

NESKONLITH INDIAN BAND
CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024

EXHIBIT

CONSOLIDATED FINANCIAL STATEMENTS:

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

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INDEPENDENT AUDITOR'S REPORT

To the members of NESKONLITH INDIAN BAND

Opinion

We have audited the consolidated financial statements of NESKONLITH INDIAN BAND (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statement of accumulated surplus, consolidated statement of operations, consolidated statement of change in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2024, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matters

We draw attention to the fact the supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2, and Schedules 1 to 30 do not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

December 11, 2024
Kamloops, Canada

Doane Grant Thornton LLP

Chartered Professional Accountants

NESKONLITH INDIAN BAND
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2024

FINANCIAL ASSETS	2024	2023
Cash	\$ 20,075,039	\$ 14,973,611
Restricted cash (Note A5)	1,727,112	1,585,508
Grants and accounts receivable (Note A6)	1,426,745	1,643,670
Deposits receivable	129,250	124,842
Investments (Note A7)	4,110	4,110
Investments in government business enterprises (Note A8)	7,511,860	6,904,845
	<u>30,874,116</u>	<u>25,236,586</u>
LIABILITIES		
Accounts payable and accruals	2,578,063	517,364
Demand loans (Note A10)	108,108	207,066
Mortgages payable (Note A11)	83,149	184,890
Promissory note payable (Note A12)	2,075,305	2,135,389
	<u>4,844,625</u>	<u>3,044,709</u>
NET FINANCIAL ASSETS	<u>26,029,491</u>	<u>22,191,877</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	14,792	73,315
Tangible capital assets (Note A13)	3,623,739	3,290,874
	<u>3,638,531</u>	<u>3,364,189</u>
ACCUMULATED SURPLUS (Note A14)	\$ 29,668,022	\$ 25,556,066

COMMITMENTS AND CONTINGENCIES (Note A16)

APPROVED BY THE BAND:

NESKONLITH INDIAN BAND
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
Year ended March 31, 2024

	2024	2023
ACCUMULATED SURPLUS, beginning of year	\$ 25,556,066	\$ 19,470,658
EXCESS OF REVENUE OVER EXPENSES	<u>4,111,956</u>	<u>6,085,408</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 29,668,022</u>	<u>\$ 25,556,066</u>

See accompanying notes to financial statements.

NESKONLITH INDIAN BAND
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2024

	Budget	2024	2023
REVENUE:			
Indigenous Services Canada	\$ 2,963,273	\$ 7,442,515	\$ 5,852,762
First Nations Health Authority	575,566	878,518	629,581
First Nations Education Steering Committee	310,000	1,289,300	1,100,149
Province of British Columbia	2,404,114	3,723,196	4,282,357
Leases and rentals	349,932	313,733	344,606
Income - Ottawa Trust Funds	-	397,234	361,062
Canada Mortgage and Housing Corporation	77,124	282,721	66,239
Interest and investment income	-	407,716	365,087
Equity earnings from government business enterprises	-	618,393	1,214,744
Other income	1,817,892	4,116,762	3,110,805
	<u>8,497,901</u>	<u>19,470,088</u>	<u>17,327,392</u>
EXPENSES:			
Administration	1,858,594	3,657,231	2,501,573
Community Welfare	547,859	733,835	696,648
Operations and Maintenance	714,792	1,223,399	1,092,534
Education	2,187,183	3,005,408	3,246,744
Economic Development	34,341	565,586	267,578
Health Services	1,284,465	1,402,951	1,147,604
Government - Tmicw	1,724,880	3,279,680	1,967,644
Capital	-	1,342,952	-
Local Revenue	16,200	3,185	12,839
Social Housing	236,607	143,905	308,820
	<u>8,604,921</u>	<u>15,358,132</u>	<u>11,241,984</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (107,020)	\$ 4,111,956	\$ 6,085,408

See accompanying notes to financial statements.

NESKONLITH INDIAN BAND
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2024

	Budget	2024	2023
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (107,020)	\$ 4,111,956	\$ 6,085,408
Acquisition of tangible capital assets	-	(1,822,999)	(117,827)
Amortization of tangible capital assets	-	321,830	388,341
Change in prepaid expenses	-	58,523	(21,531)
Loss on disposal of tangible capital assets	-	1,168,304	187,662
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(107,020)	3,837,614	6,522,053
NET FINANCIAL ASSETS, beginning of year	22,191,877	22,191,877	15,669,824
NET FINANCIAL ASSETS, end of year	\$ 22,084,857	\$ 26,029,491	\$ 22,191,877

See accompanying notes to financial statements.

NESKONLITH INDIAN BAND
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 4,111,956	\$ 6,085,408
Non-operating item:		
Equity earnings from government business enterprises	(618,393)	(1,214,744)
Amortization	321,830	388,341
Loss on disposal of tangible capital assets	1,168,304	187,662
(Increase) decrease in:		
Grants and accounts receivable	216,925	(1,248,859)
Prepaid expenses	58,523	(21,531)
Deposits receivable	(4,408)	(6,531)
Increase (decrease) in:		
Accounts payable and accruals	2,060,699	(766,702)
Deferred revenue	-	(7,500)
Cash flows from operations	<u>7,315,436</u>	<u>3,395,544</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Restricted cash	(141,604)	(364,089)
Repayment of demand loans, mortgages payable and promissory note payable	<u>(260,783)</u>	<u>(256,029)</u>
Cash flows used in financing	<u>(402,387)</u>	<u>(620,118)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Drawings from partnership	<u>11,378</u>	<u>2,359</u>
Cash flows from investing	<u>11,378</u>	<u>2,359</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Purchase of tangible capital assets	<u>(1,822,999)</u>	<u>(117,827)</u>
Cash flows used in capital	<u>(1,822,999)</u>	<u>(117,827)</u>
INCREASE IN CASH	5,101,428	2,659,958
CASH, beginning of year	<u>14,973,611</u>	<u>12,313,653</u>
CASH, end of year	<u>\$ 20,075,039</u>	<u>\$ 14,973,611</u>

See accompanying notes to financial statements.

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A1. ADOPTION OF NEW STANDARDS:

Effective April 1, 2023, Neskonlith Indian Band adopted new Public Sector Accounting Standards Sections PS 3400 Revenue. This section establishes standards on how to account for and report on revenue.

The standard was applied prospectively and had no impact on the comparative figures.

NOTE A2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

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

a) Reporting Entity and Principles of Financial Reporting:

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

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

- Neskonlith Indian Band Operating Fund
- Neskonlith Indian Band Trust Fund
- Neskonlith Indian Band Capital Fund
- Neskonlith Indian Band Social Housing Pre-1997 Fund
- Neskonlith Indian Band Social Housing Post-1996 Fund

All inter-entity balances have been eliminated on consolidation.

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

- Sk'atsin Resources Ltd. (including the entity's interest in 1202453 B.C. Ltd.)
- Sk'atsin Resources Limited Liability Partnership

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

b) Asset classification

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

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

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

c) Tangible Capital Assets:

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

Major Asset Category:

Buildings	7%
Automotive equipment	20%
Furniture and equipment	20%
Fencing	10%
Infrastructure	20%

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

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

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

d) Contributions of Tangible Capital Assets:

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

e) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

f) Government Transfers:

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

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

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

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

g) Revenue Recognition:

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

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

Transactions where goods or services are provided for consideration include performance obligations to a specific payor. Revenue from these transactions is recognized as the performance obligations are satisfied. Transactions without performance obligations are recognized when the revenue is received or receivable.

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

h) Financial instruments

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

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

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

i) Uses of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

j) Statement of remeasurement gains and losses:

The statement of remeasurement gains and losses has not been included in the consolidated financial statements as there have been no remeasurement gains or losses as of March 31, 2024 or accumulated gains or losses from prior fiscal periods.

k) Asset retirement obligations:

A liability for an asset retirement obligation is recognized when 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.

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

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

k) Asset retirement obligations (continued):

The liability is measured at Neskonlith Indian Band's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for changes as a result of the passage of time with corresponding accretion expense and adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate. Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use, which are expensed in the period they are incurred.

The asset retirement costs are amortized on a declining balance basis over their estimated useful lives of the asset.

A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

NOTE A3. FUTURE ACCOUNTING CHANGES:

PS 1202 Financial Statement Presentation

New section PS 1202 Financial Statement Presentation replaces Section PS 1201 Financial Statement Presentation. This section applies to fiscal years beginning on or after April 1, 2026, with early adoption permitted only if the conceptual framework is adopted at the same time. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information in Section PS 1202. The main features of the new section include:

- Changes to the statement of financial position to present financial assets, non-financial assets, total assets, financial liabilities, non-financial liabilities total liabilities and net assets/net liabilities
- Separate statement of changes in net assets or net liabilities (formerly known as accumulated surplus) by required categories
- The addition of a statement of net financial assets or net financial liabilities that presents a revised net financial assets or net financial liabilities (formerly known as "net debt") calculation
- The option to present the change in net financial assets or net financial liabilities on the statement of net financial assets or net financial liabilities
- Ability to present an amended budget when there is an election or the majority of the governing body of a government organization is newly elected or appointed
- The requirement to provide a subtotal prior to financing activities in the statement of cash flow
- Guidance on assessing the going concern assumption

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

PSAB's Conceptual Framework for Financial Reporting in the Public Sector

PSAB's Conceptual Framework for Financial Reporting in the Public Sector replaces Sections PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives. As a result of the issuance of the Conceptual Framework, various Sections and Guidelines of the Handbook have been amended to include references to the new Conceptual Framework, add/clarify key definitions that are consistent with the Conceptual Framework, and/or remove references to qualitative characteristics that are no longer qualitative characteristics in the new Conceptual Framework. This section applies to fiscal years beginning on or after April 1, 2026, with early adoption permitted.

NOTE A4. FINANCIAL INSTRUMENTS:

Classification

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

Financial Instrument	2024 Amortized cost / cost	2023 Amortized cost / cost
Cash	\$ 20,075,039	\$ 14,973,611
Restricted cash	1,727,112	1,585,508
Grants and accounts receivable	1,426,745	1,643,670
Accounts payable and accruals	2,578,063	517,364
Demand loans	108,108	207,066
Mortgages payable	83,149	184,890
Promissory note payable	2,075,305	2,135,389

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A4. FINANCIAL INSTRUMENTS (continued):

Credit risk

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

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

	Current	31-60 days	61-90 days	Over 90 days	Total
Government receivables	\$ 1,040,961	\$ (4,500)	\$ -	\$ 56,156	\$ 1,092,617
Other accounts receivable	160,491	10,333	11,346	1,083,644	1,265,814
Total	1,201,452	5,833	11,346	1,139,800	2,358,431
Less impairment allowance	(4,988)	(3,560)	(3,630)	(919,508)	(931,686)
Net receivable	<u>\$ 1,196,464</u>	<u>\$ 2,273</u>	<u>\$ 7,716</u>	<u>\$ 220,292</u>	<u>\$ 1,426,745</u>

Liquidity risk

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

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A5. RESTRICTED CASH:	2024	2023
Replacement Reserve	\$ 21,978	\$ 297,218
Operating Reserve	234,782	215,172
Ottawa Trust Funds	<u>1,470,352</u>	<u>1,073,118</u>
	<u>\$ 1,727,112</u>	<u>\$ 1,585,508</u>

- a) Replacement Reserve:
Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$19,432 (2023 - \$26,592) annually plus interest. These funds, along with accumulated interest, must be held in a separate bank account invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Mortgage and Housing Corporation from time to time. Withdrawals are credited to interest first and then principal.
- b) Operating Reserve:
Under the terms of the agreement with Canada Mortgage & Housing Corporation, after the payment of all costs and expenditures including the allocation of the Replacement Reserve, any surplus revenue will be retained by the First Nation within an Operating Reserve fund. Interest earnings must accrue to and be maintained in the Operating Reserve fund. The Project's Operating Reserve fund may only be used for the ongoing operating costs of the housing projects committed under the On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. The First Nation agrees to maintain Operating Reserve funds in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be mutually agreed to by the First Nation and CMHC.
- c) Ottawa Trust Funds:
The Ottawa Trust Accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

NOTE A6. GRANTS AND ACCOUNTS RECEIVABLE:	2024	2023
Grants and accounts receivable	\$ 2,358,431	\$ 2,524,953
Less: Allowance for doubtful accounts	<u>931,686</u>	<u>881,283</u>
	<u>\$ 1,426,745</u>	<u>\$ 1,643,670</u>

NOTE A7. INVESTMENTS:	2024	2023
<u>Portfolio investments:</u>		
All Nations Trust Company:		
2,000 Class A shares, par value \$1	\$ 4,000	\$ 4,000
B.C. First Nations Revenue Share Limited Partnership (0.45% interest)	100	100
Share in the General Partner, BCFN GRS GP Inc., a corporation incorporated under the BC Business Corporations Act. Share represents a 0.45% interest in the Company at March 31, 2024.	<u>10</u>	<u>10</u>
	<u>\$ 4,110</u>	<u>\$ 4,110</u>

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A8. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES:	2024	2023
Sk'atsin Resources Ltd. (100% interest)	\$ 91,268	\$ 86,336
Sk'atsin Resources Limited Liability Partnership (99% interest)	<u>7,420,592</u>	<u>6,818,509</u>
Total Investments in Government Business Enterprises	<u>\$ 7,511,860</u>	<u>\$ 6,904,845</u>

Financial information for Sk'atsin Resources Limited Liability Partnership:

	Total	Band's Share 2024	Band's Share 2023
Assets	\$ 9,832,018	\$ 9,733,698	\$ 7,391,592
Liabilities	<u>(2,354,490)</u>	<u>(2,330,945)</u>	<u>(605,237)</u>
Partner's Capital	<u>\$ 7,477,528</u>	<u>\$ 7,402,753</u>	<u>\$ 6,786,355</u>
Revenues	\$ 5,004,615	\$ 4,954,569	\$ 3,614,032
Expenses	<u>4,379,976</u>	<u>4,336,176</u>	<u>2,399,287</u>
Net Income	<u>\$ 624,639</u>	<u>\$ 618,393</u>	<u>\$ 1,214,745</u>

Financial information for Sk'atsin Resources Ltd.:

Assets	\$ 326,454	\$ 378,399
Liabilities	<u>(398,589)</u>	<u>(481,091)</u>
Equity (Deficit)	<u>\$ (72,135)</u>	<u>\$ (102,692)</u>
Revenue	\$ 91,833	\$ 95,169
Expenses	<u>61,277</u>	<u>34,445</u>
Net Income (Loss)	<u>\$ 30,556</u>	<u>\$ 60,724</u>

NOTE A9. BANK INDEBTEDNESS:

Under a line of credit with the Royal Bank of Canada, the First Nation may borrow up to \$200,000 on such terms as the First Nation and bank may mutually agree upon. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2024, the unused portion of the credit line was \$200,000.

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A10. DEMAND LOANS:	2024	2023
Royal Bank of Canada, demand loan, repayable in monthly installments of \$1,589 including interest at 6.81%, secured by a general security agreement, due December 2025	\$ 32,609	\$ 48,919
City of Salmon Arm, municipal service debt, repaid during the year.	-	52,295
Royal Bank of Canada, demand loan, repayable in monthly installments of \$2,381 including interest at 5.04%, secured by a general security agreement, due June 2025	75,499	99,613
All Nations Trust Company, demand loan, repaid during the year.	-	6,239
	<u>\$ 108,108</u>	<u>\$ 207,066</u>

Principal repayments due in the ensuing 2 years are approximately as follows:

2025	\$ 42,729
2026	65,379
	<u>\$ 108,108</u>

NOTE A11. MORTGAGES PAYABLE:	2024	2023
<u>Social Housing Operation - Pre-1997 mortgages:</u>		
All Nations Trust Company, repaid during the year.	\$ -	\$ 7,829
<u>Social Housing Operation - Post-1996 mortgages:</u>		
All Nations Trust Company, repayable in monthly installments of \$2,379 including interest at 1.73% per annum, secured by land and buildings with a carrying value of \$21,000, due May 2024.	4,749	32,948
All Nations Trust Company, repayable in monthly installments of \$2,732 including interest at 4.50% per annum, secured by land and buildings with a carrying value of \$21,000, due February 2026.	60,111	89,701
All Nations Trust Company, repayable in monthly installments of \$3,064 including interest at 1.69% per annum, secured by land and buildings with a carrying value of \$21,000 due September 2024.	18,289	54,412
	<u>83,149</u>	<u>177,061</u>
	<u>\$ 83,149</u>	<u>\$ 184,890</u>

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A11. MORTGAGES PAYABLE (continued):

The Social Housing mortgages are guaranteed by Indigenous Services Canada.

Principal repayments due in the ensuing 2 years are approximately as follows:

2025	\$ 53,802
2026	29,347
	<u>\$ 83,149</u>

NOTE A12. PROMISSORY NOTE PAYABLE:

2024

2023

First Nations Finance Authority, repayable in annual installments of \$52,753 plus semi-annual interest payments at 2.15% per annum, due June 2030.

<u>\$ 2,075,305</u>	<u>\$ 2,135,389</u>
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Principal repayments due in the ensuing 5 years are approximately as follows:

2025	\$ 52,753
2026	52,753
2027	52,753
2028	52,753
2029	52,753
Thereafter	1,811,540
	<u>\$ 2,075,305</u>

NOTE A13. TANGIBLE CAPITAL ASSETS:

2024

2023

Tangible capital assets consist of the following:

Buildings	\$ 2,857,284	\$ 2,846,977
Automotive equipment	227,161	21,443
Furniture and equipment	431,275	201,674
Fencing	24,062	26,736
Infrastructure	44,451	55,564
Social Housing	39,506	138,480
	<u>\$ 3,623,739</u>	<u>\$ 3,290,874</u>

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

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A14. ACCUMULATED SURPLUS:

	2024	2023
Accumulated surplus consists of individual program surpluses and reserves as follows:		
Surplus from operations	<u>\$ 26,902,046</u>	<u>\$ 22,778,658</u>
Invested in investments	<u>5,210</u>	<u>5,210</u>
Invested in tangible capital assets	<u>1,056,921</u>	<u>1,322,919</u>
Funded Reserves:		
Operating Reserve Fund (CMHC)	233,036	229,344
Replacement Reserve Fund (CMHC)	457	146,817
Ottawa Trust Funds	<u>1,470,352</u>	<u>1,073,118</u>
	<u>1,703,845</u>	<u>1,449,279</u>
	<u>\$ 29,668,022</u>	<u>\$ 25,556,066</u>

NOTE A15. FEDERAL ASSISTANCE PAYMENTS:

The Neskonlith Indian Band Housing Project has received federal assistance through Canada Mortgage and Housing Corporation pursuant to Section 56-1 of the National Housing Act to reduce mortgage interest expense to 2% to enable the project to provide housing to low income individuals. The amount of assistance received through March 31, 2024 was \$57,720 (2023 - \$66,239). This assistance will continue, providing the First Nation is not in default of the agreement.

NOTE A16. COMMITMENTS AND CONTINGENCIES:

Commitments:

The First Nation leases office equipment under long-term lease agreements the longest of which expires June 2026.

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

2025	\$ 13,290
2026	1,440
2027	<u>360</u>
	<u>\$ 15,090</u>

Contingencies:

a) The First Nation is guarantor of various individual members' loans, secured by Ministerial guarantees, for a total of \$265,893.

b) Indigenous Services Canada:

The First Nation receives a portion of its funding under a contribution agreement with Indigenous Services Canada (ISC) which, if unexpended, may be refundable to ISC. Further, amounts which are overexpended may be reimbursed by ISC to the First Nation. No amounts have been recorded in the financial statements as refundable or reimbursable.

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A16. COMMITMENTS AND CONTINGENCIES (continued):

c) Guarantees:

The First Nation has provided a guarantee for the bank indebtedness of Sk'atsin Resources Limited Liability Partnership. The First Nation holds 99% of the partnership units in Sk'atsin Resources Limited Liability Partnership. At March 31, 2024, the outstanding loan balances were \$1,103,942. The maximum liability to the First Nation with respect to these loans is \$1,103,942.

NOTE A17. DEFINED CONTRIBUTION PENSION PLAN:

The First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee. Total contributions to the plan during the year were \$81,775 (2023 - \$71,241). The pension rate for employees is 5.5%.

NOTE A18. SEGMENTED INFORMATION:

The Neskonlith Indian Band is a First Nations government institution that provides a range of programs and services to its members, including administration, community welfare, operations and maintenance, education, economic development, health services, Government - Tmicw, capital, local revenue and social housing. For management reporting purposes the First Nations operations and activities are organized and reported by program. Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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

Administration

Administration relates to the operations of the Neskonlith Indian Band itself and cannot be directly attributed to a specific segment.

Community Welfare

Community Welfare provides services to help the Members by providing a variety of programs, community services and social assistance.

Operations and Maintenance

Operations and maintenance provides services relating to the development, maintenance and service of the Neskonlith Indian Band's assets, infrastructure and common property.

Education

Education provides educational services through the operations of an on reserve school, post secondary education support and the operations of various other educational programs. The goal of this segment is to enhance the educational opportunities of the Neskonlith Indian Band's Members.

Economic Development

Economic development provides for the development of economic opportunities to the Members.

Health Services

Health services provides for health-related services and programs to the Members.

Government - Tmicw

Government - Tmicw provides exploration of natural resources and development of natural resource revenues.

NESKONLITH INDIAN BAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2024

NOTE A18. SEGMENTED INFORMATION (continued):

Capital

Capital provides for the development of new capital projects and infrastructure programs on the reserve.

Local Revenue

Local Revenue assists in the maintenance of roads, streets, and facilities through revenue raised under local revenue laws.

Social Housing

Social housing provides for social housing to the Members.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note A1. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

NOTE A19. ECONOMIC DEPENDENCE:

The First Nation receives revenues pursuant to a Funding Agreement with Indigenous Services Canada. In the current fiscal year, funding from Indigenous Services Canada accounted for 38% (2023 - 35%) of the First Nation's gross revenues.

NOTE A20. CASH FLOW INFORMATION:

During the year, the First Nation paid interest on demand loans and mortgages payable of \$62,193 (2023 - \$63,491) and received interest of \$623,304 (2023 - \$142,229).

NESKONLITH INDIAN BAND
SUMMARY SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2024

	Buildings	Automotive Equipment	Furniture and Equipment	Fencing	Infrastructure	Social Housing	2024	2023
Cost								
Balance, beginning of year	\$ 7,142,086	\$ 431,576	\$ 1,146,442	\$ 156,832	\$ 5,906,325	\$ 2,869,805	\$ 17,653,066	\$ 17,879,870
Add: Additions during the year	1,313,065	210,007	299,927	-	-	-	1,822,999	117,827
Less: Disposals during the year	(1,072,304)	-	-	-	-	(202,073)	(1,274,377)	(344,631)
Transfer during the year	530,365	-	-	-	-	(530,365)	-	-
Balance, end of year	7,913,212	641,583	1,446,369	156,832	5,906,325	2,137,367	18,201,688	17,653,066
Accumulated amortization								
Balance, beginning of year	4,295,108	410,133	944,768	130,097	5,850,761	2,731,325	14,362,192	14,130,820
Add: Amortization	230,455	4,289	70,326	2,673	11,113	2,974	321,830	388,341
Less: Disposals during the year	-	-	-	-	-	(106,073)	(106,073)	(156,969)
Transfer during the year	530,365	-	-	-	-	(530,365)	-	-
Balance, end of year	5,055,928	414,422	1,015,094	132,770	5,861,874	2,097,861	14,577,949	14,362,192
Net Book Value of Tangible Capital Assets	\$ 2,857,284	\$ 227,161	\$ 431,275	\$ 24,062	\$ 44,451	\$ 39,506	\$ 3,623,739	\$ 3,290,874

Included in Buildings are tangible capital assets under construction of \$537,010 (2023 - \$1,072,304). These assets have not been amortized.

NESKONLITH INDIAN BAND
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2024

	Admini- stration	Community Welfare	Operations & maintenance	Education	Economic Development	Health Services	Government - Tmicw	Capital	Local Revenue	Social Housing	Total 2024	Total 2023
REVENUE:												
Indigenous Services Canada	\$ 1,695,025	\$ 881,698	\$ 803,060	\$ 2,512,251	\$ 152,769	\$ 1,397,712	\$ -	\$ -	\$ -	\$ -	\$ 7,442,515	\$ 5,852,762
Leases and rentals	174,950	-	-	-	-	-	18,672	-	-	120,111	313,733	344,606
CMHC	225,000	-	-	-	-	-	-	-	-	57,721	282,721	66,239
Province of BC	262,080	-	45,500	457,579	-	47,983	2,910,054	-	-	-	3,723,196	4,282,357
Interest and tax penalties	397,234	-	-	-	-	-	-	-	-	10,482	407,716	365,087
First Nations Health Authority	-	-	-	-	-	878,518	-	-	-	-	878,518	629,581
Admin recoveries	727,473	-	-	-	-	-	-	-	-	-	727,473	650,375
Equity earnings from government business enterprises	-	-	-	-	-	-	618,393	-	-	-	618,393	1,214,744
Miscellaneous	1,879,581	-	229,131	1,418,595	428,958	731,623	274,039	-	112,204	1,692	5,075,823	3,921,641
	<u>5,361,343</u>	<u>881,698</u>	<u>1,077,691</u>	<u>4,388,425</u>	<u>581,727</u>	<u>3,055,836</u>	<u>3,821,158</u>	<u>-</u>	<u>112,204</u>	<u>190,006</u>	<u>19,470,088</u>	<u>17,327,392</u>
EXPENSES:												
Administration fees	69,649	13,713	67,541	229,570	58,637	274,814	3,400	-	-	11,106	728,430	637,996
Advertising	-	-	-	-	-	-	9,321	-	-	-	9,321	2,532
Amortization	318,856	-	-	-	-	-	-	-	-	2,974	321,830	388,341
Assistance	-	369,373	-	232,834	-	-	-	-	-	-	602,207	775,170
Community development	-	-	-	-	-	5,938	-	-	-	-	5,938	32,480
Contract services	139,334	-	245,520	66,602	284,005	45,834	1,745,349	173,352	3,175	-	2,703,171	1,280,079
Education	-	-	-	559,592	-	-	-	-	-	-	559,592	786,637
Gifts and donations	5,597	-	-	-	-	-	27,397	-	-	-	32,994	31,047
Honorarium	4,385	-	875	23,210	400	1,050	565,272	-	-	-	595,192	456,819
Insurance	50,918	-	21,085	7,098	-	9,334	3,600	-	-	21,107	113,142	95,347
Leases	24,358	-	-	15,253	-	2,535	9,572	-	-	-	51,718	59,536
Licences, dues and fees	2,550	-	765	-	-	764	400	-	-	-	4,479	3,594
Interest on demand loans and mortgages payable	42,554	-	-	-	-	-	104	-	10	5,097	47,765	51,544
Materials and supplies	167,256	244,809	109,218	406,436	47,340	398,248	97,798	1,168,304	-	-	2,639,409	1,150,054
Meetings	424	-	586	750	4,994	-	111,431	-	-	-	118,185	52,969
Office and other	159,796	-	-	78,931	-	33,617	3,737	-	-	-	276,081	108,123
Professional fees	166,308	-	-	-	5,180	-	420,118	-	-	6,295	597,901	595,633
Programs	83,669	-	165,194	267,157	1,000	176,573	1,700	-	-	-	695,293	879,820
Repairs and maintenance	846,219	-	186,537	44,122	-	15,793	70,467	-	-	97,326	1,260,464	510,408
Telephone	6,378	1,440	6,140	7,780	-	5,721	2,788	-	-	-	30,247	41,867
Training	4,363	374	131	89,626	-	7,758	3,458	-	-	-	105,710	258,214
Travel	14,286	6,072	22,755	27,138	58,138	50,788	20,408	1,296	-	-	200,881	145,172
Utilities	21,877	-	50,555	15,587	-	15,184	5,034	-	-	-	108,237	120,504
Wages and benefits	1,528,454	98,054	346,497	933,722	105,892	359,000	178,326	-	-	-	3,549,945	2,778,098
	<u>3,657,231</u>	<u>733,835</u>	<u>1,223,399</u>	<u>3,005,408</u>	<u>565,586</u>	<u>1,402,951</u>	<u>3,279,680</u>	<u>1,342,952</u>	<u>3,185</u>	<u>143,905</u>	<u>15,358,132</u>	<u>11,241,984</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 1,704,112</u>	<u>\$ 147,863</u>	<u>\$ (145,708)</u>	<u>\$ 1,383,017</u>	<u>\$ 16,141</u>	<u>\$ 1,652,885</u>	<u>\$ 541,478</u>	<u>\$ (1,342,952)</u>	<u>\$ 109,019</u>	<u>\$ 46,101</u>	<u>\$ 4,111,956</u>	<u>\$ 6,085,408</u>

See accompanying notes to financial statements.

NESKONLITH INDIAN BAND
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2023

	Admini- stration	Community Welfare	Operations & maintenance	Education	Economic Development	Health Services	Government - Tmicw	Capital	Local Revenue	Social Housing	Total 2023
REVENUE:											
Indigenous Services Canada	\$ 852,571	\$ 1,080,393	\$ 1,165,299	\$ 2,154,580	\$ 497,621	\$ 102,298	\$ -	\$ -	\$ -	\$ -	\$ 5,852,762
Leases and rentals	171,937	-	-	-	-	-	18,672	-	-	153,997	344,606
CMHC	-	-	-	-	-	-	-	-	-	66,239	66,239
Province of BC	286,791	-	-	559,679	100,000	71,641	3,264,246	-	-	-	4,282,357
Interest and tax penalties	361,062	-	-	-	-	-	-	-	-	4,025	365,087
First Nations Health Authority	-	-	-	-	-	629,581	-	-	-	-	629,581
Admin recoveries	650,375	-	-	-	-	-	-	-	-	-	650,375
Equity earnings from government business enterprises	-	-	-	-	-	-	1,214,744	-	-	-	1,214,744
Miscellaneous	980,076	99	593,898	1,188,174	-	763,705	291,829	-	98,599	5,261	3,921,641
	<u>3,302,812</u>	<u>1,080,492</u>	<u>1,759,197</u>	<u>3,902,433</u>	<u>597,621</u>	<u>1,567,225</u>	<u>4,789,491</u>	<u>-</u>	<u>98,599</u>	<u>229,522</u>	<u>17,327,392</u>
EXPENSES:											
Administration fees	24,968	29,244	149,794	182,927	59,762	142,690	26,447	-	10,000	12,164	637,996
Advertising	-	-	-	-	-	971	1,561	-	-	-	2,532
Amortization	285,781	-	-	-	-	-	-	-	-	102,560	388,341
Assistance	-	505,517	-	269,653	-	-	-	-	-	-	775,170
Community development	-	-	-	-	-	32,480	-	-	-	-	32,480
Contract services	67,314	-	253,854	40,321	204,319	100,083	611,364	-	2,824	-	1,280,079
Education	-	-	-	786,637	-	-	-	-	-	-	786,637
Gifts and donations	312	-	-	-	-	-	30,735	-	-	-	31,047
Honorarium	6,401	-	-	23,200	-	3,600	423,618	-	-	-	456,819
Insurance	43,767	-	16,444	4,318	-	6,284	3,245	-	-	21,289	95,347
Leases	18,645	-	-	33,300	-	1,591	6,000	-	-	-	59,536
Licences, dues and fees	493	-	506	-	-	690	1,905	-	-	-	3,594
Interest on demand loans and mortgages payable	45,016	-	-	-	-	-	1,416	-	15	5,097	51,544
Materials and supplies	179,638	76,722	82,088	327,750	-	270,574	83,370	-	-	129,912	1,150,054
Meetings	-	565	112	3,175	248	-	48,869	-	-	-	52,969
Office and other	20,386	-	-	69,790	-	6,677	10,343	-	-	927	108,123
Professional fees	122,303	-	-	-	3,249	-	465,378	-	-	4,703	595,633
Programs	269,114	-	168,630	373,641	-	68,270	165	-	-	-	879,820
Repairs and maintenance	228,125	-	118,392	56,803	-	14,304	60,616	-	-	32,168	510,408
Telephone	8,662	1,560	6,369	10,385	-	11,965	2,926	-	-	-	41,867
Training	7,178	1,750	146	218,667	-	17,258	13,215	-	-	-	258,214
Travel	10,349	8,004	15,588	28,510	-	62,903	19,818	-	-	-	145,172
Utilities	23,344	-	48,640	21,697	-	14,714	12,109	-	-	-	120,504
Wages and benefits	1,139,777	73,286	231,971	795,970	-	392,550	144,544	-	-	-	2,778,098
	<u>2,501,573</u>	<u>696,648</u>	<u>1,092,534</u>	<u>3,246,744</u>	<u>267,578</u>	<u>1,147,604</u>	<u>1,967,644</u>	<u>-</u>	<u>12,839</u>	<u>308,820</u>	<u>11,241,984</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>\$ 801,239</u>	<u>\$ 383,844</u>	<u>\$ 666,663</u>	<u>\$ 655,689</u>	<u>\$ 330,043</u>	<u>\$ 419,621</u>	<u>\$ 2,821,847</u>	<u>\$ -</u>	<u>\$ 85,760</u>	<u>\$ (79,298)</u>	<u>\$ 6,085,408</u>

See accompanying notes to financial statements.

NESKONLITH INDIAN BAND
SUPPLEMENTARY FINANCIAL INFORMATION
March 31, 2024

EXHIBIT

SUPPLEMENTARY FINANCIAL INFORMATION:

H	INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT
H1	SCHEDULE OF REMUNERATION AND EXPENSES - CHIEF AND COUNCILLORS

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members,
NESKONLITH INDIAN BAND

We have reviewed the accompanying consolidated schedule of remuneration and expenses paid to elected officials ("the schedule") of the NESKONLITH INDIAN BAND for the year ended March 31, 2024. The schedule has been prepared by management of the NESKONLITH INDIAN BAND based on the First Nations Financial Transparency Act.

Management's Responsibility for the Schedule

Management of the NESKONLITH INDIAN BAND is responsible for the preparation of the schedule in accordance with the First Nations Financial Transparency Act, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the schedule based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

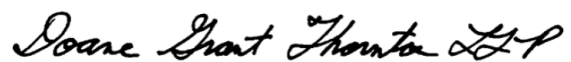
A review of the schedule in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on this schedule.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the schedule is not prepared, in all material respects, in accordance with the First Nations Financial Transparency Act.

December 11, 2024
Kamloops, Canada



Chartered Professional Accountants

NESKONLITH INDIAN BAND
SCHEDULE OF REMUNERATION AND EXPENSES
CHIEF AND COUNCILLORS
For the year ended March 31, 2024

Name of Individual	Position Title	Number of Months	Remuneration	Expenses	Reimbursements from Others
IRVIN WAI	CHIEF	12	72,540	27,605	-
JOAN MANUEL-HOOPER	COUNCILLOR	12	65,946	24,494	-
BRAD ARNOUSE	COUNCILLOR	12	65,946	9,712	-
SHIRLEY ANDERSON	COUNCILLOR	12	65,946	24,508	1,308
MINDY DICK	COUNCILLOR	12	65,946	21,437	-
FRANCES NARCISSE	COUNCILLOR	12	65,946	22,550	-
			\$ 402,270	\$ 130,306	\$ 1,308

Note:

Council travel is representative of the various National, Provincial, Regional, and local political tables.