

**TL'AZT'EN NATION**



**CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2023**

**TL'AZT'EN NATION**

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**MARCH 31, 2023**

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**FINANCIAL STATEMENTS**

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# TL'AZT'EN NATION

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

MARCH 31, 2023

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The accompanying consolidated financial statements of Tl'azt'en Nation are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.


Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

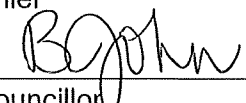
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, DMC Chartered Professional Accountants Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Tl'azt'en Nation and meet when required.

On behalf of Tl'azt'en Nation:

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Councillor

September 5, 2023  
Date

September 5, 2023  
Date



## **Independent Auditor's Report**

To the Members of  
Tl'azt'en Nation

### *Report on the Audit of the Consolidated Financial Statements*

#### *Qualified Opinion*

We have audited the consolidated financial statements of Tl'azt'en Nation, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of revenue, expenditures and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Except as noted in the following paragraph, in our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the as at and the results of its operations for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Qualified Opinion*

We were unable to obtain sufficient audit evidence for the amounts receivable and/or payable to Binche Whut'en that is the result of the separation of the Nation effective as of April 1, 2019.

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 Consolidated 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAB, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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



## Independent Auditor's Report, continued

### *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 consolidated 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 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.

## Independent Auditor's Report, continued

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.

Prince George, British Columbia  
September 5, 2023

DMC Chartered Professional  
Accountants Inc.

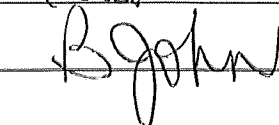
**TL'AZT'EN NATION****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MARCH 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash	\$ 3,674,345	\$ 3,662,950
Restricted cash (Note 3)	876,407	718,124
Portfolio investments (Note 4)	11,764,857	12,023,322
Accounts receivable (Note 5)	1,078,784	2,093,218
Investments in government business enterprises (Note 6)	19,315,948	12,278,453
Funds held in trust (Note 8)	3,208,235	3,077,600
	<b>39,918,576</b>	<b>33,853,667</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	2,589,801	2,212,438
Due to government agencies	1,881	-
Deferred revenue (Note 10)	2,711,113	2,182,226
Long-term debt (Note 11)	827,955	781,350
Replacement reserves (Note 12)	7,228	4,310
	<b>6,137,978</b>	<b>5,180,324</b>
<b>NET FINANCIAL ASSETS</b>	<b>33,780,598</b>	<b>28,673,343</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 13)	17,068,899	16,670,215
Prepaid expenses	148,397	148,656
Inventory (Note 14)	46,216	46,216
	<b>17,263,512</b>	<b>16,865,087</b>
<b>ACCUMULATED SURPLUS (Note 15)</b>	<b>\$ 51,044,110</b>	<b>\$ 45,538,430</b>

Contingent liabilities (Note 17)  
Economic dependence (Note 13)

**Approved on behalf of the Tl'azt'en Nation**

 , Chief

 , Councillor

See accompanying notes to these financial statements.

**TL'AZT'EN NATION****CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS****FOR THE YEAR ENDED MARCH 31, 2023**

	2023	2022
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 6,358,698</b>	<b>\$ 11,189,300</b>
Acquisition of tangible capital assets	(1,431,941)	(2,465,958)
Amortization of tangible capital assets	1,871,731	1,577,646
Proceeds of disposal of tangible capital assets	39,700	-
Gain on sale of tangible capital assets	(25,156)	-
Distribution to members	(853,018)	-
	(398,684)	(888,312)
Acquisition of prepaid asset	259	(31,837)
Acquisition of inventory	-	(46,216)
Increase in net financial assets	5,960,273	10,222,935
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	28,673,343	18,450,408
NET FINANCIAL ASSETS AT END OF YEAR	\$ 33,780,598	\$ 28,673,343

See accompanying notes to these financial statements.



# TL'AZT'EN NATION

## CONSOLIDATED STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED MARCH 31, 2023

	2023 Budget	2023 Actual	2022 Actual
<b>REVENUE</b>			
Indigenous Services Canada (Notes 18 and 19)	\$ 5,969,865	\$ 8,107,727	\$ 8,960,777
Earnings from investment in Nation business (Note 6)	-	7,037,495	8,386,487
Provincial Government (Note 18)	1,639,391	4,195,481	3,742,551
First Nation Health Authority	2,599,951	2,893,659	2,332,158
Other Aboriginal Groups	877,988	1,128,419	1,123,412
Other income	986,533	787,822	490,882
First nation drinking water settlement (Note 20)	-	500,000	-
Other federal government funding (Note 18)	309,600	455,116	353,887
Interest income	-	407,351	46,107
Rentals and user fees	256,100	268,822	269,104
Canada Mortgage and Housing Corporation (Note 18)	31,954	191,954	1,083,112
Service and product sales	113,062	111,555	142,396
Ottawa Trust Earnings (Note 8)	-	37,511	258,971
Gain on sale of tangible capital assets	-	25,156	-
Logging Revenue (recovery)	-	-	(269,410)
	<b>12,784,444</b>	<b>26,148,068</b>	<b>26,920,434</b>
<b>EXPENDITURES</b>			
Administration	2,520,755	3,900,001	2,794,508
Housing Operations	1,602,859	1,473,693	1,374,543
Health Services	3,014,622	2,722,115	1,871,837
Economic Development	290,432	335,522	254,090
Natural Resources	753,094	859,560	703,840
Social Development	1,544,789	2,256,762	1,785,232
Infrastructure	1,257,755	1,762,768	1,148,041
Education	4,489,468	4,440,083	4,035,364
Social Housing	371,585	196,894	112,232
Self Government	100,000	58,303	73,801
Tangible Capital Assets	-	1,783,437	1,577,646
	<b>15,945,359</b>	<b>19,789,138</b>	<b>15,731,134</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>(2,985,813)</b>	<b>6,358,698</b>	<b>11,189,300</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	<b>-</b>	<b>45,538,430</b>	<b>34,349,130</b>
<b>TRANSFERS FROM (TO)</b>	<b>13,694,639</b>	<b>-</b>	<b>-</b>
<b>DISTRIBUTION TO MEMBERS</b>	<b>-</b>	<b>(853,018)</b>	<b>-</b>
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>\$ 10,708,826</b>	<b>\$ 51,044,110</b>	<b>\$ 45,538,430</b>

See accompanying notes to these financial statements.

**TL'AZT'EN NATION**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED MARCH 31, 2023**

	2023	2022
<b>Cash flows from</b>		
<b>OPERATING ACTIVITIES</b>		
EXCESS OF REVENUE OVER EXPENDITURES	\$ 6,358,698	\$ 11,189,300
Items not affecting cash		
Amortization	1,871,731	1,577,646
Earnings from investment in Nation business	(7,037,495)	(8,386,487)
Interest income from Ottawa Trust Fund	(130,635)	(672,690)
Gain on sale of tangible capital assets	(25,156)	-
Replacement Reserve	2,921	4,310
	1,040,064	3,712,079
Change in non-cash operating working capital (Note 23)	1,069,803	1,043,774
	2,109,867	4,755,853
<b>CAPITAL ACTIVITIES</b>		
Proceeds of disposal of tangible capital assets	39,700	-
Purchase of tangible capital assets	(2,284,959)	(2,465,918)
	(2,245,259)	(2,465,918)
<b>FINANCING ACTIVITIES</b>		
Repayment of debt	(132,903)	(228,453)
Proceeds on long term debt	179,508	-
	46,605	(228,453)
<b>INVESTING ACTIVITIES</b>		
Interest in investments in Gwaii Trust Society	(51,600)	(20,874)
Redemption of term deposits	450,983	271,530
Purchase of term deposits	(140,918)	(4,469,813)
	258,465	(4,219,157)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	169,678	(2,157,675)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	4,381,074	6,538,749
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 4,550,752	\$ 4,381,074
<b>REPRESENTED BY</b>		
Cash	\$ 3,674,345	\$ 3,662,950
Restricted cash	876,407	718,124
	\$ 4,550,752	\$ 4,381,074

See accompanying notes to these financial statements.

# **TL'AZT'EN NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2023**

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### **1. OPERATIONS**

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

### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Professional Accountants of Canada.

#### **(a) Fund accounting**

The Tl'azt'en Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the financial statements. The Nation maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Ottawa Trust Fund which reports on the trust funds of the First Nation and held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Section 63 of the Indian Act.
- The Enterprise Fund which reports the First Nation's investment in and advances to corporate enterprise activities.
- The Tangible Capital Asset Fund which reports the capital assets of the Nation and their related activities
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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### 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (b) Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation business entities. Trusts administered on behalf of third parties by Tl'azt'en Nation are excluded from the Nation reporting entity.

The Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- CMHC Social Housing Program

All inter-entity balances have been eliminated on consolidation.

Tl'azt'en Nation business entities, owned or controlled by the Nation's Council but not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

Entities accounted for by the modified equity basis include:

- Tanizul Timber Ltd.

#### (c) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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.

#### (d) Cash and cash equivalents

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

#### (e) Funds held in Ottawa Trust Fund

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

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(f) Inventory**

Inventory, consisting of livestock, is valued at the lower of cost and net realizable value. The cost of the inventories is based on the standard cost and includes the direct cost of the livestock. Net realizable value is the estimated selling price in the ordinary course of business, less the selling expenses. Any impairment of the inventory is included in the surplus in the current year.

#### **(g) Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

Social housing assets acquired under Canada Mortgage and Housing Corporation ("CMHC") sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long-term-debt. Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Building, water and sewage and electrification	20-25 years
Housing	25-40 years
Road	20 years
Equipment	10 years
Vehicles	5 years
Computer equipment and software	3 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to Tl'azt'en Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

#### **(h) Long-lived assets**

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

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in the surplus for the year.

#### **(i) Net debt or net financial assets**

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

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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### 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (j) Replacement reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

#### (k) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

##### *Government transfers*

The Nation recognizes a government transfer as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled. Transfer of non-depreciable assets are recognized in revenue when received or receivable.

##### *Canada Mortgage and Housing Corporation ("CMHC")*

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

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

The Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from accounts held in Ottawa. Interest revenue is recognized when earned.

##### *Housing Rental Income*

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

##### *Other revenue*

Other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.



# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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### **2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(l) Liability for contaminated site**

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Nation is either directly responsible or accept responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2023.

At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period and revisions are made. The Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2023, there is no liability for contaminated sites.

#### **(m) Asset retirement obligation**

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire an asset when there is a legal obligation incurred as the result of the tangible capital asset being controlled by the Nation. The best estimate of the asset retirement obligations includes all costs directly attributable to the asset retirement obligation and is reduced over the useful life of the tangible capital asset based on information available at March 31, 2023.

At each financial reporting date, the Nation reviews the costs associated with the asset retirement obligation. Any revisions to the asset retirement obligation is amortized in a systematic manner on a go-forward basis.

Once the related tangible capital asset is no longer of productive use, all changes in the estimate of the asset retirement obligations are expense in the period they incurred. As at March 31, 2023, there are no asset retirement obligations.

#### **(n) Measurement uncertainty**

In preparing the consolidated financial statements for the TL'azt'en Nation, management is required 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 consolidated financial statements and the reported amounts of revenue and expenses during the period.

Accounts receivable are stated after an evaluation as to their collectible and an appropriate allowance for doubtful accounts is provided when considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be significant. These assumptions and estimates are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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### 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (o) Financial instruments

The Nation initially measures its financial assets and financial liabilities at fair value. The Nation subsequently measures all of its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable, long term investments and federal trust funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred revenue, replacement reserves and long-term debt.

Fair value is determined by the price that is quoted in an active market. When a quoted price in an active market is not available it is measured at cost.

The Nation does not currently have any financial instruments measured at fair value.

#### (p) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

### 3. RESTRICTED CASH

Under the terms of the agreement with CMHC, excess revenues over expenditures for the Post 1996 phases may be retained in an operating reserve. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

Restricted cash is comprised of the following:

	2023	2022
CMHC Post-1996 replacement reserve	\$ 35,140	\$ 335,000
CMHC operating reserve	841,267	383,124
	<u>\$ 876,407</u>	<u>\$ 718,124</u>

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 4. PORTFOLIO INVESTMENTS

	2023	2022
Term deposits held with Integris Credit Union, at cost, with interest rates ranging from 0.40% to 2.10% per annum, maturing between August 2024 to April 2025	\$ 11,337,293	\$ 11,647,360
Portfolio investments held with Gwaii Trust Society, at cost	427,564	375,962
	<b>\$ 11,764,857</b>	<b>\$ 12,023,322</b>

Included in term deposits held with the Integris Credit Union is \$292,584 (2022-\$267,578) in funds from the BCFN Gaming Revenue Sharing LP.

### 5. ACCOUNTS RECEIVABLE

	2023	2022
<b>Due from members</b>		
Rent receivable - band owned housing	\$ 1,649,063	\$ 1,471,330
Rent receivable - social housing	289,470	263,456
Nation members and employees	125,124	118,620
Subsidy housing receivable	24,271	24,271
Allowance for band owned housing	(1,649,063)	(1,022,337)
Allowance for band member receivable	(125,124)	(92,341)
Allowance for social housing	(289,470)	(605,205)
Allowance for subsidy housing	(24,271)	(24,271)
	-	133,523
<b>Due from others</b>		
Other receivable	479,524	767,176
Other allowance for doubtful accounts	(212,640)	(49,534)
First Nation funding agencies	252,838	397,402
	<b>519,722</b>	<b>1,115,044</b>
<b>Due from government and other government organizations</b>		
Canadian mortgage housing corporation	2,663	162,663
First Nation Health Authority	43,969	295,352
GST receivable	39,198	251,992
Indigenous Services Canada	64,561	55,506
Province of BC	408,671	79,138
	<b>559,062</b>	<b>844,651</b>
	<b>\$ 1,078,784</b>	<b>\$ 2,093,218</b>

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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### 6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

The Nation has investments in the following entities:

	2023	2022
Tanizul Timber Ltd. (Note 7)		
Shares, at cost	\$ 8	\$ 8
Cumulative share of earnings	19,315,914	12,278,419
	<hr/> 19,315,922	<hr/> 12,278,427
Integris Credit Union		
Equity shares	26	26
	<hr/> \$ 19,315,948	<hr/> \$ 12,278,453

The investment in Tanizul Timber Ltd. is based on the audited financial statements.

Tanizul Timber Ltd., paid the Nation \$3,175 (2022- \$27,794) in other miscellaneous revenue during the year.

**TL'AZT'EN NATION****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2023**

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**7. INVESTMENT IN TANIZUL TIMBER**

	Tanizul Timber Ltd., 100% ownership 2023
Cash	\$ 7,198,569
Short term investment	12,897,782
Accounts receivable	1,125,175
Inventory	22,636
Prepaid expenses	79,284
Property Plant and Equipment	2,054,091
<b>Total assets</b>	<b>\$23,377,537</b>
Accounts payable and accrued liabilities	\$ 116,007
Current portion of accrued reforestation obligation	1,235,098
Accrued reforestation obligation	2,710,502
<b>Total liabilities</b>	<b>4,061,607</b>
<b>Equity</b>	<b>19,315,930</b>
<b>Total liabilities and equity</b>	<b>\$23,377,537</b>

**TL'AZT'EN NATION****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2023****7. INVESTMENT IN TANIZUL TIMBER, continued**

	Tanizul Timber Ltd., 100% ownership 2023
Revenue	
Forestry operations	\$ 7,027,955
Contract revenue	233,144
General and administration	28,023
	<u>7,289,122</u>
Expenses	
Advertising	12,450
Director honorariums	29,560
Donations	156,072
Insurance	34,710
Interest and bank charges	4,311
Meetings and conferences	37,765
Membership, licences and permits	7,528
Office and sundry	18,474
Professional services	135,288
Repairs and maintenance	36,408
Utilities	17,759
Wages and benefits	1,044
	<u>491,369</u>
	<u>6,797,753</u>
Other income	
Interest and other income	276,156
Gain on disposal of property	38,539
	<u>314,695</u>
	<u>\$ 7,112,448</u>



# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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### 8. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

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

	March 31, 2022	Additions, 2023	March 31, 2023
Revenue	\$ 2,923,060	\$ 102,820	\$ 3,077,600
Capital	154,540	27,815	130,635
	<hr/>	<hr/>	<hr/>
	\$ 3,077,600	\$ 130,635	\$ 3,208,235

The trust funds 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 Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*.

### 9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trade accounts payable	\$ 851,339	\$ 476,593
Payroll and benefits	271,935	306,603
Payable to Binche Whut'en	1,463,493	1,427,096
Accrued interest payable	1,257	1,257
Accrued interest payable-Social Housing	1,777	889
	<hr/>	<hr/>
	\$ 2,589,801	\$ 2,212,438

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 10. DEFERRED REVENUE

Deferred revenue comprises of funding received prior to expenditures being made in respect of the following capital and other projects.

	March 31, 2022	Funding received, 2023	Revenue recognized, 2023	March 31, 2023
<b>Federal government</b>				
ISC Asset condition reporting system	\$ 26,029	\$ -	\$ -	\$ 26,029
ISC Tache Road Upgrade	45,551	-	(1,008)	44,543
ISC Duplex	250,000	-	(250,000)	-
ISC Housing Reassessment	28,000	-	(28,000)	-
Canadian Mortgage Housing Corporation	160,000	-	(160,000)	-
ISC Multiplex	-	1,500,000	-	1,500,000
ISC H&S Renovations	-	200,000	-	200,000
	509,580	1,700,000	(439,008)	1,770,572
<b>Other</b>				
Prince Rupert Gas Transmission	674,333	-	-	674,333
First Nation Health Authority	348,384	-	(348,384)	-
Dzulth Trail	50,000	-	-	50,000
FNHA- Healing Through Trauma	50,000	-	(50,000)	-
FNHA- Harm Reduction	50,000	-	(50,000)	-
FNHA April 2022 Funding	174,230	-	(174,230)	-
FNHA- Healing Together	65,699	-	(65,699)	-
New Cultural Building	260,000	-	(260,000)	-
FNHA April 2023 Funding	-	176,208	-	176,208
Civil Forfeiture Grant	-	40,000	-	40,000
	1,672,646	216,208	(948,313)	940,541
	\$ 2,182,226	\$ 1,916,208	\$ (1,387,321)	\$ 2,711,113

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 11. LONG-TERM DEBT

	2023	2022
All Nation Trust Co. term loan bearing interest at 1.73% per annum, repayable in monthly payments of \$4,248 including interest, secured by mortgage on buildings and a ministerial guarantee, renewal August 2024, maturing July 2034.	\$ 525,307	\$ 566,920
Royal Bank of Canada term loan bearing interest at 2.90% per annum, repayable in monthly payments of \$6,516 including interest, secured by mortgage on buildings and a ministerial guarantee, maturing November 2024.	127,922	201,237
Royal Bank of Canada bearing interest at 5.99% per annum, repayable in monthly payments of \$814 including interest, secured by specific equipment with a net book value of \$39,011, maturing September 2029.	52,475	-
Ford Credit Loan bearing interest at 4.49% per annum, repayable in monthly payments of \$1,558 including interest, secured by specific equipment with a net book value of \$58,515, maturing September 2027.	76,177	-
Royal Bank of Canada bearing interest at 5.49% per annum, repayable in monthly payments of \$703 including interest, secured by specific equipment with a net book value of \$34,289, maturing September 2030.	46,074	-
Loan, fully repaid during the year	-	1,174
Loan, fully repaid during the year	-	12,019
	\$ 827,955	\$ 781,350

Principal portion of long-term debt due within the next five years:

2024	\$ 127,979	
2025	117,664	
2026	95,340	
2027	43,668	
2028 and thereafter	443,304	
	\$ 827,955	
	2023	2022
Interest expense for the year on long-term debt	\$ 13,683	\$ 12,600

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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### 12. REPLACEMENT RESERVE

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC") the post-1996 replacement reserve account is to be credited in the amount of \$8,000 annually (2022 - \$8,000).

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 approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC.

At year end, the Post -1996 replacement reserve account was funded as per the agreement (2022 - underfunded by \$14,535).

At year end the replacement reserves consist of the following:

	2023	2022
Balance, beginning of year	\$ 286,092	\$ 291,929
Annual allocation	8,000	8,000
Interest income	-	345
Expenditures	(10,080)	(14,182)
Balance, end of year	\$ 284,012	\$ 286,092

Under the terms of the agreement with CMHC, excess federal assistance payments received may be retained in an Operating Reserve. 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 approved by CMHC from time to time. For the Post 1996 phases the funds may be used to offset future deficits. Withdrawals are credited first to interest and then principal. At year end, the operating reserve consists of the following:

	2023	2022
Balance, beginning of year	\$ 446,569	\$ 416,112
Operating surplus	145,826	30,457
Balance, end of year	\$ 592,395	\$ 446,569

Under the terms of the agreement with CMHC, purchases over \$5,000 require competitive prices from three sources through quotations, tenders or proposals.

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 13. TANGIBLE CAPITAL ASSETS

	Cost	Additions	Disposals	Accumulated amortization	2023 Net book value
Land	\$ 2,216,715	\$ -	\$ -	\$ -	\$ 2,216,715
Buildings and infrastructure	33,955,944	1,482,062	-	29,673,219	5,764,787
Computer equipment	151,426	117,231	-	187,140	81,517
Community infrastructure	603,506	84,417	-	583,028	104,895
Equipment - General	941,169	77,290	-	739,737	278,723
Water and sewer	15,600,530	13,728	-	7,760,266	7,853,992
Roads and bridges	3,865,720	-	-	3,593,332	272,388
Vehicles	1,608,226	436,917	31,165	1,518,096	495,882
Electrical Systems	175,972	-	-	175,972	-
	<b>\$ 59,119,208</b>	<b>\$ 2,211,645</b>	<b>\$ 31,165</b>	<b>\$ 44,230,790</b>	<b>\$ 17,068,899</b>

	Cost	Additions	Disposals	Accumulated amortization	2022 Net book value
Land	\$ 2,172,852	\$ 43,865	\$ -	\$ -	\$ 2,216,716
Buildings and infrastructure	31,929,251	2,026,693	-	28,708,524	5,247,420
Computer equipment	247,660	19,653	115,887	115,844	35,582
Community infrastructure	579,366	24,140	-	547,024	56,482
Equipment - General	841,247	99,922	-	692,144	249,025
Water and sewer	15,600,530	-	-	7,486,233	8,114,297
Roads and bridges	3,823,071	42,649	-	3,526,044	339,676
Vehicles	1,723,319	177,467	292,560	1,197,209	411,017
Electrical Systems	175,972	-	-	175,972	-
	<b>\$ 57,093,268</b>	<b>\$ 2,434,389</b>	<b>\$ 408,447</b>	<b>\$ 42,448,994</b>	<b>\$ 16,670,215</b>

### 14. INVENTORY

	2023	2022
Poultry	\$ 1,437	\$ 1,437
Horses	22,315	22,315
Cows	22,464	22,464
	<b>\$ 46,216</b>	<b>\$ 46,216</b>

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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### 15. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2023	2022
Enterprise fund	\$ 19,315,948	\$ 12,278,336
Equity in operating fund	10,574,621	13,454,170
Equity in tangible capital assets	17,068,899	15,888,866
Equity in Ottawa Trust funds	3,208,235	3,077,600
Replacement reserves	876,407	839,458
	<hr/>	<hr/>
	\$ 51,044,110	\$ 45,538,430

### 16. CONTINGENT LIABILITIES

The Nation has a contingent liability related to Indigenous Services Canada's ministerial loan guarantees for member mortgages. The outstanding balance of these mortgages at March 31, 2023 is \$739,041 (2022- \$799,993).

Surpluses related to some projects funded by Indigenous Services Canada, Province of BC and First Nations Health Authority are subject to possible recovery by those agencies. No provision has been made in these statements for potential recovery for the 2023 year end.

### 17. ECONOMIC DEPENDENCE

Tl'azt'en Nation receives a significant portion of its revenue from Indigenous Services Canada as a result of treaties entered into with the Government of Canada. These treaties are administered by Indigenous Services Canada under the terms and conditions of the *Indian Act*. The ability of the nation to continue operation is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.



# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 18. GOVERNMENT TRANSFERS

	2023		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous Services Canada	\$ 8,107,727	\$ -	\$ 8,107,727
Canada Mortgage and Housing Construction funding	31,954	160,000	191,954
Other federal government funds	455,116	-	455,116
<b>Total</b>	<b>8,594,797</b>	<b>160,000</b>	<b>8,754,797</b>
<b>Provincial government transfers</b>	<b>4,195,481</b>	<b>-</b>	<b>4,195,481</b>
	<b>\$ 12,790,278</b>	<b>\$ 160,000</b>	<b>\$ 12,950,278</b>
	2022		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous Services Canada	\$ 8,960,777	\$ -	\$ 8,960,777
Canada Mortgage and Housing Corporation	1,083,112	-	1,083,112
Other federal government funds	353,887	-	353,887
<b>Total</b>	<b>10,397,776</b>	<b>-</b>	<b>10,397,776</b>
<b>Provincial government transfers</b>	<b>3,742,551</b>	<b>-</b>	<b>3,742,551</b>
	<b>\$ 14,140,327</b>	<b>\$ -</b>	<b>\$ 14,140,327</b>

### 19. INDIGENOUS SERVICES CANADA RECONCILIATION

	2023	2022
Indigenous Services Canada revenue per confirmation	\$ 9,528,718	\$ 8,993,453
Deferred for future capital projects	(1,700,000)	(278,000)
Recognition of previously deferred funds	279,009	676,370
Jordan's Principle not funded	-	(16,332)
Jordan's Principle per ISC confirmation	-	(414,714)
	<b>\$ 8,107,727</b>	<b>\$ 8,960,777</b>

## TL'AZT'EN NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

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#### 20. FIRST NATIONS DRINKING WATER SETTLEMENT

A settlement has been reached on the class action First Nations Drinking Water lawsuit. The Nation received \$500,000 in compensation. In addition, the Nation will receive an additional amount equal to 50% of the amounts paid to eligible individuals who resided in the community once the claims process has ended. This additional payment is not yet determined as the claims period was extended until March 7, 2024. As no estimate is available on the additional amount, no provision has been recorded in the financial statements.

#### 21. EMPLOYMENT RETIREMENT PLAN

The Nation has a defined contribution plan for eligible employees. Employees are required to contribute a minimum of 5.5% of their salary and the Band matches the contribution. The contributions are directed to the employee's contribution account. The amount of retirement benefits to be received by the employees will be the amount of retirement benefit annuity that could be purchased based on the member's share of the pension plan at the time of the employee's withdrawal from the plan. During the year, the Nation contributed \$172,222 (2022 - \$113,349).

#### 22. BUDGET INFORMATION

Budgeted figures have been provided for comparison purposes and have been derived from the estimates provided by management, and were approved by Chief and Council on April 28, 2022.

#### 23. CHANGES IN NON-CASH OPERATING WORKING CAPITAL

	2023	2022
Accounts receivable	\$ 1,014,434	\$ 1,497,911
Inventory	-	(46,216)
Prepaid expenses	256	(31,969)
Accounts payable and accrued liabilities	325,365	(61,279)
Due to government agencies	1,881	-
Deferred revenue	528,887	(288,537)
Payable to Binche	51,998	20,080
Inventory	-	(46,216)
Distribution to memebbers	(853,018)	-
	<b>\$ 1,069,803</b>	<b>\$ 1,043,774</b>

#### 24. SUBSEQUENT EVENT

On September 5, 2023, the Nation's legal council indicated that there was a dispute between Chief and Council and the directors of Tanizul Timber Ltd. as to who is the beneficial owner of the Tanizul Timber Ltd shares. At this time, the outcome of the dispute is unknown and can not be estimated.

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2023**

### 25. EXPENSES BY OBJECT

	2023 Budget	2023 Actual	2022 Actual
Advertising	\$ 46,029	\$ 15,816	\$ 18,846
Amortization	5,566	1,871,731	1,577,646
Awards day	5,000	916	5,864
Bad debts	-	412,048	170,757
Building expenses	1,151,708	1,224,536	1,065,197
COVID 19 expenses	-	477,021	894,929
Christmas	-	-	2,000
Client Services	202,192	214,396	174,169
Contracted services	1,103,840	1,148,212	719,489
Donations	37,500	136,393	70,017
Cultural education	20,000	-	-
Education	1,599,940	1,671,923	1,818,779
Emergency	-	45,100	-
Equipment	613,654	234,677	321,673
Equipment leases and rentals	2,850	42,448	5,961
Funeral costs	-	59,902	61,139
Grad fees	-	2,230	-
Honorariums	446,885	304,979	253,375
Infrastructure	7,500	-	2,115
Insurance	-	200,151	154,203
Interest and bank charges	14,000	41,698	22,933
Interest on debt (recovery)	12,600	(57,128)	9,686
Meals program and groceries	7,000	18,121	10,306
Meetings, cultural activities & community projects	324,941	460,336	214,009
Nutrition	-	2,697	-
Office expenses	576,501	461,465	261,507
Other expenses (recovery)	500,064	(327,853)	401,212
Professional fees	708,016	1,852,297	839,712
Ranch and outfitting	88,960	107,014	55,051
Repairs and maintenance	70,500	37,151	28,479
Replacement provision	8,000	8,000	18,492
Social assistance	915,883	1,241,865	965,653
Supplies	73,332	12,411	32,293
Telephone and internet	133,802	120,225	130,043
Training and workshops	451,448	567,649	368,581
Travel	525,740	452,497	213,696
Vehicle	50,083	207,354	62,151
Wages and benefits	6,241,825	6,520,860	4,781,171
	<b>\$ 15,945,359</b>	<b>\$ 19,789,138</b>	<b>\$ 15,731,134</b>

## TL'AZT'EN NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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#### 26. SEGMENTED INFORMATION

As previously discussed in note 2 (l) the First Nation conducts its business through reportable segments. These segments are differentiated by factors such as major activities, service lines, accountability and control relationships. For management and reporting purposes, the revenues, expenses, surpluses or deficits are organized by the following segments:

*Administration* - this segment discloses general activities of the Nation's administration.

*Economic Development*- this segment discloses program activities primarily funded by Indigenous Services Canada for community economic development projects.

*Education*- this segment discloses program activities primarily funded by Indigenous Services Canada and Prince George Native Education and Training Association. These programs relate to elementary, secondary and post-secondary education and training services.

*Health Services*- this segment discloses program activities funded by First Nations Health Authority that relate to the provision of health related services to the Nation's members.

*Housing Operations*- this segment reflects income and expenditures associated with the operation and maintenance of Nation owned housing occupied by members.

*Infrastructure*- this segment reflects maintenance costs of various Nation owned buildings and infrastructure.

*Natural Resources*- this segment discloses income and expenditures associated with developing and maintaining the natural resources of the Nation's traditional territory.

*Social Development*- this segment includes programs and services related to the social benefit and welfare of Nation members, which are funded by Indigenous Services Canada.

*Social Housing*- this segment includes the revenues and expenses relating to the social housing of the members of the Nation.

*Tangible Capital Assets*- this segment includes the revenue and expenses relating to the tangible capital assets.

# TL'AZT'EN NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 26. SEGMENTED INFORMATION, continued

	Administration		Housing Operations		Health Services	
	2023 Budget	2023 Actual	2023 Budget	2023 Actual	2023 Budget	2023 Actual
<b>Revenues</b>						
Indigenous Services Canada	\$ 544,131	\$ 952,799	\$ 290,374	\$ 340,037	\$ 498,557	\$ -
Federal Government	-	-	-	-	1,048,480	-
Provincial Government	300,000	875,861	-	-	-	-
Service and product sales	113,062	111,555	-	-	-	-
Other income	369,847	329,472	100,000	(4,313)	8,370	20,275
First Nation Health Authority	-	-	-	-	-	2,863,659
Ottawa Trust Earnings	-	37,511	-	-	-	-
Other revenue	111,228	1,129,868	438,967	456,315	(239,867)	(231,061)
<b>Total revenue</b>	<b>1,438,268</b>	<b>2,581,515</b>	<b>829,341</b>	<b>792,039</b>	<b>1,749,732</b>	<b>2,354,858</b>
<b>Expenses</b>						
Building expenses	49,000	71,785	359,375	306,629	440,965	100,369
Contracted services	150,000	25,327	594,250	767,314	337,212	108,622
COVID 19 expenses	-	206,882	-	-	-	762
Education	-	1,000	-	-	-	7,151
Professional fees	299,700	1,016,590	60,000	977	245,516	211,486
Social assistance	-	-	-	-	27,189	287,132
Wages and benefits	1,080,850	1,370,511	293,156	347,602	1,869,018	1,472,962
Other expenses	941,205	1,207,906	296,078	51,171	320,128	533,631
<b>Total expenses</b>	<b>2,520,755</b>	<b>3,900,001</b>	<b>1,602,859</b>	<b>1,473,693</b>	<b>3,014,622</b>	<b>2,722,115</b>
<b>Annual surplus (deficit)</b>	<b>\$ (1,082,487)\$</b>	<b>(462,935)\$</b>	<b>(773,518)\$</b>	<b>(681,654)\$</b>	<b>375,188 \$</b>	<b>(59,945)\$</b>
						<b>483,024</b>

TL'AZT'EN NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

26. SEGMENTED INFORMATION, continued

	Economic Development			Natural Resources			Social Development		
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ 86,070	\$ 86,070	\$ 163,137	\$ -	\$ 33,500	-	\$ 1,312,789	\$ 2,320,160	\$ 2,145,656
Federal Government	-	-	-	309,600	370,141	314,845	-	84,975	39,042
Provincial Government	-	-	-	-	40,802	171,975	53,000	127,151	127,151
Other income	231,510	(8,838)	-	62,000	149,435	79,708	152,023	(632)	(3,427)
Other revenue	(180,000)	-	(8,607)	-	1	(269,410)	62,000	62,000	61,000
<b>Total revenue</b>	<b>137,580</b>	<b>77,232</b>	<b>154,530</b>	<b>371,600</b>	<b>593,879</b>	<b>297,118</b>	<b>1,579,812</b>	<b>2,593,654</b>	<b>2,369,422</b>
<b>Expenses</b>									
Building expenses	2,625	-	6,004	72,640	23,902	26,097	24,120	120,801	114,985
Contracted services	-	3,260	-	-	-	-	-	-	-
COVID 19 expenses	-	-	-	-	-	-	-	269,377	173,465
Education	-	-	-	-	-	-	4,294	51,217	46,914
Professional fees	-	2,519	15,817	83,000	227,376	89,630	3,500	-	7,583
Social assistance	-	-	-	-	-	-	888,694	953,233	764,753
Wages and benefits	218,026	161,762	132,750	458,104	440,676	367,782	364,506	481,256	336,600
Other expenses	69,781	167,980	99,519	139,350	167,606	220,331	258,675	380,877	340,932
<b>Total expenses</b>	<b>290,432</b>	<b>335,521</b>	<b>254,090</b>	<b>753,094</b>	<b>859,560</b>	<b>703,840</b>	<b>1,543,789</b>	<b>2,256,761</b>	<b>1,785,232</b>
<b>Annual surplus (deficit)</b>	<b>\$ (152,852)\$</b>	<b>(258,289)\$</b>	<b>(99,560)\$</b>	<b>(381,494)\$</b>	<b>(265,681)\$</b>	<b>(406,722)\$</b>	<b>36,023 \$</b>	<b>336,893 \$</b>	<b>584,190</b>



TL'AZT'EN NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

26. SEGMENTED INFORMATION, continued

	Infrastructure		Education		Social Housing	
	2023	2022	2023	2022	2023	2022
	Budget	Actual	Budget	Actual	Budget	Actual
Revenues						
Indigenous Services Canada	\$ 849,333	\$ 1,071,398	\$ 2,887,168	\$ 3,303,762	\$ -	\$ -
Federal Government	-	16	-	-	31,954	191,954
Provincial Government	-	-	90,357	432,441	-	-
Service and product sales	-	1,225	-	-	-	-
Other income	1,000	-	70,153	43,982	-	-
First Nation Health Authority	-	-	-	30,000	-	-
Other revenue	-	(82)	896,760	870,461	230,000	41,088
Total revenue	850,333	1,311,620	3,944,438	4,680,646	261,954	233,042
Expenses						
Amortization	-	-	-	14,980	5,566	73,315
Building expenses	293,195	463,716	240,000	92,017	18,500	45,318
Contracted services	105,590	64,958	70,000	131,728	161,000	47,004
Education	-	-	1,584,325	1,612,555	-	-
Professional fees	16,300	279,008	-	114,340	-	-
Wages and benefits	461,333	830,236	1,911,718	1,693,834	2,000	14,446
Other expenses	381,337	124,850	683,425	780,629	184,519	16,811
Total expenses	1,257,755	1,762,768	4,489,468	4,440,083	371,585	196,894
Annual surplus (deficit)	\$ (407,422)	\$ (451,148)	\$ (545,030)	\$ 240,563	\$ (109,631)	\$ (31,367)

TL'AZT'EN NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

26. SEGMENTED INFORMATION, continued

	Enterprise Fund		Self Government		Tangible Capital Assets	
	2023 Budget	2023 Actual	2023 Budget	2023 Actual	2023 Budget	2022 Actual
Revenues						
Provincial Government	\$ -	\$ -	\$ 1,011,034	\$ 2,719,226	\$ -	\$ -
Other income	-	-	-	10,000	-	-
Other revenue	-	7,037,495	-	-	-	-
Total revenue	-	7,037,495	1,011,034	2,729,226	-	-
Expenses						
Amortization	-	-	-	-	-	1,783,437
Social assistance	-	-	-	1,500	-	-
Wages and benefits	-	-	30,000	12,324	-	-
Other expenses	-	-	70,000	44,479	-	-
Total expenses	-	-	100,000	58,303	-	1,783,437
Annual surplus (deficit)	\$ -	\$ 7,037,495	\$ 911,034	\$ 2,670,923	\$ -	\$ (1,783,437)
						(1,577,646)

TL'AZT'EN NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

26. SEGMENTED INFORMATION, continued

		2023	Consolidated totals		2022
		Budget	Actual	Actual	Actual
Revenues					
Indigenous Services Canada	\$	5,969,865	\$ 8,107,726	\$	8,960,780
Federal Government		341,554	647,070		1,437,000
Provincial Government		1,454,391	4,195,481		3,737,551
Service and product sales		113,062	111,555		142,397
Other income		986,533	788,982		507,384
First Nation Health Authority		2,599,951	2,893,659		2,332,158
Ottawa Trust Earnings		-	37,511		258,971
Other revenue		1,319,088	9,366,084		9,544,193
Total revenue		12,784,444	26,148,068		26,920,434
Expenses					
Amortization		5,566	1,871,732		1,577,646
Building expenses		1,151,708	1,224,537		1,065,199
Contracted services		1,103,840	1,148,213		719,489
COVID 19 expenses		-	477,021		894,929
Education		1,599,940	1,671,923		1,818,779
Professional fees		708,016	1,852,296		839,713
Social assistance		915,883	1,241,865		965,653
Wages and benefits		6,688,711	6,825,609		5,034,545
Other expenses		3,770,695	3,484,962		2,815,178
Total expenses		15,944,359	19,798,138		15,731,131
Annual surplus (deficit)	\$	(3,159,915)	\$ 6,358,698	\$	11,189,303

**TL'AZT'EN NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2023**

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**27. COMPARATIVE AMOUNTS**

Certain comparative amounts have been reclassified to conform with the presentation adopted in the current period.