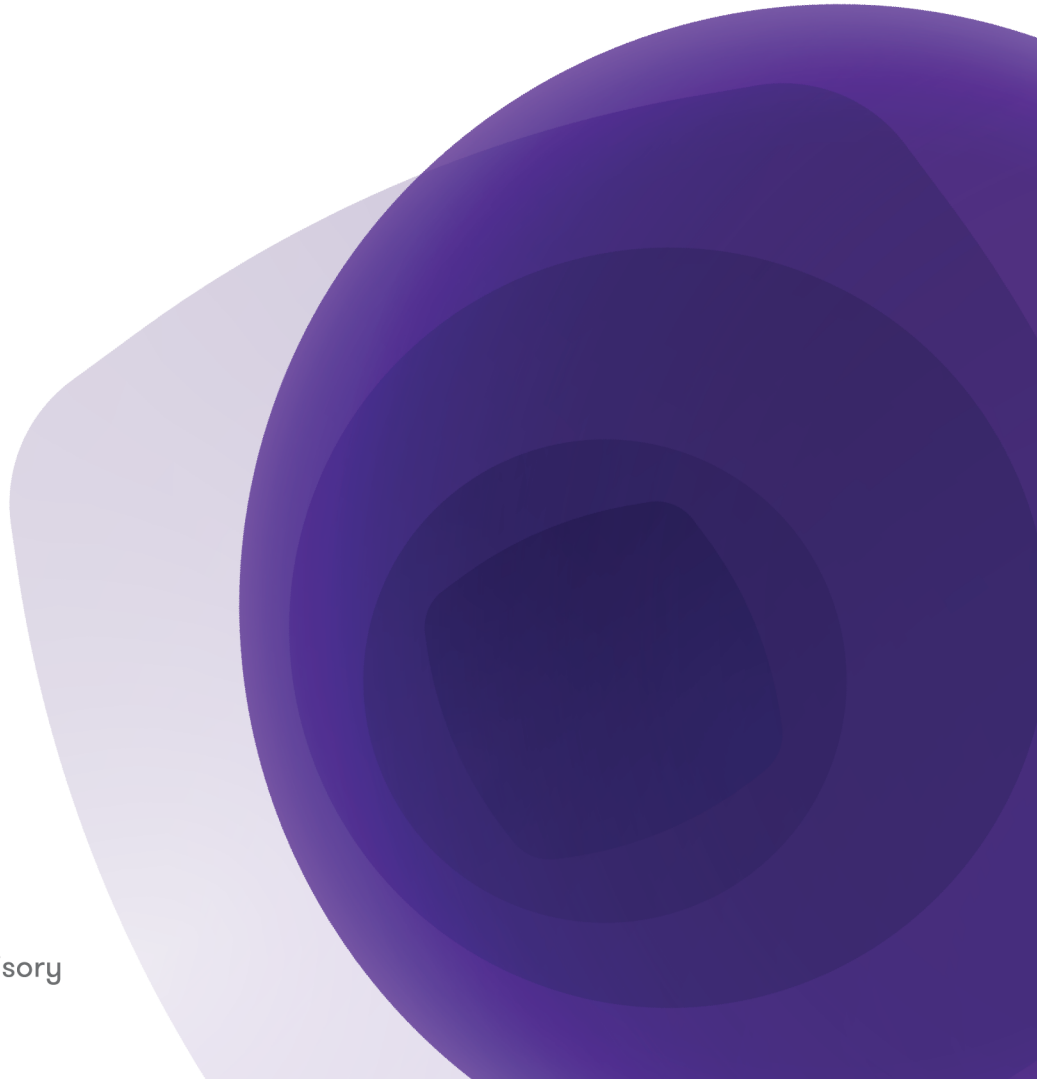
Doane Grant Thornton

Financial Reporting Package

Tla'amin Nation

March 31, 2026



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Financial Reporting Package

Tla'amin Nation

March 31, 2026

Table of Contents	Section
Client letter	1
Consolidated financial statements	2
Adjusting journal entries	3
Trial balance by account	4
Trial balance by map - 5 year	5
Report to those charged with governance	6
Signed management representation letter	7

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October 8, 2026

Tla'amin Nation
4779 Klahanie Drive
Powell River, BC V8A 0C4

Attention: Scott Taylor

Dear Scott Taylor:

We are pleased to provide you with the financial reporting package for Tla'amin Nation ("the company", "you" or "your") for the year ending March 31, 2026. This financial reporting package contains all the engagement deliverables for the current fiscal year. Be sure to review the items carefully and get back to us with any questions or concerns you may have.

Yours sincerely,
Doane Grant Thornton LLP

Doane Grant Thornton LLP

Kent Fullarton, CPA, CA
Partner*

*A partner through Kent J Fullarton Professional Corporation

Doane Grant Thornton

Consolidated Financial Statements

Tla'amin Nation

March 31, 2026

Table of Contents

	Page
Management's Responsibility for Financial Reporting	1
Independent Auditors' Report	2-3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations and Accumulated Surplus	5
Consolidated Statement of Changes in Net Financial Assets	6
Consolidated Statement of Remeasurement Gains and Losses	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9-22
Consolidated Schedule of Expenses by Object (Schedule 1)	23
Consolidated Schedule of Tangible Capital Assets (Schedule 2)	24
Consolidated Schedule of Segmented Information (Schedule 3)	25

Management's Responsibility For Financial Reporting

The accompanying consolidated financial statements for Tla'amin Nation (the "Nation") and all the information in this report are the responsibility of management and have been approved by the Tla'amin Government.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chose those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects, including the consolidated financial position of the Nation and the results of its consolidated operations and its consolidated cash flows.

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

The Tla'amin Government, represented by the elected Hegus and Legislators, are responsible for ensuring that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Hegus and Legislators meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements, and the external auditors' report. Hegus and Legislators take this information into consideration when approving the consolidated financial statements for issuance to the Nation's citizens. In addition, Hegus and Legislators also consider the engagement of the Nation's external auditors.

The consolidated financial statements have been audited by Doane Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the Nation's citizens. Doane Grant Thornton LLP have full access to Hegus and Legislators.

Hegus	Chair, Finance Committee
Interim Chief Financial Officer	Chief Administrative Officer

October 8, 2026

Doane Grant Thornton

Independent Auditors' Report

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To the Tla'amin Government and Tla'amin Nation Citizens

Opinion

We have audited the consolidated financial statements of Tla'amin Nation (the "Nation"), which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, remeasurement gains and losses 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 financial position of Tla'amin Nation as of March 31, 2026, and the results of its operations and its 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 the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe 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 these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement

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when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Victoria, Canada
October 8, 2026

Chartered Professional Accountants

Tla'amin Nation
Consolidated Statement of Financial Position
As at March 31

		2026		2025
Financial Assets				
Cash and cash equivalents	**$**	**6,324,882**	$	15,087,676
Term deposits and guaranteed investment certificates		**28,004,378**		13,829,839
Restricted cash, cash equivalents and investments (Note 2)		**49,785,306**		44,556,482
Accounts receivable (Note 3)		**4,371,990**		3,526,765
Investments (Note 4)		**2,721,299**		2,609,468
Investment in business enterprises (Note 5)		**46,327,846**		43,169,197
		137,535,701		122,779,427
Liabilities				
Accounts payable and accrued liabilities		**5,978,063**		4,716,727
Deferred revenue (Note 6)		**24,435,479**		20,533,435
Term debt (Note 7)		**5,222,535**		5,472,903
		35,636,077		30,723,065
Net financial assets		**101,899,624**		92,056,362
Non-Financial Assets				
Tangible capital assets (Schedule 2)		**78,905,272**		62,564,917
Prepaid expenses		**1,702,511**		1,685,452
		80,607,783		64,250,369
Accumulated Surplus (Note 8)	**$**	**182,507,407**		156,306,731
Accumulated surplus is comprised of:				
Accumulated operating surplus	**$**	**182,495,545**		156,298,523
Accumulated remeasurement gain		**11,862**		8,208
	$	**182,507,407**		156,306,731

Commitments and contingencies (Note 11)

On behalf of the Tla'amin Government

Hegus

Chair, Finance Committee

Interim Chief Financial Officer

Chief Administrative Officer

See accompanying notes to the consolidated financial statements

Tla'amin Nation
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31

	2026 Budget (Note 1)	**2026**	2025
Revenues			
Transfer from (to) other governments			
Indigenous Services Canada	$ 39,096,233	**$ 13,859,409**	$ 2,844,229
Crown-Indigenous Relations and Northern Affairs	-	**26,316,649**	26,305,385
Transfer to Qames ?ems Tala Settlement Trust (Note 1)	(5,049,248)	**(5,072,537)**	(5,049,248)
Province of British Columbia	13,365,688	**5,947,390**	8,127,793
Other Government	7,420,927	**12,651,428**	9,279,091
Investment	2,260,286	**3,690,629**	4,395,854
Rental	509,700	**504,027**	502,730
Property and other taxes	500,471	**533,086**	504,263
Fishing licenses	115,003	**60,000**	93,094
Other	261,909	**947,519**	837,117
Equity earnings in business enterprises (Note 5)	3,398,700	**10,978,859**	12,918,692
	61,879,669	**70,416,459**	60,759,000
Expenses (Schedule 1)			
Administration	13,567,059	**13,834,327**	12,222,078
Education	6,517,576	**7,250,053**	6,579,770
Health	7,017,498	**5,956,871**	6,404,650
Housing	2,894,441	**2,112,077**	1,552,980
Infrastructure	5,053,927	**4,612,394**	4,142,353
Land and resources	4,558,483	**4,399,923**	3,523,579
Social development	5,688,763	**5,816,507**	4,265,877
Taxation	347,564	**237,285**	189,876
	$ 45,645,311	**$ 44,219,437**	$ 38,881,163
Surplus	16,234,358	**26,197,022**	21,877,837
Accumulated operating surplus, beginning of year	156,298,523	**156,298,523**	134,420,686
Accumulated surplus, end of year	172,532,881	**182,495,545**	156,298,523

See accompanying notes to the consolidated financial statements

Tla'amin Nation
Consolidated Statement of Changes in Net Financial Assets
Year ended March 31

	2026 Budget (Note 1)	**2026**	2025
Surplus	$ 16,234,358	**$ 26,197,022**	$ 21,877,837
Changes to non-financial assets			
Acquisition of tangible capital assets	(24,524,483)	**(19,253,512)**	(14,260,368)
Disposal of tangible capital assets	-	**262,744**	86,763
Amortization of tangible capital assets	2,070,000	**2,650,413**	2,295,356
	(22,454,483)	**(16,340,355)**	(11,878,249)
Net expense (acquisition) of prepaid expenses and deposits	-	**(17,058)**	(390,600)
	(6,220,125)	**9,839,609**	9,608,988
Net remeasurement loss	-	**3,654**	670
Increase (decrease) in net financial assets	(6,220,125)	**9,843,263**	9,609,658
Net financial assets, beginning of year	92,056,361	**92,056,361**	82,446,703
Net financial assets, end of year	$ 85,836,236	**$ 101,899,624**	$ 92,056,361

See accompanying notes to the consolidated financial statements

Tla'amin Nation
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31

		2026		2025
Portfolio investments:				
Accumulated remeasurement gain, beginning of year	**$**	**8,208**	$	7,538
Net remeasurement gain (loss)		**3,654**		670
Accumulated measurement gain, end of year	**$**	**11,862**	$	8,208

See accompanying notes to the consolidated financial statemen

Tla'amin Nation
Consolidated Statement of Cash Flows
For the year ended March 31

		2026		2025
Cash Provided (Used):				
Operating Activities				
Net cash received from Indigenous Services Canada	**$**	**39,324,675**	$	28,963,152
Cash received from grants, property taxes, user fees, rent and other revenue		**19,479,115**		22,078,084
Cash paid to employees and suppliers		**(39,887,521)**		(35,113,791)
Investment income received		**3,586,371**		4,170,987
Interest paid		**(178,402)**		(186,245)
		22,324,239		19,912,187
Financing activities				
Repayment of term debt		**(250,367)**		(242,556)
		(250,367)		(242,556)
Capital Activities				
Acquisition of tangible capital assets		**(19,253,512)**		(14,260,368)
Proceeds on disposal of capital assets		**-**		70,592
		(19,253,512)		(14,189,777)
Investing activities				
Net (increase) decrease in restricted cash, cash equivalents and investments		**(5,228,824)**		(2,941,887)
Net purchase of term deposits and guaranteed investment certificates		**(14,174,539)**		(12,802,177)
Net drawings from business enterprises		**7,820,210**		3,025,133
		(11,583,153)		(12,718,931)
Increase in cash and cash equivalents		**(8,762,793)**		(7,239,076)
Cash and cash equivalents, beginning of year		**15,087,676**		22,326,750
Cash and cash equivalents, end of year	**$**	**6,324,882**	$	15,087,675
Non-cash investing, financing and capital activities:				
Equity in earnings of business enterprises (note 5)	**$**	**10,977,761**	$	12,240,735
Net partnership earnings (Note 4)		**107,912**		224,867
Net remeasurement loss on portfolio investments		**3,654**		670

See accompanying notes to the consolidated financial statements

Tla'amin Nation (the "Nation) is an indigenous Coast Salish Nation located along the northern part of British Columbia's Sunshine Coast. The Nation is self-governing through a treaty settlement (the "Tla'amin Final Agreement") between the Nation and the Governments of Canada and British Columbia. The Tla'amin Government is represented by an elected Hegus and Legislators and is the governing and taxation authority for the Nation.

The Tla'amin Final Agreement, a treaty and land claims agreement between the Nation and the Governments of Canada and British Columbia, became effective April 5, 2016. The Tla'amin Final Agreement constituted a full and final settlement with respect to the Tla'amin Nation's aboriginal rights, including aboriginal title, in Canada

1. Basis of presentation and significant accounting policies

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

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for governments, as established by the Canadian Public Sector Accounting Board ("PSAB"), which encompasses the following significant accounting policies.

Fund accounting:

The Nation uses fund accounting procedures, which results in a self-balancing set of accounts for each fund established by legal, contractual, or voluntary actions. The various funds have been consolidated for presentation in the consolidated financial statements.

Reporting entity and basis of consolidation and partnerships:

The Nation's reporting entity includes the Tla'amin Nation and all related entities, which are accountable for the administration of their financial affairs and resources to the Nation, and are either owned or controlled by the Nation. The Qames ?ems Tala Settlement Trust is not owned or controlled by the Nation and is not consolidated in these financial statements.

i) Investment in government business enterprises and partnerships:

The Nation records its investments in government business enterprises (GBE) and government business partnerships (GBP) on a modified equity basis. Under the modified equity basis, the GBE's and GBP's accounting policies are not adjusted to conform with those of the Nation and inter-organizational transactions and balances are not eliminated. The Nation recognizes its equity interest in the annual earnings or loss of the GBE's and GBP's in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions that the Nation may receive from the GBE's and GBP's will be reflected as deductions in the investment asset account.

The Nation's government business enterprises investments consist of the following:
Tla'amin Holdings Inc. – 100% interest

The Nation's government business partnership investments consist of the following:
Tla'amin Holdings Limited Partnership – 99.99% interest

1. Basis of presentation and significant accounting policies (continued)

ii) Investments

Investments in entities in which the Nation does not control individually or jointly are recorded at acquisition cost. If there has been an other-than-temporary decline in the value of an investment, the investment is written down to its net realizable value. Investments in entities in which the Nation does not control but has joint control or significant influence in operations are accounted for, similar to government business partnerships, using the modified equity method.

Cash and cash equivalents

Cash and cash equivalents include cash and investments in highly liquid money market funds, readily convertible to known amounts of cash.

Tangible capital assets

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

Tangible capital assets are amortized annually over their expected useful lives using the declining balance or straight-line method at the following rates:

Asset	Method	Rate
Buildings and improvements	Declining balance and straight-line	4 - 20%
Infrastucture	Declining balance	4%
Equipment	Declining balance and straight-line	10 - 100%

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

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

Settlement lands to which no acquisition costs is attributable have not been assigned any value in the consolidated financial statements.

1. Basis of presentation and significant accounting policies (continued)

Revenue recognition

Government transfers and grant revenue are recognized as the Nation becomes entitled to the funding under the terms of applicable funding agreements and is recorded in the period in which the resources are used for the purpose specified in the agreements. Restricted funding received for which eligibility criteria have not been met or which has stipulations that give rise to an obligation are reported as deferred revenue until the resources are used for the purpose or purposes specified and/or the stipulations giving risk to an obligation have been met.

In connection with the Tla'amin Final Agreement, the Nation receives an annual capital transfer over a 10-year period. The annual capital transfer payment is transferred to the Qames ?ems Tala Settlement Trust.

Rental, lease and interest revenue is recognized on a monthly basis as income is earned and when collection is reasonably assured. Property and other tax revenue are recognized, net of applicable homeowner grants, at the time the taxes are levied.

Revenue from logging, sales of goods and provision of service, fishing licenses and other sources are recognized in the period the goods or services are provided, and the related proceeds are received or receivable.

The Nation accounts for revenue received from contractual agreements, such as resource royalties, certain grants and other government transfers in the year the proceeds are received or the proceeds are considered receivable, any prescribed services are performed, and the amount can be reasonably estimated.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of financial and non-financial assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Areas requiring management estimates include the collectability of accounts receivable, the collectability of investments and investments in government business enterprises and partnerships and the useful lives tangible capital assets. Management reviews these estimates on a periodic basis and at least annually. Where necessary, management adjusts these estimates prospectively.

Contaminated site liabilities

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized when an environmental standard exists, contamination exceeds the environmental standard, the Nation is directly responsible and accepts responsibility, future economic benefits will be given up, and a reasonable estimate can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. Any expected recoveries from other parties, including other governments, are recorded as a reduction of the liability. As of March 31, 2026, the Nation did not have any significant or measurable contaminated site liabilities.

1. Basis of presentation and significant accounting policies (continued)

Asset retirement obligations

An asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the transaction giving rise to the obligation has occurred, cash or other economic benefits are expected to be given up in the future, and a reasonable estimate of the obligation can be made. As of March 31, 2026, the Nation did not have any significant asset retirement obligations.

Financial Instruments

The Nation considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Nation accounts for the following as financial instruments:

- Cash and cash equivalents
- Restricted cash, cash equivalents, and investments
- Accounts receivable
- Due from related parties
- Accounts payable and accrued liabilities
- Deferred revenue
- Term debt

Financial instruments in arm's length transactions

Initial measurement

The Nation initially measures financial assets and financial liabilities originating, acquired, issued or assumed in arm's length transactions at fair value.

Subsequent measurement

The Nation subsequently measures its financial assets and financial liabilities at amortized cost less any reduction for impairment.

Derecognition

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

Impairment

Financial assets measured at cost or amortized cost are tested for impairment when indicators of impairment exist at the end of the reporting period. Previously recognized impairment losses are reversed to the extent of the improvement provided in the financial asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

1. Basis of presentation and significant accounting policies (continued)

Budget data

The budget data presented in the consolidated financial statements have been derived from the budget approved by Hegus and Legislators on March 26, 2025.

Segmented disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objective of the standard. The Nation has determined the most appropriate basis for classifying segments is by program. Segmented disclosures are provided in Note 14 and Schedule 3 to these consolidated financial statements.

2. Restricted cash, cash equivalents and investments

The Nation maintains its cash balances in several institutions in British Columbia. The Canada Deposit Insurance Corporation ("CDIC") insures each of these accounts up to $100,000. The aggregate funds held in each institution may exceed the CDIC insured limit from time to time and specific funds held by each institution may not be covered by CDIC insurance. Management does not anticipate any material effect on the consolidated financial position of the Nation as a result of these concentrations.

Certain cash, cash equivalents and investments have been internally restricted by the Nation of the following specific purposes. Restricted cash, cash equivalents and investments include cash and cash equivalents (with prime interest rates) term deposits and guaranteed investment certificates (with interest rates from 2.75% to 3.95%) and portfolio investments that are quoted in an active market. At March 31, 2026, the Nation had other restricted cash of $27,083,728 (2025: $9,389,792) for contingencies and operating purposes.

		2026		2025
Cash and cash equivalents	$	**4,947,123**	$	13,555,046
Term deposits and guaranteed investment certificates		**44,838,183**		31,001,436
	$	**49,785,306**	$	44,556,482

		2026		2025
Internally restricted:				
Capital	**$**	**17,868,804**	$	12,985,479
Community improvement		**23,874,130**		23,744,658
Culture and language		**1,070,407**		1,073,261
Lands and resources		**3,329,425**		3,052,145
Minors trust		**1,642,541**		1,700,939
Mortgage guarantee (Note 11)		**2,000,000**		2,000,000
	$	**49,785,306**	$	44,556,482

As at March 31, 2026, the total fair value of the Nation's portfolio investments exceeded their cost by $11,862 (2025 - $8,208), which has been reflected in the Nation's statement of remeasurement gains and losses.

3. Accounts receivable

	2026	2025
Indigenous Services Canada	**16,854**	451,389
Crown-Indigenous Relations and Northern Affairs Canada	**786,698**	335,747
Government of Canada	**364,626**	309,262
Province of British Columbia	**685,745**	39,059
Accrued interest	**1,748,646**	1,369,400
Other	**746,930**	984,091
	4,349,499	3,488,948
Tla'amin Nation Citizens	**1,881,147**	1,852,851
Less allowance for doubtful accounts	**(1,858,656)**	(1,815,034)
	22,491	37,817
	4,371,990	3,526,765

4. Investments

	2026	2025
Salish Seas Fisheries Limited Partnership ("SSFLP") limited partnership interest, equity method	**2,717,270**	2,609,357
Salish Seas Fisheriers Ltd. ("SSF"), shares at cost	**1**	1
North Island 911 Corporation ("NI911") ("NI911"), shares at cost	**3,918**	-
BCFN Gaming Revenue Sharing Limited Partnership ("BCFN GR LP"), limited partnership interest at cost	**100**	100
BCFN Gaming Revenue General Partner Inc. ("BCFN GR GP"), shares at cost	**10**	10
	2,721,299	2,609,468

The Nation's investments in SSFLP and SSF consists of a 33% limited partnership interest in SSFLP and a 33% beneficial interest in one common share of SSF. The Nation does not control SSFLP's and SSF's operations or assets. Accordingly, the Nation measures its limited partnership investment in SSFLP using the equity method, with the Nation's interest adjusted each year for its share of limited partnership earnings or loss and for any distributions to or from the limited partnership earnings or loss and for any distributions to or from the limited partnership, and its share investment in SSF using the cost method. Total investment revenue for the year ended March 31, 2026 from the Nation's investment in SSFLP total $107,912 (2025 - $224,867).

The Nation's investment in BCFN GR LP consists of a limited partnership interest, by way of a $100 capital contribution, and its investment in BCFN GR GP consists of shares in the general partner corporation. As the Nation, through its investments, does not control or jointly control either entity, its investments are measured using the cost method. Other revenue includes $517,818 (2025 - $550,618) of gaming revenue sharing contributions.

5. Investments in business enterprises

		2026	2025
Government business enterprises		**5,136**	4,038
Government business partnerships		**46,322,710**	43,165,159
	$	**46,327,846**	43,169,197

The change in the Nation's investment in government business enterprises and government business partnerships consists of the following:

	2026	2025
Equity in earnings of business partnerships	**10,977,761**	12,917,400
Equity in earnings of business enterprises	**1,097**	1,292
Net drawings from business partnerships	**(7,820,210)**	(3,025,133)
	3,158,648	9,893,559

The Nation's investment interest and year-end for its business enterprises is as follows:

	Interest	Year-end
Government business enterprise:		
Tla'amin Holdings Inc ("TH")	100%	December 31
Government business partnership		
Tla'amin Holdings Limited Partnership ("THLP)	99.99%	December 31

(a) Government business enterprises (GBE):

The Nation's investment in wholly-owned incorporated entities is summarized below

	2026	2025
TH:		
Investments in shares at cost	**1**	1
Accumulated equity in earnings	**5,135**	4,037
	5,136	4,038

TH:

TH is the general partner in THLP and was formed to serve as the Nation's primary investment interest in its government business operations.

The fiscal year end of TH is December 31, and the financial information provided in note 5 is for the period ended December 31, 2025, with comparative information for the year ended December 31, 2024. There were no material changes in TH's operations from their fiscal year end date to March 31, 2026.

Financial information for TH, as at December 31, 2025 is summarized below:

	2026	2025
Balance sheet information		
Assets	**5,135**	4,037
Liabilities	**-**	-
Shareholder's equity	**5,135**	4,037
Results of operations		
Revenue	**1,098**	1,224
Earnings (loss)	**1,098**	1,224

(b) Government business partnerships (GBP):

The Nation's investment in limited partnerships is summarized below:

	2026	2025
THLP		
Partnership equity interest	**46,322,710**	43,165,159

THLP:

The Nation and TH formed a limited partnership, THLP. THLP was formed to serve as the Nation's primary investment interest in its government business operations which include forestry, tourism, and hospitality, food and beverage, land development and leasing, and investment operations.

The fiscal year end of THLP is December 31, and the financial information provided in Note 5 is at and for the year ended December 31, 2025, with comparative information for the year ended December 31, 2024. On February 19, 2026 THLP acquired a business unit of an unrelated entity, which includes a new tree farm license ("TFL 39"). The purchase price of the agreement was $80 million and was financed through THLP's operating cashflows and a new long-term obligation held with CIBC, there were no material changes in operating activity from the purchase date to March 31, 2026.

Financial information for THLP, as at December 31, 2025 and 2024, is summarized below:

	2026	2025
Balance sheet information		
Assets	**89,729,695**	89,554,931
Liabilities - external debt	**1,166,851**	-
Liabilities - other	**17,238,417**	21,057,231
Partners' equity	**68,631,215**	68,497,700
Results of operations		
Revenue	**26,081,680**	31,494,707
Expenses	**17,702,177**	22,704,503
Other income (loss)	**2,664,448**	3,450,531
Earnings (loss)	**10,978,858**	12,240,735

5. Investments in business enterprises (continued)

The Nation owns 100% of the partnership units in Tla'amin Holdings Limited Partnership (THLP) and 100% of the shares in Tla'amin Holdings Inc., its general partner. The Nation accounts for its investment in THLP using the modified equity method under PSAS.

In 2022, THLP adopted ASPE and, on transition, recorded a fair value adjustment ("FMV bump") to a revenue-generating property. This adjustment increased THLP's equity but was recognized directly in partners' equity rather than through net income. Under PSAS, such adjustments are not recognized by the investor because they do not flow through the investee's income statement.

As a result, the Nation's reported investment in THLP differs from the total equity reported in THLP. The difference reflects the FMV bump recorded under ASPE and represents a reconciling item that is not recognized unless realized through the investee's net income.

6. Deferred revenue

	2026	2025
Indigenous Services Canada	**13,858,672**	9,049,170
Crown-Indigenous Relations and Northern Affairs Canada	**3,111,014**	3,865,196
Province of British Columbia	**1,910,966**	2,965,903
Grants and other	**5,477,785**	4,575,958
Rent	**77,042**	77,208
	24,435,479	20,533,435

Indigenous Services Canada deferred revenue includes non-interest-bearing advances with respect to outstanding claims totaling $491,023 (2025 - $491,023). The advances are supported by promissory notes and are repayable on the earlier of the claim settlement or March 31 2026-2028. As management expects the advances will be extinguished through proceeds of the claim settlement, the balance has been included in deferred revenue.

Net change in deferred revenue for the year was as follows:

	2026	2025
Balance, beginning of year	**20,533,435**	18,738,537
Contributions received	**62,461,952**	49,013,981
Amounts recorded in revenue	**(58,559,908)**	(47,219,083)
Balance, end of year	**24,435,479**	20,533,435

7. Term debt

	2026	2025
Term loan, repayable in total monthly installments of $35,731 including interest of 3.33%, secured by a general security agreement and maturing November 2026	**5,222,535**	5,472,903
	5,222,535	5,472,903

The Nation has an available operating line of credit with a credit limit of $350,000. The line of credit bears interest at the bank's prime lending rate and is secured by a general security agreement.

Based on maturity provision to March 31, 2026, the full balance of term debt is expected to be repaid in the year ended March 31, 2027.

8. Accumulated surplus

	2026	2025
Financial surplus:		
Unrestricted operating surplus	**71,957,933**	58,017,623
Internally restricted surplus (Note 9)	**36,866,737**	41,197,094
	108,824,670	99,214,717
Invested in tangible capital assets (Note 10)	**73,682,737**	57,092,014
	182,507,407	156,306,731

9. Internally restricted surplus

	Beginning balance	Contributions	Investment revenue	Approved expenses	Ending Balance
Capital	8,756,689	13,465,901	597,526	(18,462,397)	4,357,719
Community Improvement	24,485,368	13,522	657,913	(782,364)	24,374,439
Culture & language	1,106,741	-	78,097	(92,000)	1,092,838
Lands & resources	3,147,357	-	251,843	-	3,399,200
Minors trust	1,700,939	9,677	44,239	(112,314)	1,642,541
Mortgage guarantee	2,000,000	-	-	-	2,000,000
	41,197,094	13,489,100	1,629,618	(19,449,075)	36,866,737

10. Invested in tangible capital assets

(a) Investment in tangible capital assets:

	2026	2025
Tangible capital assets	**78,905,272**	62,564,917
Less financed by:		
Term debt	**5,222,535**	5,472,903
	73,682,737	57,092,014

(b) Change in invested in tangible capital assets:

	2026	2025
Balance, beginning of year	**57,092,014**	44,971,209
Acquisition(net of disposals) of tangible capital assets	**18,990,769**	14,173,605
Amortization of tangible capital assets	**(2,650,413)**	(2,295,356)
Repayment of term debt	**250,367**	242,556
Balance, end of year	**73,682,737**	57,092,014

11. Commitments and contingencies

(a) Contractual commitments:

The Nation has entered into contractual obligations for ongoing construction projects, with remaining contractual commitments of approximately $15.13 million as at March 31, 2026 (2025 - $23.1 million).

(b) Other housing loan guarantees:

The Nation is contingently liable as guarantor for housing loans taken by members with two different financial institutions, up to agreed limits of $3.0 million and $2.0 million, respectively. The guaranteed housing loans outstanding as at March 31, 2026 total $3,844,980 (2025 - $2,295,088). In connection with the guarantees, the Nation has a deposit of $2.0 million, which is included in restricted cash and investments (Note 2).

12. Related party transactions and amounts due to related parties

Transactions with GBE's and GBP's, and their subsidiaries included the following:

	2026	2025
Revenue:		
Property taxes	**103,560**	75,919
Rental	**45,658**	12,000
Other	**23,317**	59,281
Expenses:		
Consulting	**210,722**	327,262
Miscellaneous	**-**	35,168
Supplies and equipment	**161,299**	105,433

These transactions are in the normal course of operations and are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

13. Financial Instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation is exposed to credit risk with respect to its cash and cash equivalents, restricted cash and cash equivalents and investments, and accounts receivable. Credit risk related to cash and cash equivalents and restricted cash and cash equivalents and investments is mitigated as amounts are held with major Canadian financial institutions. Credit risk related to accounts receivable is mitigated as the Nation enters into credit agreements with credit worthy counterparts.

(b) Liquidity risk:

Liquidity risk is the risk that the Nation will not be able to meet its financial obligations as they become due. The Nation monitors the maturity of its financial liabilities and assess whether it has sufficient cash to settle these financial obligations when due. The Nation is subject to non-financial covenants and restrictions in relation to its long-term debt (Note 7), for the year ended March 31, 2026, the Nation was not in compliance with its annual financial reporting requirement.

(c) Interest rate and cash flow risk:

Interest rate risk relates to the impact of changes in interest rates on the Nation's future cash inflows from its investments and future cash outflows on its term debt. The Nation's cash and cash equivalents are held in cash or short term money market instruments; accordingly, the Nation is not subject to significant interest rate risk in regards to these financial assets.

The Nation is subject to interest rate and cash flow risk with respect to its term debt, as disclosed in Note 7. The Nation manages interest rate risk through negotiations with lenders at origination or renewal of loan agreements. There has been no significant change in the Nation's interest rate and cash flow risk in 2026.

(d) Concentration of revenue:

The Nation receives a significant portion of its revenue each year through government transfers pursuant to funding agreements with Indigenous Services Canada, the Province of British Columbia and other federal and provincial government funding agencies. Any disruption in this funding could have a negative effect on the Nation's operations.

14. Segmented operations

Segmented information has been identified based on programs provided by the Nation. Programs are provided by controlled entities, funds and departments, and their activities are reported by function in the consolidated financial statement of operations and accumulated surplus. Certain programs that have been separately disclosed are summarized below, with activity for the year ended March 31 summarized in Schedule 3.

(a) Administration

Administration provides the functions of corporate administration, finance, human resources, legislative services, elected officials, membership and registry, and cultural activities.

(b) Education

Education is responsible for administering and facilitating education programs including elementary and secondary, post-secondary, qualifying credit courses, and community education programs.

(c) Health

Health's focus is to improve and maintain health, lifestyle, and wellness in the Nation.

(d) Housing

Housing relates to rental housing units owned or managed on or by the Nation.

(e) Infrastructure

Infrastructure operates to maintain the Nation's infrastructure.

(f) Land and resources

Land and resources operates to maintain the Nation's land and buildings, including fisheries and forestry.

(g) Social development

Social development provides social programs to Nation's members.

(h) Taxation

Taxation includes revenue from property tax levies, goods and services tax and funds received from impact benefits and costs related to the administration of the property taxation department.

15. Comparative Figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

Tla'amin Nation
Schedule of Consolidated Expenses by Object (Schedule 1)
March 31, 2026

	2026	2025
Accounting and legal	**$ 835,712**	$ 864,515
Amortization	**2,650,413**	2,295,356
Consulting	**4,537,856**	3,949,404
Distributions to citizens	**997,538**	891,816
Doubtful accounts provision	**95,073**	203,193
Education	**4,494,775**	3,937,994
Grants and bursaries	**237,052**	204,275
Honoraria	**170,076**	134,034
Insurance	**1,227,526**	1,087,604
Interest	**200,815**	216,683
Miscellaneous	**1,330,007**	452,392
Programming	**1,454,548**	1,204,013
Repairs and maintenance	**1,660,909**	1,668,857
Social health and child benefits	**1,452,613**	1,430,077
Supplies	**1,366,705**	1,137,905
Telephone and utilities	**935,417**	659,385
Travel and training	**1,379,616**	1,015,413
Wages and benefits	**19,192,784**	17,528,247
	$ 44,219,436	$ 38,881,163

Tla'amin Nation
Consolidated Schedule of Tangible Capital Assets (Schedule 2)
March 31, 2026

March 31, 2026	Land	Buildings and improvements	Infrastructure	Equipment	Construction in progress	Net book value
Cost:						
Beginning of year	$ 3,892,169	$ 54,498,956	$ 5,530,681	$ 7,286,931	$ 13,516,327	$ 84,725,064
Acquisitions	241,466	3,852,487	64,456	1,153,825	13,941,278	19,253,512
Disposals	-	(307,089)	-	(80,496)	-	(387,585)
Transfers	-	9,576,836	-	-	(9,576,836)	-
End of year	4,133,635	67,621,190	5,595,137	8,360,260	17,880,769	103,590,991
Accumulated amortization:						
Beginning of year	-	15,324,805	2,387,675	4,447,667	-	22,160,147
Disposals	-	(50,887)	-	(73,954)	-	(124,841)
Amortization	-	1,854,616	128,850	666,947	-	2,650,413
End of year	-	17,128,534	2,516,525	5,040,660	-	24,685,719
Net book value	$ 4,133,635	$ 50,492,656	$ 3,078,612	$ 3,319,600	$ 17,880,769	$ 78,905,272

March 31, 2025	Land	Buildings and improvements	Infrastructure	Equipment	Construction in progress	Net book value
Cost:						
Beginning of year	$ 3,892,169	$ 52,936,073	$ 5,352,040	$ 6,261,690	$ 2,122,793	$ 70,564,765
Acquisitions	-	1,562,883	78,640	1,125,311	11,493,534	14,260,368
Disposals	-	-	-	(100,069)	-	(100,069)
Transfers	-	-	100,000	-	(100,000)	-
End of year	3,892,169	54,498,956	5,530,680	7,286,932	13,516,327	84,725,064
Accumulated amortization:						
Beginning of year	-	13,729,266	2,258,521	3,890,309	-	19,878,096
Disposals	-	-	-	(13,305)	-	(13,305)
Amortization	-	1,595,539	129,154	570,663	-	2,295,356
End of year	-	15,324,805	2,387,675	4,447,667	-	22,160,147
Net book value	$ 3,892,169	$ 39,174,151	$ 3,143,005	$ 2,839,265	$ 13,516,327	$ 62,564,917

Tla'amin Nation
Consolidated Schedule of Segmented Information (Schedule 3)
March 31, 2026

Year ended March 31, 2026

	Revenue				Expenses				
	ISC &CIRNAC (net of transfer to Trust)	Other	Equity in earnings of GBE & GPB	Total	Amortization	Wages and Benefits	Other	Total	Surplus (deficit)
Administration	$ 11,598,506	$ 6,458,207	$ 10,978,858	$ 29,033,862	$ 2,487,499	$ 5,155,888	$ 6,190,940	$ 13,834,327	$ 15,199,535
Education	3,155,092	2,449,455	-	5,604,547	-	2,246,122	5,003,931	7,250,053	(1,645,506)
Health	2,029,595	3,829,583	-	5,859,178	162,914	3,764,556	2,029,400	5,956,871	(97,693)
Housing	3,377,595	3,006,155	-	6,383,750	-	667,805	1,444,272	2,112,077	4,271,673
Infrastructure	12,610,379	317,626	-	12,928,005	-	3,152,994	1,459,400	4,612,394	8,315,611
Lands and resources	1,032,730	5,314,592	-	6,347,322	-	2,371,412	2,028,511	4,399,923	1,947,399
Social development	1,299,624	2,427,086	-	3,726,710	-	1,931,320	3,885,187	5,816,507	(2,089,797)
Taxation	-	533,085	-	533,085	-	15,196	222,089	237,285	295,800
	$ 35,103,521	$ 24,335,789	$ 10,978,858	$ 70,416,459	$ 2,650,413	$ 19,305,293	$ 22,263,730	$ 44,219,436	$ 26,197,023

Year ended March 31, 2025

	Revenue				Expenses				
	ISC &CIRNAC (net of transfer to Trust)	Other	Equity in earnings of GBE & GPB	Total	Amortization	Wages and Benefits	Other	Total	Surplus (deficit)
Administration	$ 7,181,139	$ 6,869,457	$ 12,918,692	$ 26,969,288	$ 2,213,774	$ 4,801,116	$ 5,223,034	$ 12,237,924	$ 14,731,364
Education	3,706,379	1,302,442	-	5,008,821	-	2,096,617	4,483,153	6,579,770	(1,570,949)
Health	2,166,916	3,866,049	-	6,032,965	81,581	3,764,468	2,558,601	6,404,650	(371,685)
Housing	1,391,777	835,832	-	2,227,609	-	381,283	1,171,697	1,552,980	674,629
Infrastructure	2,287,413	7,144,422	-	9,431,836	-	3,042,481	1,099,872	4,142,353	5,289,482
Lands and resources	3,532,355	2,671,029	-	6,203,384	-	2,035,121	1,488,458	3,523,579	2,679,805
Social development	3,834,392	581,492	-	4,415,884	-	1,390,631	2,859,405	4,250,035	165,849
Taxation	-	469,218	-	469,218	-	16,535	173,340	189,876	279,343
	$ 24,100,371	$ 23,739,942	$ 12,918,692	$ 60,759,005	$ 2,295,356	$ 17,528,252	$ 19,057,560	$ 38,881,163	$ 21,877,842