

Shuswap Nation Tribal Council Society
Financial Statements
For the year ended March 31, 2025

Shuswap Nation Tribal Council Society
Financial Statements
For the year ended March 31, 2025

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Shuswap Nation Tribal Council Society (the "Society") are the responsibility of management and have been approved by the Council of Chiefs of the Society.

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

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

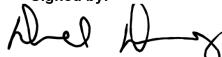
The Society is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Council of Chiefs review the Society's financial statements and recommend their approval. The Council of Chiefs meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Council of Chiefs take this information into consideration when approving the financial statements for issuance to the Members. The Council of Chiefs also appoint the engagement of the external auditors.

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

On Behalf of the Council of Chiefs:

Signed by:



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Signed by:



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Tribal Chief

Tribal Director

Independent Auditor's Report

To the Council of Chiefs of the Shuswap Nation Tribal Council Society

Opinion

We have audited the financial statements of the Shuswap Nation Tribal Council Society (the "Society"), which comprise the statement of financial position as at March 31, 2025, and the statements of changes in net assets, operations and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2025 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Society 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.

Other Matter

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Budget on the Statement of Operations, on page 9 of the Society's financial statements.

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 accounting standards for not-for-profit organizations, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society'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 Society'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 Society's operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO Canada LLP

Chartered Professional Accountants

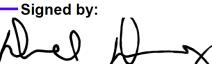
Kamloops, British Columbia
October 24, 2025

Shuswap Nation Tribal Council Society
Exhibit A - Statement of Financial Position

As at March 31	2025	2024
Assets		
Current Assets		
Cash	\$ 16,310,361	\$ 18,411,075
Accounts receivable (Note 5)	1,806,365	1,895,423
Prepaid expenses	136,233	100,768
Restricted cash (Note 6)	<u>56,414,076</u>	<u>37,022,875</u>
	74,667,035	57,430,141
Property and Equipment (Note 7)	<u>2,099,410</u>	<u>2,162,446</u>
	\$76,766,445	\$ 59,592,587
Liabilities and Net Assets		
Current Liabilities		
Accounts payable (Note 8)	1,919,885	3,607,220
Deferred revenue (Note 9)	<u>6,921,067</u>	<u>7,315,646</u>
	8,840,952	10,922,866
Net Assets		
Invested in property and equipment	2,099,410	2,162,446
Internally restricted (Note 10)	57,059,322	38,476,684
Unrestricted	<u>8,766,761</u>	<u>8,030,591</u>
	67,925,493	48,669,721
	\$ 76,766,445	\$ 59,592,587

Commitments (Note 11)

Approved on behalf of the Council of Chiefs:

Signed by:

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Tribal Chief

Signed by:

Maryann Yarama
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Tribal Director

Shuswap Nation Tribal Council Society
Exhibit B - Statement of Change in Net Assets

<u>March 31, 2025</u>	<u>2025</u>	<u>2024</u>			
Net Assets	Invested in Property and Equipment	Internally Restricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 2,162,446	\$ 38,476,684	\$ 8,030,591	\$ 48,669,721	\$ 9,894,903
Excess of revenue over expenditures for the year	- -	- -	19,255,772	19,255,772	38,795,426
Amortization expense	(317,208)	- -	317,208	- -	- -
Purchases of property and equipment	254,172	- -	(254,172)	- -	- -
Disposal of property and equipment	- -	- -	- -	- -	(20,607)
Transfer to restricted, net	- -	18,582,638	(18,582,638)	- -	- -
Balance, end of year	\$ 2,099,410	\$ 57,059,322	\$ 8,766,761	\$ 67,925,493	\$ 48,669,722

Shuswap Nation Tribal Council Society
Exhibit C - Statement of Operations

	Budget (Note 14) (Unaudited)	2025	2024
Revenue			
Indigenous Services Canada	\$ 3,382,212	\$ 3,563,354	\$ 1,798,675
Cost recoveries	1,039,339	118,328	129,958
Department of Fisheries and Oceans	3,069,619	2,576,210	2,095,855
Interest income	910,000	2,679,914	1,911,759
Ministry of Justice	125,000	-	172,622
Miscellaneous revenue	536,226	584,103	647,531
Province of BC	39,803,306	17,183,687	37,516,616
Rental income	-	-	11,235
Service Canada	7,780,735	4,523,302	3,060,842
	<hr/>	<hr/>	<hr/>
	56,646,437	31,228,898	47,345,093
Expenses			
Administration	-	-	32,260
Advertising	72,408	34,362	29,980
Bank charges and interest	8,500	8,157	8,621
Honoraria	465,736	445,842	308,041
Insurance	71,416	56,432	61,129
Materials and supplies	510,098	170,210	194,110
Meeting expenses	918,592	598,443	488,816
Miscellaneous	66,477	44,880	15,722
Office expenses	113,223	116,104	118,750
Payable on discontinued operations	-	-	(1,407,247)
Professional fees	4,196,172	3,092,317	3,001,133
Program costs	6,532,919	3,263,025	2,342,806
Property taxes	32,500	11,622	12,123
Rental expenses	150,750	161,974	142,451
Repairs and maintenance	119,000	75,993	76,204
Salaries and benefits	3,267,692	3,105,704	2,722,314
Telephone	19,500	23,444	24,142
Training	84,825	52,074	61,067
Travel	553,339	372,355	317,282
Utilities	22,000	22,980	22,822
	<hr/>	<hr/>	<hr/>
	17,205,147	11,655,918	8,572,526
Excess of Revenues Over Expenses Before Amortization and Discontinued Operations	39,441,290	19,572,980	38,772,567
Amortization	-	(317,208)	(303,151)
Income (loss) from discontinued operations	-	-	326,010
Excess of Revenues Over Expenses	\$ 39,441,290	\$ 19,255,772	\$ 38,795,426

Shuswap Nation Tribal Council Society
Exhibit D - Statement of Cash Flows

<u>For the year ended March 31, 2025</u>	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Excess of revenue over expenses	\$19,255,772	\$ 38,795,426
Adjustments for capital items included in operations		
Amortization	317,208	303,151
Increase in accounts receivable	89,058	(20,673)
(AIncrease) decrease in prepaid expenses	(35,465)	21,279
Increase in accounts payable	(1,687,335)	1,078,719
Increase (decrease) in deferred revenue	(394,579)	(2,316,161)
Cash flows from operating activities	<u>17,544,659</u>	<u>37,861,741</u>
Cash flows from capital activities		
Purchase of property and equipment	(254,172)	(169,477)
Cash flows from investing activities		
Deposit into temporary investments	(19,391,201)	37,022,876)
Net increase in cash	(2,100,714)	669,388
Cash, beginning of year	<u>18,411,075</u>	<u>17,741,687</u>
Cash, end of year	<u>\$16,310,361</u>	<u>\$ 18,411,075</u>
Represented By:		
Cash	<u>\$16,310,361</u>	<u>\$ 18,411,075</u>

Shuswap Nation Tribal Council Society

Notes to Financial Statements

March 31, 2025

1. Nature of Operations

The Shuswap Nation Tribal Council Society (the "Society") was incorporated under the BC Societies Act in the Province of British Columbia. A tribal council is an organization established by a number of First Nations with common interests who voluntarily join together to provide advisory and program services to member First Nations. The Society is exempt from income tax under section 149(1)(L) of the Income Tax Act.

2. Basis of Presentation and Significant Accounting Policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

The significant accounting policies are summarized as follows:

Fund Accounting

The Society follows the deferral method of accounting for contributions. A fund is determined for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The Society maintains the following funds:

- The Operating Fund which reports the general activities of the Society.
- The Capital Fund which reports the capital assets of the Society, together with any related financing.
- Secwepemc Fisheries Commission Fund which reports the activities for the fisheries resource management program.
- Indigenous Skills and Employment Training Fund which reports the activities of training, counselling, and providing work experience for the First Nations people.

Property and Equipment

Property and equipment is valued at cost. Amortization is based on the estimated useful life of the assets and is recorded using the following annual rates:

Buildings	48 year straight line
Equipment	5 year straight line
Leasehold Improvements	Straight line over the length of the lease
Paving	48 year straight line

The Society regularly reviews its property and equipment to eliminate obsolete items.

The Society reviews useful lives and the carrying value of its property and equipment if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the organization's ability to provide services. When assets no longer have any long-term service potential to the organization, 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.

Shuswap Nation Tribal Council Society

Notes to Financial Statements

March 31, 2025

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

Revenue Recognition

Grant and contract revenue is recognized as it becomes receivable under the terms of the applicable funding agreements when program terms and conditions are met and delivered, which coincides with when there is persuasive evidence that an arrangement exists, and there is reasonable assurance regarding the measurement and collectability of the amount. Funding received under the funding arrangements which relate to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Statement of Financial Position.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue recorded on an accrual basis and is recognized when earned.

Miscellaneous revenue which is not related to a funding agreement is recognized when funding terms and conditions are met and delivered, which coincides with when there is persuasive evidence that an arrangement exists, and there is reasonable assurance regarding measurement and collectability of the amount.

Cost recoveries are recorded when the underlying expense is made which coincides with when there is persuasive evidence that an arrangement exists, and there is reasonable assurance regarding measurement and collectability of the amount.

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. Items subject to significant management estimates include: estimated useful life of property and equipment, and the related amortization expense and impairment of long lived assets.

Financial Instruments

Financial instruments are recorded at fair value at initial recognition.

The Society considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. A financial asset or liability is recognized when the Society becomes party to contractual provisions of the instrument. The Society accounts for the following as financial instruments:

- Cash
- Temporary Investments
- Accounts receivable
- Accounts payable

Shuswap Nation Tribal Council Society

Notes to Financial Statements

March 31, 2025

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

Measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities are subsequently measured according to the following methods:

<u>Financial instrument</u>	<u>Subsequent measurement</u>
Cash	amortized cost
Temporary investments	amortized cost
Accounts receivable	amortized cost
Accounts payable	amortized cost

The Society removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in excess of revenues over expenses.

3. Financial Instruments

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides a measure of the Society's risk exposures and concentrations at March 31, 2025.

Credit Risk:

The Society is exposed to a credit risk by its customers. However, because the majority of revenues are from government agencies, credit risk concentration is reduced to the minimum.

The Society is also exposed to credit risk arising from all of its bank accounts being held at one financial institution and deposits are only insured up to \$600,000.

There have been no changes in credit risk over the prior year.

Shuswap Nation Tribal Council Society
Notes to Financial Statements

March 31, 2025

4. Economic Dependence

The Society receives a major portion of its revenue pursuant to funding arrangements with various agencies of the government of Canada.

5. Accounts Receivable

	2025	2024
Trade receivables	\$ 1,791,408	\$ 1,875,727
GST rebate receivable	14,957	19,696
	<hr/> <u>\$ 1,806,365</u>	<hr/> <u>\$ 1,895,423</u>

6. Restricted Cash

The carrying amounts of restricted cash are comprised of the following:

	2025	2024
RBC Royal Bank Premium Investment Cash Account	\$56,414,076	\$ -
RBC Royal Bank Guaranteed Investment Certificates, matured during the year.	- <hr/>	37,022,875
	<hr/> <u>\$56,414,076</u>	<hr/> <u>\$ 37,022,875</u>

Shuswap Nation Tribal Council Society
Notes to Financial Statements

March 31, 2025

7. Property and Equipment

	2025			
	Buildings	Equipment	Paving	Leasehold improvements
	\$	\$	\$	\$
Cost, beginning of year	\$ 1,472,575	3,419,265	33,556	150,516
Additions	-	223,696	-	30,475
Cost, end of year	1,472,575	3,642,961	33,556	180,991
Accumulated amortization, beginning of year	335,930	2,489,900	6,991	80,645
Amortization	31,396	272,627	699	12,485
Disposals	-	-	-	-
Accumulated amortization, end of year	367,326	2,762,527	7,690	93,130
Net carrying amount, end of year	\$ 1,105,249	880,434	25,866	87,861
	\$	\$	\$	\$

	2024			
	Buildings	Equipment	Paving	Leasehold improvements
	\$	\$	\$	\$
Cost, beginning of year	\$ 1,472,575	3,294,722	33,556	133,469
Additions	-	152,430	-	17,047
Disposals	-	(27,887)	-	(27,887)
Cost, end of year	1,472,575	3,419,265	33,556	150,516
Accumulated amortization, beginning of year	304,672	2,231,668	6,292	74,963
Amortization	31,258	265,512	699	5,682
Disposals	-	(7,280)	-	(7,280)
Accumulated amortization, end of year	335,930	2,489,900	6,991	80,645
Net carrying amount, end of year	\$ 1,136,645	929,365	26,565	69,871
	\$	\$	\$	\$

8. Accounts Payable

	2025	2024
Trade payables	\$ 1,919,885	\$ 3,607,220

Included in accounts payable and accrued liabilities are government remittances payable of \$2,124.

Shuswap Nation Tribal Council Society
Notes to Financial Statements

March 31, 2025

9. Deferred Revenue

	2025	2024
Indigenous Services Canada	\$ 1,632,615	\$ 1,717,983
Service Canada	3,257,433	4,553,773
Province of BC	1,221,197	687,074
Department of Fisheries and Oceans	650,002	261,176
BC Hydro	34,820	34,820
Ministry of Justice	125,000	-
First Nations Confederacy of Cultural Education Centres	-	10,820
Indigenous Stewardship Fund	-	50,000
	<hr/> \$ 6,921,067	<hr/> \$ 7,315,646

10. Internally Restricted

The Council of Chiefs has internally restricted the following programs and amounts including:

	2025	2024
Contingency - late payment from federal authorities	\$ 250,000	\$ 250,000
Aboriginal Rights and Title	256,760	256,760
Columbia River Treaty Funds	56,552,562	37,969,924
	<hr/> \$ 57,059,322	<hr/> \$ 38,476,684

11. Commitments

The Society has entered into lease agreements for office space, office equipment and a lease for land on which the building is located. These lease agreements have expiry dates ranging from February 2026 to February 2030.

Subsequent to year-end, the Society entered into a new lease for their existing office space. The lease term is 4 years commencing April 2025, with monthly lease payments of \$5,423. The commitment was entered into after the fiscal year-end of March 31, 2025 and is therefore not recognized in the financial statements.

Future minimum lease payments as at March 31, 2025, are as follows:

2026	\$ 131,501
2027	120,147
2028	108,651
2029	99,272
Thereafter	<hr/> 19,067
	<hr/> \$ 478,638

Shuswap Nation Tribal Council Society Notes to Financial Statements

March 31, 2025

12. Employee Benefits

The Society and its employees contribute to defined contribution pension plan. There is no obligation for past service of periods in which the employee was not employed. Total contributions to the plan during the year were \$113,009 (2024 - \$115,428).

13. Wages, Honoraria and Benefits

The Society Act of British Columbia requires certain information to be reported with regards to remuneration to employees, contractors and directors. Included in salaries and benefits is eleven employees with remuneration over \$75,000. The total salaries and benefits paid to these individuals for the year ended March 31, 2025 was \$1,1192,529 (2024 - \$829,449).

14. Budget

The budget information disclosed is for information purposes only. The budget has been approved by the Council of Chiefs but has not been audited.

15. Comparative Information

During the year, Indigenous Services Canada confirmed that \$1,407,247 of unspent funding remains under the Shuswap Nation Tribal Council's accountability and is not repayable as reported in the previous fiscal period. That this balance should be presented as deferred revenue rather than as a liability associated with the discontinued Health Department. As a result, adjustments were required to restate these areas. The impact of the restatement is as follows:

	2024 As Previously Reported	Adjustment	2024 Restated
Accounts payable	5,014,466	(1,407,247)	3,607,220
Deferred revenue	5,908,400	1,407,247	7,315,647
