41,237</b> | <b>\$ (27,241)</b> | <b>\$ 1,694,216</b> |

|                                    | Finance and Administration | Social Development | Capital Projects | Education         | Forestry & Resource Management | Health            | Social Housing     | Other              | 2022              |
|------------------------------------|----------------------------|--------------------|------------------|-------------------|--------------------------------|-------------------|--------------------|--------------------|-------------------|
| <b>Revenue</b>                     |                            |                    |                  |                   |                                |                   |                    |                    |                   |
| Indigenous Services Canada         | \$ 167,504                 | \$ 641,948         | \$ 216,220       | \$ 355,331        | \$ -                           | \$ -              | \$ -               | \$ -               | \$ 1,381,003      |
| Other government                   | 511,363                    | -                  | 15,677           | 350,352           | 326,168                        | 127,474           | 34,361             | 5,610              | 1,371,006         |
| Economic activities and other      | 975,264                    | 195,731            | -                | -                 | -                              | -                 | 34,212             | 8,782              | 1,213,989         |
|                                    | <b>1,654,131</b>           | <b>837,679</b>     | <b>231,897</b>   | <b>705,683</b>    | <b>326,168</b>                 | <b>127,474</b>    | <b>68,573</b>      | <b>14,392</b>      | <b>3,965,998</b>  |
| <b>Expenses</b>                    |                            |                    |                  |                   |                                |                   |                    |                    |                   |
| Amortization                       | -                          | -                  | -                | -                 | -                              | -                 | -                  | 247,872            | 247,872           |
| Operating expenses                 | 252,171                    | 208,170            | 71,223           | 12,710            | -                              | 22,391            | 55,158             | -                  | 621,823           |
| Salaries, wages and benefits       | 252,253                    | 141,452            | 70,574           | 43,900            | 179                            | 38,129            | -                  | -                  | 546,486           |
| Program and services expenses      | 900,272                    | 347,173            | 44,160           | 376,048           | 169,144                        | 68,230            | 45,410             | -                  | 1,950,437         |
|                                    | <b>1,404,696</b>           | <b>696,795</b>     | <b>185,957</b>   | <b>432,658</b>    | <b>169,323</b>                 | <b>128,749</b>    | <b>100,568</b>     | <b>247,872</b>     | <b>3,366,618</b>  |
| Surplus (deficit) before transfers | <b>249,435</b>             | <b>140,884</b>     | <b>45,941</b>    | <b>273,025</b>    | <b>156,845</b>                 | <b>1,276</b>      | <b>31,995</b>      | <b>(233,480)</b>   | <b>599,380</b>    |
| Transfers between segments         | <b>164,596</b>             | <b>(8,726)</b>     | <b>(23,875)</b>  | <b>-</b>          | <b>(333,858)</b>               | <b>(743)</b>      | <b>-</b>           | <b>202,607</b>     | <b>-</b>          |
| <b>Annual surplus (deficit)</b>    | <b>\$ 414,031</b>          | <b>\$ 132,158</b>  | <b>\$ 22,066</b> | <b>\$ 273,025</b> | <b>\$ (177,013)</b>            | <b>\$ (2,019)</b> | <b>\$ (31,995)</b> | <b>\$ (30,873)</b> | <b>\$ 599,380</b> |