MOWACHAHT/MUCHALAHT FIRST NATION

Consolidated Financial Statements

Year Ended March 31, 2024

MOWACHAHT/MUCHALAHT FIRST NATION
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Year Ended March 31, 2024

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Mowachaht/Muchalaht First Nation 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 judgments. 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 integrity and reliability of Mowachaht/Muchalaht First Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Council of Chiefs is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and 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 Audit Committee reports to the Council of Chiefs prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Morine Thomas CPA LLP, in accordance with Canadian generally accepted auditing standards.

Council of Chiefs -MMFN,

Azar Kamran, CEO, Administrator MMFN

Gold River, BC
November 27, 2024

Morine Thomas CPA LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Mowachaht/Muchalaht First Nation

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mowachaht/Muchalaht First Nation (the Nation), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated surplus, changes 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.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Nation in accordance with 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 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 PSAS, 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 Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nation or to cease operations, or has no realistic alternative but to do so.

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

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Morine Thomas CPA LLP

Independent Auditor's Report to the To the Members of Mowachaht/Muchalaht First Nation *(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 consolidated 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 Nation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 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.

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.

(continues)

Morine Thomas CPA LLP

Morine + Thomas

CHARTERED PROFESSIONAL ACCOUNTANTS

Nanaimo, British Columbia
November 27, 2024

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Financial Position
March 31, 2024

	Total 2024	Total 2023 *Restated - note 12*
ASSETS		
Cash	$ 14,584,288	$ 12,513,512
Restricted cash *(Note 3)*	248,236	236,005
Accounts receivable	2,281,147	367,115
Rent receivable	82,505	60,626
CMHCt receivable	5,796	5,796
Goods and services tax recoverable	113,347	36,476
Due from related parties *(Note 8)*	6,534,649	2,289,938
Assets held in trust *(Note 4)*	493,495	462,080
Investment in Government Business Entities *(Note 6)*	6,659,391	8,025,943
	31,002,854	23,997,491
LIABILITIES		
Accounts payable	1,061,629	354,364
Interest payable	951	1,060
Wages payable	29,002	16,108
Employee deductions payable	45,109	76,678
Due to related parties *(Note 8)*	1,589	1,589
Long term debt *(Note 7)*	5,686,244	2,560,179
	6,824,524	3,009,978
NET FINANCIAL ASSETS	24,178,330	20,987,513
NON-FINANCIAL ASSETS		
Prepaid expenses	200,000	-
Tangible capital assets *(Note 5)*	11,867,665	11,359,500
	12,067,665	11,359,500
ACCUMULATED SURPLUS	$ 36,245,993	$ 32,347,013

ON BEHALF OF COUNCIL

_____ *Councillor*

_____ *Councillor*

Azar Kamran, CEO, Administrator MMFN

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	$ 6,611,130	$ 2,892,233
Province of BC	2,447,305	2,787,864
Government of Canada	1,413,485	354,385
Fisheries and Oceans Canada	-	64,666
First Nations Health Authority	188,088	357,880
CMHC	369,639	169,331
FNESC	110,935	59,212
BC First Nations Gaming	592,281	407,385
Other income and recoveries	2,705,450	3,565,855
Equity Income from Government Business Entities	(1,066,552)	2,173,774
Rental income	162,594	178,237
Interest income	871,638	417,816
RRF Allocation	18,150	18,150
Administration fees	282,205	22,831
Nuu-chah-nulth Tribal Council prior year deferred	-	762,315
Surplus recoveries	(18,817)	-
	14,687,531	14,231,934
EXPENSES		
Segment - General Administration *(Schedule 2)*	4,173,628	2,941,485
Segment - Public Works *(Schedule 3)*	1,549,728	1,303,721
Segment - Housing *(Schedule 4)*	515,254	573,473
Segment - Health and Social Development *(Schedule 5)*	1,217,848	1,414,338
Segment - Education *(Schedule 6)*	952,367	500,131
Segment - Culture and Community Development *(Schedule 7)*	97,820	73,610
Segment - Economic Development *(Schedule 8)*	73,171	219,298
Segment - Intergovernmental Issues *(Schedule 9)*	19,504	2,209
Segment - Resource Management and Development *(Schedule 10)*	2,189,235	1,344,898
	10,788,555	8,373,163
ANNUAL SURPLUS	3,898,976	5,858,771
	-	-
ANNUAL SURPLUS	3,898,976	5,858,771
ACCUMULATED SURPLUS - BEGINNING OF YEAR	32,347,017	26,488,242
ACCUMULATED SURPLUS - END OF YEAR	$ 36,245,993	$ 32,347,013

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2024

	2024	2023
ANNUAL SURPLUS	**$ 3,898,976**	$ 5,858,771
Amortization of tangible capital assets	**650,389**	598,213
Purchase of tangible capital assets	**(1,158,554)**	(874,036)
Decrease (increase) in prepaid expenses	**(200,000)**	36,204
	(708,165)	(239,619)
INCREASE IN NET FINANCIAL ASSETS	**3,190,811**	5,619,152
NET FINANCIAL ASSETS - BEGINNING OF YEAR	**20,987,517**	15,368,365
NET FINANCIAL ASSETS - END OF YEAR	**$ 24,178,328**	$ 20,987,517

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	$ 3,898,976	$ 5,858,771
Items not affecting cash:		
Amortization of tangible capital assets	650,389	598,213
Equity Income from Government Business Entities	1,066,552	(2,173,774)
	5,615,917	4,283,210
Changes in non-cash working capital:		
Accounts receivable	(1,914,032)	420,583
Rent receivable	(21,879)	163,057
CMHCt receivable	-	(44)
Assets held in trust	(31,415)	5,231,234
Accounts payable	707,270	60,500
Deferred income	-	(1,824,453)
Prepaid expenses	(200,000)	36,204
Goods and services tax payable	(76,871)	(43,882)
Interest payable	(109)	(12)
Wages payable	12,894	(131,530)
Employee deductions payable	(31,569)	58,049
	(1,555,711)	3,969,706
Cash flow from operating activities	4,060,206	8,252,916
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(1,158,554)	(874,036)
Recovery from Nation Business Entities	300,000	300,000
Cash flow used by investing activities	(858,554)	(574,036)
FINANCING ACTIVITIES		
Advances from related parties	(4,244,711)	(2,289,279)
Proceeds from long term financing	3,225,171	1,930,000
Repayment of long term debt	(99,107)	(61,637)
Cash flow used by financing activities	(1,118,647)	(420,916)
INCREASE IN CASH FLOW	2,083,005	7,257,964
Cash - beginning of year	12,749,517	5,491,557
CASH - END OF YEAR	$ 14,832,522	$ 12,749,521
CASH CONSISTS OF:		
Cash	$ 14,584,288	$ 12,513,512
Restricted cash	248,236	236,005
	$ 14,832,524	$ 12,749,517

See notes to financial statements

1. OPERATIONS

Mowachaht/Muchalaht First Nation (the "Nation") is located in the province of British Columbia, and provides various services to its members. Mowachat Muchalaht First 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements were prepared in accordance with Canadian public sector accounting standards (GAAP).

Basis of consolidation

The consolidated financial statements include the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation Business Entities. As a result, figures as at March 31, 2024 or for the years then ended include the operating fund, social housing fund and the capital fund. All inter-entity balances have been eliminated, however, in the respective schedules transactions between departments have not been eliminated in order to present the results of operations for each specific department

Mowachaht Muchalaht First 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:

	Ownership %	Year end
447839 BC Ltd.	100.00	
1008653 BC Ltd.	100.00	
1129958 BC Ltd.	100.00	
1198759 BC Ltd.	100.00	
Matchlee General Partner Ltd.	100.00	December 31, 2023
Matchlee Limited Partnership	99.90	December 31, 2023
1210250 BC Ltd.	100.00	
1210288 BC Ltd.	100.00	
1210318 BC Ltd.	100.00	
Nis'maas Master GP Ltd	100.00	March 31, 2024
Tourism Limited Partnership	99.90	March 31, 2024

Cash and cash equivalents

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

Measurement uncertainty

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Net Financial Assets (Net Debt)

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

Segments

The Nation conducts its business through a number of reportable segments as described in Note 10. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.
For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.
The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

Funds Held in Trust

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 and 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.

Asset Classification

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

Liability for Contaminated Site

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 accepts 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, 2024.
At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revision required to the amount previously recognized is accounted for in the period 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, 2024, no liability for contaminated site exists.

Tangible Capital Assets

Tangible Capital Assets are stated at cost or deemed cost less accumulated amortization. Tangible Capital Assets are amortized over their estimated useful lives on a straight-line basisat the following rates and methods:

Community Infrastructure Systems	40 years	straight-line method
Community Buildings	40 years	straight-line method
Vehicles, Vessels and Equipment	10 years	straight-line method

The Nation regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible Capital Assets acquired during the year but not placed into use are not amortized until they are placed into use.

All intangible assets and items inherited by the right of the Nation, such as reserve lands, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements

Housing units are amortized at an annual amount equal to the principal reduction in related debt as per the Nation's agreement with CMHC.

The Nation performs impairment testing on tangible capital assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognized when an asset's service potential is reduced and they are charged to surplus in the year.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Nation recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

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

First Nation Capital and Revenue Trust Funds

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

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 consolidated statement of financial position in the year of receipt.

Housing rental income

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

Own source and other revenue

Own source and other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

Investment income

Investment income is recognized by the Nation when investment income is earned

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in equity (Unrealized gains and Losses). All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. RESTRICTED CASH

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited by an amount annually. 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, these reserves were fully funded. Also included are accounts related to the CMHC operating reserve which are deposited in an interest bearing account.

4. FUNDS HELD IN TRUST

	2024	2023
Ottawa Trusts		
Ottawa Trust Funds - Capital	**$ 260,213**	$ 260,213
Ottawa Trust Funds - Revenue	**233,282**	201,867
	$ 493,495	$ 462,080

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 Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

5. TANGIBLE CAPITAL ASSETS

Cost	2023 Balance	Additions	Disposals	**2024 Balance**
Community Infrastructure Systems	$ 7,892,663	$ -	$ -	**$ 7,892,663**
Community Buildings	7,154,800	426,324	-	**7,581,124**
Housing	3,513,956	-	-	**3,513,956**
Construction in Progress	741,550	401,590	-	**1,143,140**
Vehicles, Vessels and Equipment	1,944,949	330,641	-	**2,275,590**
	$ 21,247,918	$ 1,158,555	$ -	**$ 22,406,473**

Accumulated Amortization	2023 Balance	Amortization	Accumulated Amortization on Disposals	**2024 Balance**
Community Infrastructure Systems	$ 4,033,059	$ 197,317	$ -	**$ 4,230,376**
Community Buildings	3,357,001	184,199	-	**3,541,200**
Housing	1,815,894	57,847	-	**1,873,741**
Construction in Progress	-	-	-	**-**
Vehicles, Vessels and Equipment	682,464	211,027	-	**893,491**
	$ 9,888,418	$ 650,390	$ -	**$ 10,538,808**

Net book value	**2024**	2023
Community Infrastructure Systems	**$ 3,662,287**	$ 3,859,604

(continues)

5. TANGIBLE CAPITAL ASSETS *(continued)*

Net book value	2024	2023
Community Buildings	**4,039,924**	3,797,799
Housing	**1,640,215**	1,698,062
Construction in Progress	**1,143,140**	741,550
Vehicles, Vessels and Equipment	**1,382,099**	1,262,485
	$ 11,867,665	$ 11,359,500

6. LONG TERM INVESTMENTS

	2024	2023
Investment in Government Business Entities		
Investment - Shares in Corp Entities	**$ 128**	$ 128
Investment - Matchlee LP	**6,652,246**	8,016,733
Investment - Matchlee GP Ltd	**7,017**	9,082
	$ 6,659,391	$ 8,025,943

Summary financial information for Government Business Entities	Matchlee LP	Matchlee GP
December 31, 2023		
Total Assets	**$ 8,101,261**	$ 8,518
Total Liabilities	**1,440,497**	1,500
Total Equity	**6,660,764**	7,018
Total Revenue	**340,080**	(1,065)
Total Expenses	**1,405,632**	1,000
Net Income	**(1,065,552)**	(2,065)

	Tourism LP	Nis'maas GP Ltd
March 31, 2024		
Total Assets	**$ 1,884,347**	$ 8,367,705
Total Liabilities	**1,982,749**	8,505,004
Total Equity	**(98,402)**	(137,299)
Total Revenue	**195**	51,090
Total Expenses	**98,598**	188,390
Net Income	**(98,403)**	(137,300)

7. LONG TERM DEBT

	2024	2023
All Nations trust Company loan bearing interest at 3.29% compounded semi-monthly, repayable in monthly blended payments of $1,242. The loan matures on September 1, 2027 and is secured by a ministerial guarantee.	**$ 49,224**	$ 62,281

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7. LONG TERM DEBT *(continued)*

	2024	2023
All Nations Trust Company loan bearing interest at 1.83% compounded semi-monthly, repayable in monthly blended payments of $4,573. The loan matures on December 1, 2034 and is secured by a ministerial guarantee.	**527,844**	572,633
RBC Business Loan loan bearing interest at prime plus .25% compounded semi-annually and is due February 7, 2025is secured by a general security agreement, guarantees by affiliated entities and assignment of revenues.	**1,884,005**	1,925,265
RBC Business Loan loan bearing interest at prime plus .25% compounded semi-annually and is due on demand and is secured by a general security agreement, guarantees by affiliated entities and assignment of revenues.	**3,225,171**	-
	$ 5,686,244	$ 2,560,179

Principal repayment terms are approximately:

2025	$ 1,943,088
2026	60,376
2027	61,699
2028	55,571
2029	49,060
Thereafter	3,516,450
	$ 5,686,244

8. DUE TO/FROM RELATED PARTIES

	2024	2023
Due from related parties		
Due to (from) 44839 BC Ltd	**$ 530**	$ 530
Due to (from) 1008653 BC Ltd	**129**	129
Due to (from) Nis'Maas Master GP Ltd	**6,093,990**	2,289,279
Due to (from) Salmon Parks Society	**440,000**	-
	$ 6,534,649	$ 2,289,938

	2024	2023
Due to related parties		
Due to Matchlee Limited Partnership	**$ 1,589**	$ 1,589

Advances to/from a related organization are non-interest bearing and have no set repayment terms.

9. ECONOMIC DEPENDENCE

The Nation receives a significant portion of its revenue from Indigenous Services Canada (ISC - through Nuu-chah-nulth Tribal Council) as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

10. SEGMENTS

The Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

General Administration:
Includes general operations, support, and financial management of the Nation.

Education:
Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Nation.

Public Works:
Includes revenue and expenditures related to capital projects.

Health and Social Development:
Includes revenue and expenditures related to the social assistance and health services to the members of the Nation.

Housing:
Includes revenue and expenses related to on reserve housing of the members of the Nation.

Resource Management and Development:
Includes revenue and expenses related to conservation and stewardship of the Nation's land and resources.

Economic Development
Includes revenue and expenses related to economic opportunities of the Nation.

Intergovernmental Issues

Includes revenue and expenses related to negotiation and litigation between the Nation and other levels of government outside of the treaty process.

Culture and Community Development

Includes revenue and expenses related to development of cultural and interpersonal aspects of the Nation.

11. BUDGET INFORMATION

No budget was prepared for the current period.

MOWACHAHT/MUCHALAHT FIRST NATION

Consolidated Expenses by Object *(Schedule 1)*

Year Ended March 31, 2024

	2024	2023
Advertising and promotion	$ 1,264	$ 14,089
Amortization	650,389	598,213
Bad debts	-	61,675
Social Development	503,196	467,192
Business taxes, licenses and memberships	68,338	81,630
Honoraria	129,374	90,987
RRF Allocation	18,150	18,150
Student Alowances	40,726	40,229
Salmon Parks expense	47,099	-
Equipment rentals	58,654	35,940
Insurance	196,629	179,740
Interest and bank charges	18,563	11,934
Interest on long term debt	205,476	22,895
Administration fees	280,673	17,500
Security and Janitor	78,921	36,444
Meetings and Workshops	14,432	63,975
Funeral Support	37,244	36,496
Office	197,784	153,217
Consulting and Professional fees	1,863,060	810,919
Rental	5,810	1,713
Repairs and maintenance	463,085	400,920
Salaries and wages	3,856,304	3,008,297
Equipment costs	54,469	381,108
Sub-contracts	358,859	543,916
Materials and Supplies	380,635	396,498
Telephone	136,748	84,809
Training	51,225	63,656
Travel	620,307	392,536
Traditional and Cultural Events and Supplies	75,615	14,139
Utilities and property tax	207,653	160,657
Vehicle and vessel costs	167,867	183,686
	$ 10,788,549	$ 8,373,160

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION

Segment - General Administration *(Schedule 2)*

Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	**$ 1,053,619**	$ 1,093,405
Interest income	**621,939**	224,654
Other income and recoveries	**383,101**	168,989
Administration fees	**282,205**	22,831
Province of BC	**50,000**	151,985
Government of Canada	**107,535**	279,011
Nuu-chah-nulth Tribal Council prior year deferred	**-**	56,370
	2,498,399	1,997,245
EXPENSES		
Advertising and promotion	**1,264**	13,721
Bad debts	**-**	60,000
Insurance	**186,691**	165,027
Interest and bank charges	**18,363**	11,706
Business taxes, licenses and memberships	**7,042**	47,718
Office	**99,231**	32,502
Consulting and Professional fees	**1,286,366**	471,950
Training	**2,987**	10,674
Equipment costs	**20,830**	90,387
Salaries and wages	**1,638,178**	1,553,882
Honoraria	**107,786**	77,987
Sub-contracts	**60,657**	32,361
Materials and Supplies	**48,704**	62,293
Travel	**212,844**	133,021
Meetings and Workshops	**6,423**	6,543
Telephone	**119,198**	66,418
Rental	**957**	533
Repairs and maintenance	**45,478**	7,980
Security and Janitor	**34,619**	24,640
Traditional and Cultural Events and Supplies	**31,156**	3,200
Utilities and property tax	**4,294**	10,613
Vehicle and vessel costs	**5,716**	12,543
Funeral Support	**30,243**	35,496
Interest on long term debt	**193,647**	10,290
Administration fees	**10,954**	-
	4,173,628	2,941,485
ANNUAL SURPLUS	**(1,675,229)**	(944,240)
TRANSFERS		
Transfers between departments	**3,295,637**	5,416,632
Transfer to acquire capital assets	**-**	(31,299)
	3,295,637	5,385,333
ANNUAL SURPLUS AFTER TRANSFERS	**$ 1,620,408**	$ 4,441,093

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Public Works *(Schedule 3)*
Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	$ **863,858**	$ 319,700
Other income and recoveries	**2,025**	-
Government of Canada	**99,104**	24,532
Nuu-chah-nulth Tribal Council prior year deferred	**-**	140,201
	964,987	484,433
EXPENSES		
Amortization	**592,543**	541,307
Consulting and Professional fees	**1,818**	3,968
Training	**135**	297
Insurance	**7,219**	3,960
Repairs and maintenance	**139,913**	99,017
Equipment costs	**235**	50,068
Salaries and wages	**277,329**	125,815
Sub-contracts	**11,712**	58,886
Materials and Supplies	**129,203**	143,217
Travel	**14,456**	14,920
Utilities and property tax	**195,349**	141,908
Telephone	**8,900**	2,756
Vehicle and vessel costs	**41,913**	28,633
Business taxes, licenses and memberships	**4,151**	5,631
Office	**10,530**	61,829
Equipment rentals	**28,306**	16,930
Security and Janitor	**34,446**	3,989
Administration fees	**49,800**	-
Rental	**1,770**	590
	1,549,728	1,303,721
ANNUAL SURPLUS	**(584,741)**	(819,288)
TRANSFERS		
Transfers between departments	**(12,039)**	-
Transfer to acquire capital assets	**732,231**	836,461
	720,192	836,461
ANNUAL SURPLUS AFTER TRANSFERS	$ **135,451**	$ 17,173

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION

Segment - Housing

(Schedule 4)

Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	$ 373,634	$ 100,610
CMHC	369,639	169,331
Rental income	162,594	178,237
Interest income	10,245	7,765
RRF Allocation	18,150	18,150
Other income and recoveries	550	1,230
	934,812	475,323
EXPENSES		
Amortization	57,847	56,905
Insurance	-	2,005
Interest and bank charges	200	228
Interest on long term debt	11,829	12,605
Consulting and Professional fees	4,140	-
Administration fees	15,550	15,000
Training	540	454
Repairs and maintenance	144,102	185,287
Equipment costs	5,136	58,307
Salaries and wages	182,012	109,284
Sub-contracts	30,365	34,791
Materials and Supplies	9,574	37,564
Travel	15,469	2,888
Utilities and property tax	857	1,376
Telephone	1,011	-
RRF Allocation	18,150	18,150
Vehicle and vessel costs	8,301	12,052
Honoraria	3,800	3,000
Office	5,460	10,395
Business taxes, licenses and memberships	-	13,182
Security and Janitor	911	-
	515,254	573,473
ANNUAL SURPLUS	419,558	(98,150)
TRANSFERS		
Transfers between departments	(174,336)	-
Transfer to acquire capital assets	(32,024)	-
	(206,360)	-
ANNUAL SURPLUS AFTER TRANSFERS	$ 213,198	$ (98,150)

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Health and Social Development *(Schedule 5)*
Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	**$ 3,231,372**	$ 1,030,786
Province of BC	**43,780**	77,049
First Nations Health Authority	**138,088**	357,880
Other income and recoveries	**41,701**	138,200
Nuu-chah-nulth Tribal Council prior year deferred	**-**	220,624
	3,454,941	1,824,539
EXPENSES		
Funeral Support	**7,001**	1,000
Telephone	**1,034**	-
Utilities and property tax	**888**	599
Meetings and Workshops	**850**	53,131
Travel	**272,921**	198,369
Materials and Supplies	**115,533**	97,593
Sub-contracts	**67,104**	305,518
Social Development	**502,653**	467,192
Honoraria	**3,100**	8,100
Salaries and wages	**163,662**	211,601
Business taxes, licenses and memberships	**76**	-
Office	**8,538**	17,973
Training	**2,595**	1,202
Equipment costs	**1,160**	50,215
Security and Janitor	**-**	196
Traditional and Cultural Events and Supplies	**37,877**	1,649
Repairs and maintenance	**26,036**	-
Consulting and Professional fees	**6,820**	-
	1,217,848	1,414,338
ANNUAL SURPLUS	**2,237,093**	410,201
TRANSFERS		
Transfers between departments	**(159,762)**	-
Transfer to acquire capital assets	**(156,799)**	-
	(316,561)	-
ANNUAL SURPLUS AFTER TRANSFERS	**$ 1,920,532**	$ 410,201

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION

Segment - Education

(Schedule 6)

Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	$ 324,618	$ 300,543
FNESC	110,935	59,212
Other income and recoveries	241,136	57,047
Province of BC	128,665	251,900
Government of Canada	26,550	-
	831,904	668,702
EXPENSES		
Administration fees	77,469	-
Office	42,842	22,139
Training	28,064	2,222
Social Development	544	-
Equipment costs	5,700	13,869
Salaries and wages	513,427	375,773
Honoraria	12,138	-
Student Alowances	40,726	14,429
Sub-contracts	31,697	19,620
Materials and Supplies	29,374	27,202
Travel	37,340	11,752
Meetings and Workshops	3,762	1,357
Telephone	1,678	2,090
Vehicle and vessel costs	3,821	-
Utilities and property tax	1,770	-
Security and Janitor	8,501	7,620
Repairs and maintenance	29,697	-
Equipment rentals	11,167	-
Consulting and Professional fees	72,347	1,500
Business taxes, licenses and memberships	303	558
	952,367	500,131
ANNUAL SURPLUS	(120,463)	168,571
TRANSFERS		
Transfers between departments	(28,464)	-
Transfer to acquire capital assets	(105,000)	-
	(133,464)	-
ANNUAL SURPLUS AFTER TRANSFERS	$ (253,927)	$ 168,571

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Culture and Community Development *(Schedule 7)*
Year Ended March 31, 2024

	2024	2023
REVENUES		
Fisheries and Oceans Canada	$ -	$ 64,666
First Nations Health Authority	**50,000**	-
Nuu-chah-nulth Tribal Council	**115,885**	-
Province of BC	**30,000**	30,000
	195,885	94,666
EXPENSES		
Equipment costs	-	670
Salaries and wages	**64,170**	49,661
Sub-contracts	**13,049**	3,165
Materials and Supplies	**5,388**	7,737
Travel	**8,631**	11,715
Traditional and Cultural Events and Supplies	**6,582**	662
	97,820	73,610
ANNUAL SURPLUS	**98,065**	21,056
TRANSFERS		
Transfers between departments	**(13,666)**	-
ANNUAL SURPLUS AFTER TRANSFERS	**$ 84,399**	$ 21,056

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Economic Development *(Schedule 8)*
Year Ended March 31, 2024

	2024	2023
REVENUES		
Province of BC	**$ 200,010**	$ 96,840
BC First Nations Gaming	**592,281**	407,385
Other income and recoveries	**200,838**	79,840
Equity Income from Government Business Entities	**(1,066,552)**	2,173,774
Nuu-chah-nulth Tribal Council	**137,780**	40,083
Nuu-chah-nulth Tribal Council prior year deferred	**-**	345,120
	64,357	3,143,042
EXPENSES		
Consulting and Professional fees	**42,394**	-
Repairs and maintenance	**438**	70,071
Salaries and wages	**3,545**	-
Sub-contracts	**22,085**	36,670
Materials and Supplies	**71**	-
Office	**38**	-
Utilities and property tax	**-**	2,986
Vehicle and vessel costs	**-**	2,299
Business taxes, licenses and memberships	**400**	-
Equipment costs	**-**	96,639
Equipment rentals	**4,200**	2,005
Traditional and Cultural Events and Supplies	**-**	8,628
	73,171	219,298
ANNUAL SURPLUS	**(8,814)**	2,923,744
TRANSFERS		
Transfers between departments	**(1,217,520)**	-
Transfer to acquire capital assets	**(401,590)**	(516,235)
	(1,619,110)	(516,235)
ANNUAL SURPLUS AFTER TRANSFERS	**$ (1,627,924)**	$ 2,407,509

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Intergovernmental Issues *(Schedule 9)*
Year Ended March 31, 2024

	2024	2023
REVENUES	**$ 58,000**	$ 786
EXPENSES		
Consulting and Professional fees	**15,317**	2,209
Business taxes, licenses and memberships	**2,393**	-
Salaries and wages	**594**	-
Sub-contracts	**1,200**	-
	19,504	2,209
ANNUAL SURPLUS	**38,496**	(1,423)
TRANSFERS		
Transfers between departments	**(1,638,417)**	-
ANNUAL SURPLUS AFTER TRANSFERS	**$ (1,599,921)**	$ (1,423)

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION

Segment - Resource Management and Development *(Schedule 10)*

Year Ended March 31, 2024

	2024	2023
REVENUES		
Nuu-chah-nulth Tribal Council	$ 510,364	$ 7,105
Province of BC	1,994,850	2,180,089
Government of Canada	1,180,296	50,842
Other income and recoveries	1,778,092	3,119,759
Interest income	239,453	185,397
Surplus recoveries	(18,817)	-
	5,684,238	5,543,192
EXPENSES		
Advertising and promotion	-	368
Insurance	2,719	8,748
Business taxes, licenses and memberships	53,973	14,541
Office	31,146	8,378
Consulting and Professional fees	433,858	331,293
Administration fees	126,901	2,500
Repairs and maintenance	77,422	38,565
Equipment costs	21,408	20,954
Salaries and wages	1,013,387	582,283
Sub-contracts	120,990	52,905
Materials and Supplies	42,788	20,891
Travel	58,646	19,872
Meetings and Workshops	3,397	2,945
Utilities and property tax	4,495	3,175
Telephone	4,926	13,545
Vehicle and vessel costs	108,116	128,159
Honoraria	2,550	1,900
Equipment rentals	14,982	17,004
Training	16,904	48,807
Bad debts	-	1,675
Rental	3,083	590
Student Alowances	-	25,800
Security and Janitor	445	-
Salmon Parks expense	47,099	-
	2,189,235	1,344,898
ANNUAL SURPLUS	3,495,003	4,198,294
TRANSFERS		
Transfers between departments	(51,431)	(5,416,632)
Transfer to acquire capital assets	(36,818)	(288,927)
	(88,249)	(5,705,559)
ANNUAL SURPLUS AFTER TRANSFERS	$ 3,406,754	$ (1,507,265)

See notes to financial statements