

Consolidated Financial Statements of



And Independent Auditor's Report thereon

Year ended March 31, 2023



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## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Takla Nation (the "Nation") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Nation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Chief and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Nation. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Nation's consolidated financial statements.

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Interim General Manager Operations



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## INDEPENDENT AUDITOR'S REPORT

To the Members of Takla Nation

### ***Opinion***

We have audited the consolidated financial statements of Takla Nation (the Nation), which comprise:

- the consolidated statement of financial position as at March 31, 2023
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2023 and its consolidated results of operations and its consolidated cash flows 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 auditor's report.

We are independent of the 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 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 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 Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the 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 the 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 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 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 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.



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- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group 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.

*KPMG LLP*

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly curved line that tapers at both ends, serving as a decorative underline.

Chartered Professional Accountants

Prince George, Canada

December 4, 2023




Consolidated Statement of Financial Position

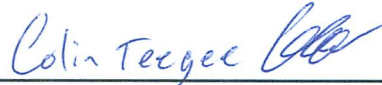
March 31, 2023, with comparative information for 2022

	2023	2022
<b>Financial assets:</b>		
Cash	\$ 5,724,444	\$ 6,133,068
Accounts receivable (note 2)	5,536,910	4,978,115
Restricted cash (note 3)	261,460	231,438
Term deposits (note 4)	13,171,092	16,000,000
Investments in government business entities (note 5)	16,012,768	10,775,411
Ottawa Trust Fund (note 6)	40,376	37,270
	\$ 40,747,050	\$ 38,155,302
<b>Liabilities:</b>		
Accounts payable and accrued liabilities (note 7)	\$ 6,555,413	\$ 3,160,108
Deferred revenue (note 8)	700,675	3,756,947
Long-term debt (note 9)	2,536,834	2,267,321
Obligations under capital lease	-	28,395
Replacement reserves	-	265,022
	9,792,922	9,477,793
Net financial assets	30,954,128	28,677,509
<b>Non-financial assets:</b>		
Prepaid expenses	175,274	185,473
Tangible capital assets (note 10)	33,941,322	24,829,415
	34,116,596	25,014,888
Contingent liabilities (note 16)		
<b>Accumulated surplus (note 14)</b>	\$ 65,070,724	\$ 53,692,397

See accompanying notes to consolidated financial statements.

On behalf of Chief and Council:

  
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 Eocoo Fook

  
 \_\_\_\_\_  
 Colin Teegee





## Consolidated Statement of Operations

Year ended March 31, 2023, with comparative information for 2022

	2023 Budget	2023 Actual	2022 Actual
Revenue (note 15):			
Indigenous Services Canada	\$ 4,908,813	\$ 7,994,820	\$ 7,122,555
First Nations Health Authority	584,197	612,395	878,555
Federal government transfers	-	3,392,541	1,171,968
Canada Mortgage and Housing Corporation	1,116,631	151,888	3,930,758
Province of British Columbia	208,763	10,540,505	3,061,554
Other (note 12)	2,657,919	3,445,784	1,799,973
Ottawa Trust Funds (note 6)	-	3,106	2,577
(Loss) income from investments in government business entities (note 5)	-	(494,220)	48,018
Carrier Sekani Family Services	1,270,397	1,031,309	1,088,082
Carrier Sekani Tribal Council	3,940,000	171,220	135,863
First Nations Education Steering Committee	488,875	547,787	623,418
Own source	22,869,306	6,498,250	8,707,139
Change in deferred revenue	-	3,056,272	(1,798,330)
	38,044,901	36,951,657	26,772,130
Expenses (note 15):			
Administration	1,446,661	4,792,421	3,625,115
Capital	12,772,663	1,601,033	1,181,081
Community service	235,200	196,069	133,389
Education	2,258,607	2,881,417	1,906,665
Emergency services	2,045,825	406,761	455,402
Employment and training	392,168	190,062	252,369
Health	1,825,769	1,983,753	1,346,706
Housing	1,732,872	795,659	1,223,901
Lands and resources	7,497,033	2,527,851	2,840,855
Language and culture	729,002	284,934	98,516
General government (note 13)	3,093,000	4,948,007	419,671
Public works	1,623,379	1,508,113	1,020,935
Social development	618,337	757,120	595,859
Economic development	531,360	456,411	187,765
Youth and elders program	2,470,736	2,243,719	1,285,401
	39,272,612	25,573,330	16,573,630
Annual (deficit) surplus	(1,227,711)	11,378,327	10,198,500
Accumulated surplus, beginning of year	53,692,397	53,692,397	43,493,897
Accumulated surplus, end of year	\$ 52,464,686	\$ 65,070,724	\$ 53,692,397

See accompanying notes to consolidated financial statements.





Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2023, with comparative information for 2022

	Budget	Total 2023	Total 2022
Annual (deficit) surplus	\$ (1,227,711)	\$ 11,378,327	\$ 10,198,500
Acquisition of tangible capital assets	-	(11,317,025)	(3,579,238)
Amortization	-	1,392,012	1,085,368
Gain on disposal of tangible capital assets	-	(20,187)	-
Proceeds on disposal of tangible capital assets	-	833,293	-
	(1,227,711)	(9,111,907)	(2,493,870)
Acquisition of prepaid expenses	-	(175,274)	(185,473)
Use of prepaid expenses	-	185,473	213,839
(Decrease) increase in net financial assets	(1,227,711)	2,276,619	7,732,996
Net financial assets, beginning of year	28,677,509	28,677,509	20,944,513
Net financial assets, end of year	\$ 27,449,798	\$ 30,954,128	\$ 28,677,509

See accompanying notes to consolidated financial statements.



Consolidated Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 11,378,327	\$ 10,198,500
Items not involving cash:		
Amortization	1,392,012	1,085,368
Allocation to replacement reserve	27,270	27,270
Loss (income) from investments in government business entities	494,220	(48,018)
Ottawa Trust Funds	(3,106)	(2,577)
Gain on disposal of tangible capital assets	(20,187)	-
	<u>13,268,536</u>	<u>11,260,543</u>
Changes in non-cash operating working capital:		
Accounts receivable	(558,795)	(690,647)
Restricted cash	(30,022)	(48,952)
Replacement reserve	(328,142)	-
Accounts payable and accrued liabilities	3,395,304	391,812
Deferred revenue	(3,056,272)	1,798,330
Prepaid expenses	10,199	28,366
	<u>12,700,808</u>	<u>12,739,452</u>
Financing:		
Repayment of long-term debt	(186,466)	(195,911)
Payment of obligations under capital lease	(28,395)	(32,809)
Proceeds on long-term debt	455,979	270,892
	<u>241,118</u>	<u>42,172</u>
Investing:		
Advances to related party	(5,731,577)	-
Purchase of tangible capital assets	(11,317,025)	(3,579,238)
Advances to government business entities	-	(479,346)
Replacement reserves	35,851	6,676
Term deposits	2,828,908	(16,000,000)
Proceeds from disposal of tangible capital assets	833,293	-
	<u>(13,350,550)</u>	<u>(20,051,908)</u>
Decrease in cash	(408,624)	(7,270,284)
Cash, beginning of year	6,133,068	13,403,352
Cash, end of year	<u>\$ 5,724,444</u>	<u>\$ 6,133,068</u>

See accompanying notes to consolidated financial statements.



## Notes to Consolidated Financial Statements

Year ended March 31, 2023

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### **Nature of operations:**

Takla Nation (the "Nation") provides local government, education and training, health services and social development services to its members and was established under the Indian Act (Canada).

### **1. Significant accounting policies:**

These consolidated financial statements include the assets, liabilities, and results of operations of the Nation and all related entities and organizations subject to control by or responsibility of Chief and Council. No inclusion has been made of assets, liabilities, revenues or expenses of Nation members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of Chief and Council.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government, as established by the Public Sector Accounting Board. The Nation's significant accounting policies are as follows:

(a) Reporting entity and principles of consolidation:

The Nation reporting entity includes the Takla Nation government and all related entities which are either owned or controlled by the Nation.

All controlled entities are fully consolidated except for the commercial enterprises which meet the definition of a government business enterprise or government business partnership, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the Nation's investment in the government business enterprise or government business partnership and their share of the entities net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of the Nation.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**1. Significant accounting policies (continued):**

(a) Reporting entity and principles of consolidation (continued):

Government business entities which are partially or wholly-owned by the Nation and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Takla Development Corporation
- Sasuchan Development Corporation
- Takla Master Limited Partnership
- Tse Keh Nay LLP
- 1380089 B.C. LTD
- Takla Nation Holdings Limited Partnership

(b) Cash and cash equivalents:

Cash and cash equivalents consist of cash, bank overdrafts and investments in money market or other short-term instruments or investments with a maturity of less than 90 days from their date of acquisition which are readily convertible into a known amount of cash.

(c) Financial instruments:

Financial instruments are classified into two categories: fair value or cost.

Fair value category: the Nation manages and reports performance for groups of financial assets on a fair-value basis. Cash and cash equivalents and marketable securities are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets except for those related to restricted endowments and the research forest are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**1. Significant accounting policies (continued):**

(c) Financial instruments (continued):

Cost category: Amounts receivable are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt. On April 1, 2022, the Nation adopted Public Accounting Standard PS 3450 - Financial Instruments. The accounting standard establishes recognition, measurement, and disclosure requirements for derivative and non-derivative instruments. The standard requires fair value measurements of derivative and equity instruments; all other financial instruments can be measured at either cost or fair value depending upon elections made by the government.

(d) Non-financial assets:

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



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**1. Significant accounting policies (continued):**

(e) Tangible capital assets:

Tangible capital assets are stated at cost, less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation with a corresponding amount recorded as revenue. Tangible capital assets under construction are not amortized until the asset is available for use.

Amortization is provided using the declining balance method and following annual rates:

Asset	Rate
Automotive equipment	30%
Buildings and infrastructure	4%
Capital leases	30%
Computer equipment	55%
Equipment	15% - 30%
Housing	4%
Water Plant	4%
Waste disposal system	4%

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Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

When management determines that a tangible capital asset no longer contributes to the Nation's ability to provide goods and services or that the value of the future benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is written down.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**1. Significant accounting policies (continued):**

(f) Revenue recognition:

Government transfers and grant revenue are recognized as the Nation becomes entitled to the funding under the terms of applicable funding agreements and are recorded in the period in which the resources are used for the purpose specified in the agreements. Restricted funding received which relates to a subsequent fiscal period or pursuant to agreements in which the specific project or program is not yet completed are reported as deferred revenue until the resources are used for the purpose or purposes specified.

Other revenue, including interest, rent and own source are recognized in the period the services are provided and the related proceeds are received or receivable.

(g) Funding recoveries and reimbursements:

Funding received from government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specific purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

(h) Allocation of expenses:

Management records a number of its expenses by program. The cost of each program includes the personnel, premises and other expenses that are directly related to providing the program.

Management allocates certain of its general support expenses by identifying the appropriate basis of allocating each expenses.





Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**1. Significant accounting policies (continued):**

(i) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (a) an environmental standard exists,
- (b) contamination exceeds the environmental standard,
- (c) the organization is directly responsible or accepts responsibility for the liability,
- (d) future economic benefits will be given up, and
- (e) a reasonable estimate of the liability can be made.

(j) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- 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.

On April 1, 2021, the Nation adopted Public Accounting Standard PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. Following the adoption of the standard, the Nation did not identify any legal obligations giving rise to a liability.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**1. Significant accounting policies (continued):**

(k) Use of estimates:

The preparation of the 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 year. Items subject to such estimates and assumptions include the carrying amounts of tangible capital assets; provisions for impairment of accounts receivable; and accrued liabilities. Actual results could differ from those estimates.

**2. Accounts receivable:**

	2023	2022
Indigenous Services Canada	\$ -	\$ 873,651
Canada Mortgage and Housing Corporation	12,657	6,825
Carrier Sekani Family Services	717,984	755,612
Carrier Sekani Tribal Council	223,220	53,641
Government of Canada	2,996,722	657,671
Province of British Columbia	170,758	-
Trade receivables	1,241,712	2,544,287
Employee and member receivables	42,805	39,695
Prince George Nechako Aboriginal Employment & Training Association	131,052	46,733
	<b>\$ 5,536,910</b>	<b>\$ 4,978,115</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**3. Restricted cash:**

	2023	2022
Funded replacement reserve	\$ 159,258	\$ 130,417
Funded operations reserve	102,202	101,021
	<b>\$ 261,460</b>	<b>\$ 231,438</b>

Replacement reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the Nation must set aside funds in the amount of \$27,270 plus interest; consisting of \$5,920 for Phase I operations, \$11,840 for Phase II operations, and \$9,510 for Phase III operations. These funds, along with accumulated interest, must be held in a separate bank account and/or invested on in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC. Withdrawals are credited to interest first and then principal.

Operations reserve:

Under the terms of the agreement with CMHC, after the payment of all costs and expenditures, including the allocation to the replacement reserve, any surplus revenue from Phase I and/or Phase II will be retained by the program within an operations reserve fund. The program's operations reserve fund may only be used for the on-going operating costs of Phase I and Phase II as committed under the 1997 On-Reserve program. Accordingly, future years' deficits may be recovered from the operations reserve bank. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be mutually agreed to by the Nation and CMHC.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**4. Term deposits:**

Term deposits are comprised of guaranteed investment certificates cashable as follows:

	2023	2022
Redeemable June 12, 2023, interest at 3.60%	\$ 1,004,137	\$ -
Expires September 8, 2023, interest at 4.61%	3,018,123	-
Expires December 4, 2023, interest at 5.33%	3,044,384	-
Expires February 26, 2024, interest at 5.64%	3,052,988	-
Expires May 25, 2023, interest at 5.13%	3,051,460	-
Expired June 1, 2022, interest at 0.45%	-	3,000,000
Expired June 1, 2022, interest at 0.45%	-	3,000,000
Expired June 1, 2022, interest at 0.45%	-	3,000,000
Expired June 1, 2022, interest at 0.45%	-	3,000,000
Expired June 1, 2022, interest at 0.45%	-	3,000,000
Expired January 10, 2023, interest at 1.00%	-	500,000
Expired January 10, 2023, interest at 1.00%	-	500,000
	<b>\$ 13,171,092</b>	<b>\$ 16,000,000</b>

Term deposits in the amount of \$2,117,000 included above were invested as security for the Nation's dividends payable to minors in the amount of \$2,117,000 (2022 - \$728,000) (note 7).



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**5. Investments in government business entities:**

	Investments	Advances	2023	2022
Takla Development Corporation	\$ (5,159,017)	\$ 7,430,592	\$ 2,271,575	\$ 1,553,963
Takla Lake Limited Partnership	-	-	-	(5,862)
Takla Master Limited Partnership	11,701,989	-	11,701,989	9,334,258
Sasuchan Development Corporation	(451,968)	-	(451,968)	(368,021)
Tse Keh Nay LLP	321,172	-	321,172	261,073
1380089 B.C. LTD	920,001	(1)	920,000	-
Takla Nation Holdings Limited Partnership	1,250,000	-	1,250,000	-
	\$ 8,582,177	\$ 7,430,591	\$ 16,012,768	\$ 10,775,411

The Nation's share of the gain (loss) in its equity accounted investees for the year was:

	2023
Takla Development Corporation	\$ (920,996)
Takla Master Limited Partnership	225,624
Sasuchan Development Corporation	(83,947)
Tse Keh Nay LLP	285,099
	\$ (494,220)



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**5. Investments in government business entities (continued):**

	2023	2022
<b>Takla Development Corporation (100%):</b>		
Financial position:		
Assets	\$ 2,939,667	\$ 2,251,908
Liabilities	8,098,684	6,489,929
Deficiency	5,159,017	4,238,021
Results of operation:		
Revenues	309,337	644,360
Expenses	1,230,333	521,324
(Loss) profit and comprehensive (loss) income	(920,996)	123,036
<b>Tse Keh Nay LLP (33.33%):</b>		
Financial position:		
Assets	\$ 1,051,256	\$ 821,023
Liabilities	85,800	35,865
Equity	965,456	785,158
Results of operations:		
Revenues	927,770	687,705
Expenses	72,472	25,826
Profit and comprehensive income	855,298	661,879
Nation portion	285,099	220,626
<b>Sasuchan Development Corporation (100%)</b>		
Financial position:		
Assets	\$ 5,014	\$ 16,630
Liabilities	456,982	385,492
Deficit	451,968	368,862
Results of operations:		
Expenses	83,106	78,609
Loss and comprehensive loss	83,106	78,609



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**5. Investments in government business entities (continued):**

	2023	2022
<b>Takla Master Limited Partnership (99.90%):</b>		
Financial position:		
Assets	\$ 11,721,207	\$ 9,331,959
Liabilities	19,221	9,600
Equity	11,701,986	9,322,359
Results of operations:		
Revenues	247,121	-
Expenses	9,600	240,334
Profit (loss) and comprehensive income (loss)	237,521	(240,334)
Nation portion	237,284	(240,094)
<b>1380089 B.C. Ltd. (100%)</b>		
Financial position:		
Assets	\$ 920,100	\$ -
Liabilities	920,099	-
Equity	1	-
<b>Takla Nation Holdings Limited Partnership (99.99%)</b>		
Financial position:		
Assets	\$ 1,250,000	\$ -
Equity	1,250,000	-

Shares and partnership units are held by the Nation, as represented by Chief and Council, on behalf of and for the benefit of the Takla Nation membership.

Takla Development Corporation was actively involved in logging and is therefore performing silviculture responsibilities. Advances due from Takla Development Corporation and Takla Nation Holdings LP are unsecured, non-interest bearing and with no scheduled terms of repayment.

Subsequent to March 31, 2023, the Nation moved several assets and business entities to a Limited Partnership run by an independent Board of Directors. The subsequent transactions related to this restructure will be realized in the 2023-2024 Financial Statements.





Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**6. Ottawa Trust Fund:**

	Revenue	Capital	2023	2022
Balance, beginning of year	\$ 34,653	\$ 2,617	\$ 37,270	\$ 34,693
Interest	3,106	-	3,106	2,577
	\$ 37,759	\$ 2,617	\$ 40,376	\$ 37,270

The Ottawa Trust Funds arise from monies from capital or revenue sources as outlined in Section 62 of the "Indian Act". These funds are held in trust in the consolidated revenue fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 and 69 of the "Indian Act".

**7. Accounts payable and accrued liabilities:**

	2023	2022
Trade payables	\$ 2,926,048	\$ 608,604
Accrued wages and payroll deductions payable	321,738	422,727
Pension plan contributions payable	144,325	43,039
Worksafe British Columbia	19,166	11,260
Sales taxes payable	689,022	638,686
Dividends payable - minors	2,117,000	728,000
Other accrued liabilities	338,114	707,792
	\$ 6,555,413	\$ 3,160,108

The Nation has a defined contribution pension plan for eligible members of its staff. Members can contribute up to a maximum of 5.5% of their salary and the Nation matches the member's contributions. The amount of retirement benefits to be received by the members will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. During the year, the Nation contributed \$276,229 (2022 - \$217,768) for retirement benefits.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**8. Deferred revenue:**

	2023	2022
BC Healthy Communities	\$ -	\$ 13,585
Canada Mortgage and Housing Corporation	-	2,773,260
Carrier Sekani Family Services - core/community fund	-	103,805
Carrier Sekani Family Services - patient transport/helipad	-	18,142
First Nations Education Steering Committee - Co-operative education program	49,649	-
First Nations Education Steering Committee - Language Culture	39,377	-
First Nations Education Steering Committee - Skills Link	47,040	-
First Nations Education Steering Committee - Education Governance	46,025	-
First Nations Health Authority - Aboriginal Head Start on Reserve, expansion	-	69,746
First Nations Health Authority - Aboriginal Head Start on Reserve, program	100,106	-
First Nations Health Authority - Community Wellness	123,282	-
First Nations Health Authority - Harm Reduction	-	50,000
First Nations Health Authority - Healing Grant	36,051	-
First Nations Summit Society	-	66,250
First Peoples' Cultural Council - Smoke House	81,755	-
Government of Canada - Sport Support	6,632	-
Insurance proceeds	-	167,442
Province of British Columbia - Ministry of Education and Childcare	170,758	-
Province of British Columbia - Playground/Trail	-	419,813
Union of BC Municipalities	-	74,904
	<b>\$ 700,675</b>	<b>\$ 3,756,947</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**9. Long-term debt:**

	2023	2022
Mortgage repayable in monthly instalments of \$4,193 including interest at 2.21% per annum, secured by a Government of Canada ministerial guarantee, renewal due February 2024.	\$ 675,002	\$ 710,044
Mortgage repayable in monthly instalments of \$3,228 including interest at 2.21% per annum, secured by a Government of Canada ministerial guarantee, renewal due February 2024.	519,735	546,716
Mortgage repayable in monthly instalments of \$2,208 including interest at 0.80% per annum, secured by a Government of Canada ministerial guarantee, renewal due May 2025.	540,529	562,610
Term demand loan repayable in monthly instalments of \$4,800 including interest at 3.57% per annum, secured by a Government of Canada ministerial guarantee, due August 2023.	24,011	79,657
Term demand loan repayable in monthly instalments of \$4,912 including interest at 3.57% per annum, secured by a Government of Canada ministerial guarantee, due August 2023.	24,576	81,530
Term demand loan repayable in monthly instalments of \$433 including interest at 6.09% per annum, secured by tangible capital assets with a net book value of \$38,058, due August 2025.	11,316	15,872
Construction loan, repayable after interest adjustment date, currently carrying interest at 4.64% per annum, secured by a Government of Canada ministerial guarantee.	741,665	270,892
	<b>\$ 2,536,834</b>	<b>\$ 2,267,321</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**9. Long-term debt (continued):**

Provided the lenders do not demand repayment of the loans in full, principal repayments over the next five years are due as follows:

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2024	\$	880,178
2025		92,005
2026		90,448
2027		90,356
2028		92,048
Thereafter		1,291,799
	\$	<u>2,536,834</u>

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Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**10. Tangible capital assets:**

	2023										
	Automotive equipment	Buildings and infrastructure	Capital leases	Computer equipment	Construction in progress	Equipment	Housing	Leasehold improvements	Water plant	Waste disposal system	Total
<b>Cost:</b>											
Balance, beginning of year	\$ 1,376,884	\$ 14,554,448	\$ 156,600	\$ 31,158	\$ 2,074,578	\$ 784,342	\$ 12,933,058	\$ 240,000	\$ 4,297,464	\$ 3,762,902	\$ 40,211,434
Additions	594,004	3,893,592	-	-	6,472,228	357,201	-	-	-	-	11,317,025
Disposals	(70,694)	(784,595)	-	-	-	-	-	-	-	-	(855,289)
Transfers	156,600	255,505	(156,600)	-	(363,464)	107,959	-	-	-	-	-
Balance, end of year	2,056,794	17,918,950	-	31,158	8,183,342	1,249,502	12,933,058	240,000	4,297,464	3,762,902	50,673,170
<b>Accumulated amortization:</b>											
Balance, beginning of year	683,001	5,336,180	25,231	31,148	-	440,922	5,279,671	24,000	2,057,240	1,504,626	15,382,019
Amortization expenses	289,426	405,796	-	5	-	107,599	385,245	24,000	89,610	90,331	1,392,012
Disposals	(28,631)	(13,552)	-	-	-	-	-	-	-	-	(42,183)
Transfers	25,231	-	(25,231)	-	-	-	-	-	-	-	-
Balance, end of year	969,027	5,728,424	-	31,153	-	548,521	5,664,916	48,000	2,146,850	1,594,957	16,731,848
Net book value, end of year	\$ 1,087,767	\$ 12,190,526	\$ -	\$ 5	\$ 8,183,342	\$ 700,981	\$ 7,268,142	\$ 192,000	\$ 2,150,614	\$ 2,167,945	\$ 33,941,322



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**10. Tangible capital assets (continued):**

	2022										
	Automotive equipment	Buildings and infrastructure	Capital leases	Computer equipment	Construction in progress	Equipment	Housing	Leasehold improvements	Water plant	Waste disposal system	Total
<b>Cost:</b>											
Balance, beginning of year	\$ 881,755	\$ 13,627,184	\$ 156,600	\$ 31,158	\$ 138,042	\$ 564,033	\$ 12,933,058	\$ 240,000	\$ 4,297,464	\$ 3,762,902	\$ 36,632,196
Additions	495,129	1,057,450	-	-	1,806,350	220,309	-	-	-	-	3,579,238
Transfers	-	(130,186)	-	-	130,186	-	-	-	-	-	-
Balance, end of year	1,376,884	14,554,448	156,600	31,158	2,074,578	784,342	12,933,058	240,000	4,297,464	3,762,902	40,211,434
<b>Accumulated amortization:</b>											
Balance, beginning of year	492,442	5,015,986	18,050	31,136	-	379,678	4,984,930	-	1,963,897	1,410,532	14,296,651
Amortization expenses	190,559	320,194	7,181	12	-	61,244	294,741	24,000	93,343	94,094	1,085,368
Balance, end of year	683,001	5,336,180	25,231	31,148	-	440,922	5,279,671	24,000	2,057,240	1,504,626	15,382,019
Net book value, end of year	\$ 693,883	\$ 9,218,268	\$ 131,369	\$ 10	\$ 2,074,578	\$ 343,420	\$ 7,653,387	\$ 216,000	\$ 2,240,224	\$ 2,258,276	\$ 24,829,415



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

**11. Related party transactions:**

In the normal course of operations, the Nation participated in transactions with related parties measured at the exchange amount as determined and agreed to by the related parties.

**12. Other revenue:**

	2023	2022
BC First Nations Gaming Revenue Sharing Limited Partnership	\$ 946,068	\$ 402,244
First Peoples' Cultural Council	277,984	-
Gain on disposal of tangible capital assets	20,187	-
Interest	628,147	72,226
Miscellaneous	1,104,819	818,517
Northern Development Initiative Trust	41,333	160,902
Prince George Nechako Aboriginal Employment and Training Association	246,134	192,605
Rental	181,112	153,479
	<b>\$ 3,445,784</b>	<b>\$ 1,799,973</b>

**13. Distribution to members:**

Included in general government is \$4,070,700 of a distribution to members of which \$1,425,000 was for minors and a payable has been recognized (note 7).

**14. Accumulated surplus:**

	2023	2022
Operating fund	24,715,539	26,132,139
Ottawa Trust Fund	40,376	37,270
Invested in tangible capital assets	31,404,488	22,533,699
CMHC replacement reserves	328,144	-
Equity in government business entities	8,582,177	4,989,289
	<b>65,070,724</b>	<b>53,692,397</b>





Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**15. Segmented information:**

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies in note 1. The segments and services provided are as follows:

Administration - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Capital - oversees, monitors, and manages capital projects for the Nation and leads and assists with project planning, project budgets, asset management and provides direct support to all department directors who have capital projects within their departments. This includes new construction, an expansion, renovations, or replacement project for an existing facility or rebuild or retrofit of a piece of equipment. Works with ISC on current and future capital projects whether housing, infrastructure, utilities.

Community service - manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, housing and maintenance of community buildings;

Education - provides elementary and secondary education instructional services and provides financial support to post secondary students;

Emergency services - provides fire prevention services through the Fire Department and emergency preparedness supports to the Nation. This includes first responder services in coordination with the RCMP and Health Clinic for emergency situations, training volunteer fire department, Wildfire response systems and coordination, fire prevention and training. Emergency services coordinates and communicated emergency measures and, information to the Nation's community.

Employment and training - provides training and work opportunities for Nation members to improve their job skills and participate effectively in the labour market;

General government - provides the functions of general administration related to governance activities, and other functions categorized as non-departmental in the Nation.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**15. Segmented information (continued):**

Health - provides a variety of health care programs, services and support to Nation members;

Housing - administers the day-to-day operation of the Nation's housing assets, coordinates housing for nations members and maintains the housing wait list. The housing department maintains a fair and equitable maintenance fee system for all the units and gathers housing information to enhance housing inventory planning for the Nation. Coordinates the repairs and maintenance for all housing units.

Lands and resources - ensures that resource extraction in the Nation territory is done in a sustainable and responsible manner that benefits the Nation. The department provides monitoring of waters, wildlife, forests, and fish to keep the Nation's lands and people healthy. Supports technical, industry and government negotiations to further the Nation's rights, title, and interests.

Language and culture - coordinates and plans cultural events and gatherings for the Nation's members to come together. Provides traditional activities where the youth can learn from their parents and Elders. A main objective is to educate members of every age group on how to gather and prepare traditional foods. Provides research to gather and write the Nation's historical evidence related to Rights, Title, and Interest.

Public works - responsible for community services including roads and drainage, recycling, solid waste management, water and sanitation services and hydro generator. The department maintains all community facilities including, Takla administration office, Nus Wadeellzuhl Community School, daycare, health centre, potlatch house.

Social development - provides programs and services for the social benefit and welfare of Nation members;

Economic development - manages the development of economic opportunities from the land and natural resources for the Nation and its entities;

Youth and elders program - provides cultural and recreational opportunities for the Nation's youth. Plans and coordinates healing camps, programs and events for residential school survivors as well as creating residential school survivor's curriculum and teaching materials. The department serves the Elders connecting them to the community and providing mentoring and advising opportunities.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

15. Segmented information (continued):

	2023															Total
	Administration	Capital	Community services	Education	Emergency Services	Employment and training	Health	Housing	Lands and resources	Language and culture	General government	Public works	Social development	Economic development	Youth and elders program	Total
<b>Revenue:</b>																
Indigenous Service Canada	\$ 740,749	\$ 1,544,203	\$ -	\$ 2,915,424	\$ 97,473	\$ -	\$ 330,707	\$ 205,597	\$ 44,754	\$ -	\$ 50,938	\$ 1,214,577	\$ 850,398	\$ -	\$ -	\$ 7,994,820
First Nations Health Authority	-	-	-	2,200	-	-	566,984	-	-	-	-	19,211	-	-	24,000	612,395
Federal government transfers	-	-	-	4,035	105,000	-	-	-	431,164	-	500,000	-	-	-	2,352,342	3,392,541
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	-	151,888	-	-	-	-	-	-	-	151,888
Province of British Columbia	-	-	30,001	-	-	-	170,758	-	31,073	-	10,308,673	-	-	-	-	10,540,505
Other	926,038	543,386	-	126,018	67,161	246,134	32,217	177,392	51,017	-	948,318	148,100	-	97,947	82,056	3,445,784
Ottawa trust funds	3,106	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,106
Income from investments in government business entities	-	-	-	-	-	-	-	-	-	-	(494,220)	-	-	-	-	(494,220)
Carrier Sekani Family Services	-	-	-	-	-	-	1,031,309	-	-	-	-	-	-	-	-	1,031,309
Carrier Sekani Tribal Council	-	-	-	-	-	-	-	-	90,000	-	81,220	-	-	-	-	171,220
First Nations Education Steering Committee	-	-	-	436,760	-	111,027	-	-	-	-	-	-	-	-	-	547,787
Own Source	-	-	-	-	-	-	-	-	1,346,650	-	5,101,295	-	-	50,305	-	6,498,250
Change in deferred revenue	-	3,278,760	-	(85,402)	74,904	(96,689)	(108,669)	-	-	-	-	-	-	-	(6,632)	3,056,272
<b>Total revenue</b>	<b>1,669,893</b>	<b>5,366,349</b>	<b>30,001</b>	<b>3,399,035</b>	<b>344,538</b>	<b>260,472</b>	<b>2,023,306</b>	<b>534,877</b>	<b>1,994,658</b>	<b>-</b>	<b>16,496,224</b>	<b>1,381,888</b>	<b>850,398</b>	<b>148,252</b>	<b>2,451,766</b>	<b>36,951,657</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

15. Segmented information (continued):

	2023															
	Administration	Capital	Community services	Education	Emergency Services	Employment and training	Health	Housing	Lands and resources	Language and culture	General government	Public works	Social development	Economic development	Youth and elders program	Total
<b>Expenses:</b>																
Amortization	\$ -	\$ 1,309,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,386	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,392,012
Consulting and contract	2,702	164,919	-	-	-	-	450	-	162,528	1,000	604	5,069	-	-	-	337,272
Distribution to members	-	-	-	-	-	-	-	-	-	-	4,070,700	-	-	-	-	4,070,700
Equipment purchases	-	190,869	-	2,346	10,846	-	160,002	-	140,360	-	-	19,927	-	-	-	524,350
Honoraria	1,625	-	-	1,376	1,100	6,500	57,371	-	33,982	13,050	22,743	-	-	1,185	59,151	198,083
Materials and supplies	221,111	8,926	4,590	187,250	34,963	10,679	174,731	47,849	44,584	42,359	9,332	87,338	691	40,195	269,349	1,183,947
Meetings	59,166	-	1,095	7,452	1,487	-	6,318	1,184	25,780	441	2,745	13,506	-	-	54,562	173,736
Professional fees	848,539	1,095,213	26,004	89,159	181,896	-	232,298	32,119	877,542	37,002	50,785	217,962	937	98,914	78,667	3,867,037
Rent	87,529	462	1,588	20,050	4,800	-	39,212	1,000	14,308	-	214	-	-	-	35,341	204,504
Telephone and utilities	80,397	7,432	3,212	70,395	4,247	-	33,734	19,230	17,731	2,700	509	68,706	911	4,241	22,329	335,774
Travel and accommodations	320,608	40,054	34,873	488,405	27,765	7,453	145,179	20,441	198,356	21,083	11,288	85,002	13,904	85,527	523,116	2,023,054
Wages and benefits	2,477,206	29,765	106,719	1,038,166	160,215	133,393	714,780	409,070	911,869	139,775	39,088	481,331	61,399	180,844	918,292	7,801,912
Workshops and training	45,727	-	-	12,589	9,000	10,470	5,763	-	5,437	-	15,097	-	-	-	10,838	114,921
Other	749,028	8,317,201	17,988	964,229	522,145	21,567	899,486	182,380	95,374	27,524	1,644,902	645,115	679,278	45,505	272,074	15,083,796
Transfer to capital assets	(101,217)	(9,563,434)	-	-	(551,703)	-	(485,571)	-	-	-	(920,000)	(115,843)	-	-	-	(11,737,768)
<b>Total expenses</b>	<b>4,792,421</b>	<b>1,601,033</b>	<b>196,069</b>	<b>2,881,417</b>	<b>406,761</b>	<b>190,062</b>	<b>1,983,753</b>	<b>795,659</b>	<b>2,527,851</b>	<b>284,934</b>	<b>4,948,007</b>	<b>1,508,113</b>	<b>757,120</b>	<b>456,411</b>	<b>2,243,719</b>	<b>25,573,330</b>
Revenue over expenditures	(3,122,528)	3,765,316	(166,068)	517,618	(62,223)	70,410	39,553	(260,782)	(533,193)	(284,934)	11,548,217	(126,225)	93,278	(308,159)	208,047	11,378,327
Transfers	7,158,256	9,179,115	223,381	158,223	218,420	(47,054)	(410,133)	307,407	(20,268,615)	(10)	3,649,973	(289,212)	-	378,672	(258,423)	-
<b>Surplus (Deficit)</b>	<b>\$ 4,035,728</b>	<b>\$ 12,944,431</b>	<b>\$ 57,313</b>	<b>\$ 675,841</b>	<b>\$ 156,197</b>	<b>\$ 23,356</b>	<b>\$ (370,580)</b>	<b>\$ 46,625</b>	<b>\$(20,801,808)</b>	<b>\$ (284,944)</b>	<b>\$ 15,198,190</b>	<b>\$ (415,437)</b>	<b>\$ 93,278</b>	<b>\$ 70,513</b>	<b>\$ (50,376)</b>	<b>\$ 11,378,327</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

15. Segmented information (continued):

	2022															Total
	Administration	Capital	Community services	Education	Emergency Services	Employment and training	Health	Housing	Lands and resources	Language and culture	General government	Public works	Social development	Economic development	Youth and elders program	
<b>Revenue:</b>																
Indigenous Service Canada	\$ 727,927	\$ 267,188	\$ -	\$ 2,801,494	\$ 565,900	\$ -	\$ -	\$ 287,371	\$ 86,236	\$ -	\$ -	\$ 1,270,746	\$ 877,799	\$ -	\$ 237,894	\$ 7,122,555
First Nations Health Authority	-	38,705	-	-	-	-	666,639	-	98,000	-	-	24,211	-	-	51,000	878,555
Federal government transfers	-	-	15,000	-	-	-	47,750	-	247,619	-	-	-	-	-	861,599	1,171,968
Canada Mortgage and Housing Corporation	-	3,759,280	-	-	-	-	-	171,478	-	-	-	-	-	-	-	3,930,758
Province of British Columbia	-	90,733	10,000	-	24,972	-	-	-	8,000	-	2,927,849	-	-	-	-	3,061,554
Other	637,234	170,178	-	35,234	178,994	192,605	204,009	139,273	6,583	10	44,055	114,617	-	3,309	73,872	1,799,973
Ottawa trust funds	2,577	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,577
Income from investments in government business entities	-	-	-	-	-	-	-	-	-	-	48,018	-	-	-	-	48,018
Carrier Sekani Family Services	-	-	-	-	-	-	1,086,082	-	-	-	-	-	-	-	2,000	1,088,082
Carrier Sekani Tribal Council	-	-	-	-	-	-	-	-	107,292	-	28,571	-	-	-	-	135,863
First Nations Education Steering Committee	-	-	-	564,780	-	58,638	-	-	-	-	-	-	-	-	-	623,418
Own Source	-	-	-	-	-	-	-	-	8,707,139	-	-	-	-	-	-	8,707,139
Change in deferred revenue	23,475	(2,637,583)	-	-	49,750	75,490	(7,716)	-	179,729	-	-	107,961	-	-	410,564	(1,798,330)
<b>Total revenue</b>	<b>1,391,213</b>	<b>1,688,501</b>	<b>25,000</b>	<b>3,401,508</b>	<b>819,616</b>	<b>326,733</b>	<b>1,996,764</b>	<b>598,122</b>	<b>9,440,598</b>	<b>10</b>	<b>3,048,493</b>	<b>1,517,535</b>	<b>877,799</b>	<b>3,309</b>	<b>1,636,929</b>	<b>26,772,130</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

15. Segmented information (continued):

	2022															
	Administration	Capital	Community services	Education	Emergency Services	Employment and training	Health	Housing	Lands and resources	Language and culture	General government	Public works	Social development	Economic development	Youth and elders program	Total
<b>Expenses:</b>																
Amortization	\$ -	\$ 1,002,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,386	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,085,368
Consulting and contract	40,000	651,487	-	-	20,550	-	60,085	188,283	17,175	-	850	300	-	4,070	-	982,800
Distribution to members	-	-	-	-	-	-	-	-	631,765	-	-	-	-	-	-	631,765
Equipment purchases	-	327,889	-	-	-	-	3,977	-	151,528	-	15,713	27,147	-	-	75,419	601,673
Honoraria	8,650	-	-	3,400	-	2,767	31,150	-	4,500	2,800	-	-	-	-	29,400	82,667
Materials and supplies	126,210	3,096	2,042	111,137	14,478	17,496	108,237	26,226	41,255	1,199	68	76,396	756	13,527	159,978	702,101
Meetings	11,666	-	-	7,612	11,961	3,000	15,503	-	10,343	1,604	25,000	13	-	-	57,856	144,558
Professional fees	646,178	751,842	-	9,750	145,118	1,058	22,002	67,012	842,931	8,424	80,418	96,239	-	22,958	462,599	3,156,529
Rent	73,742	2,615	-	13,750	4,200	-	3,500	3,000	28,394	-	-	1,500	-	-	46,476	177,177
Telephone and utilities	53,356	3,531	2,897	71,123	2,980	-	18,065	24,407	24,158	684	-	63,937	1,230	3,274	15,211	284,853
Travel and accommodations	233,044	8,414	17,884	484,686	24,735	40,799	92,127	16,329	123,611	6,994	3,424	34,173	3,972	27,757	108,344	1,226,293
Wages and benefits	2,152,993	1,285	108,571	873,557	132,341	150,102	636,085	308,330	998,225	76,316	58,667	340,427	41,462	108,456	274,519	6,261,336
Workshops and training	27,208	-	1,000	3,622	-	36,947	8,126	1,345	6,603	-	-	70	-	-	18,292	103,213
Other	377,620	1,108,893	995	405,543	143,556	200	597,716	506,583	145,026	495	256,481	380,733	548,439	7,723	112,726	4,592,729
Transfer to capital assets	(125,552)	(2,680,953)	-	(77,515)	(44,517)	-	(249,867)	-	(184,659)	-	(20,950)	-	-	-	(75,419)	(3,459,432)
<b>Total expenses</b>	<b>3,625,115</b>	<b>1,181,081</b>	<b>133,389</b>	<b>1,906,665</b>	<b>455,402</b>	<b>252,369</b>	<b>1,346,706</b>	<b>1,223,901</b>	<b>2,840,855</b>	<b>98,516</b>	<b>419,671</b>	<b>1,020,935</b>	<b>595,859</b>	<b>187,765</b>	<b>1,285,401</b>	<b>16,573,630</b>
Revenue over expenditures	(2,233,902)	507,420	(108,389)	1,494,843	364,214	74,364	650,058	(625,779)	6,599,743	(98,506)	2,628,822	496,600	281,940	(184,456)	351,528	10,198,500
Transfers	1,049,529	920,313	75,000	(143,725)	30,483	(11,200)	(422,809)	(113,331)	(921,026)	-	(258,021)	(55,310)	(10,580)	80,000	(219,323)	-
<b>Surplus (Deficit)</b>	<b>\$ (1,184,373)</b>	<b>\$ 1,427,733</b>	<b>\$ (33,389)</b>	<b>\$ 1,351,118</b>	<b>\$ 394,697</b>	<b>\$ 63,164</b>	<b>\$ 227,249</b>	<b>\$ (739,110)</b>	<b>\$ 5,678,717</b>	<b>\$ (98,506)</b>	<b>\$ 2,370,801</b>	<b>\$ 441,290</b>	<b>\$ 271,360</b>	<b>\$ (104,456)</b>	<b>\$ 132,205</b>	<b>\$ 10,198,500</b>



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**16. Contingent liabilities:**

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

The Nation is contingently liable for a Nation member mortgage secured by a Government of Canada Ministerial guarantee. As at March 31, 2023, the maximum liability would be \$51,494.

In addition, in the normal course of operations, the Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future event occur or fail to occur. To the extent that the future event is likely to occur and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements. As at March 31, 2023, there are no claims outstanding.

**17. Financial risks and concentration of risk:**

The Nation as part of its operations carries a number of financial instruments. It is management's opinion that the Nation is not exposed to significant currency risks unless otherwise noted.

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation is mainly exposed to credit risk with respect to its accounts receivable and advances receivable from government business entities. The Nation assesses on a continuous basis accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Nation at March 31, 2023 is the carrying value of accounts receivable. The carrying amount of accounts receivable is valued with consideration for allowance for doubtful accounts. The amount of any related impairment loss is recognized in the consolidated statement of operations. Subsequent recoveries of impairment losses related to accounts receivable are credited to the consolidated statement of operations.

(b) Liquidity risk:

Liquidity risk is the risk that the Nation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Nation manages its liquidity risk by monitoring its operating requirements. There has been no change to the Nation's liquidity risk exposure from 2022.





Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**17. Financial risks and concentration of risk: (continued):**

(c) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Financial assets and financial liabilities with variable interest rates expose the Nation to cash flow interest rate risk. The Nation is exposed to this risk through its interest on the long-term debt. There has been no change to the Nation's interest rate risk exposure from 2022.

**18. Comparative information:**

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year annual surplus.